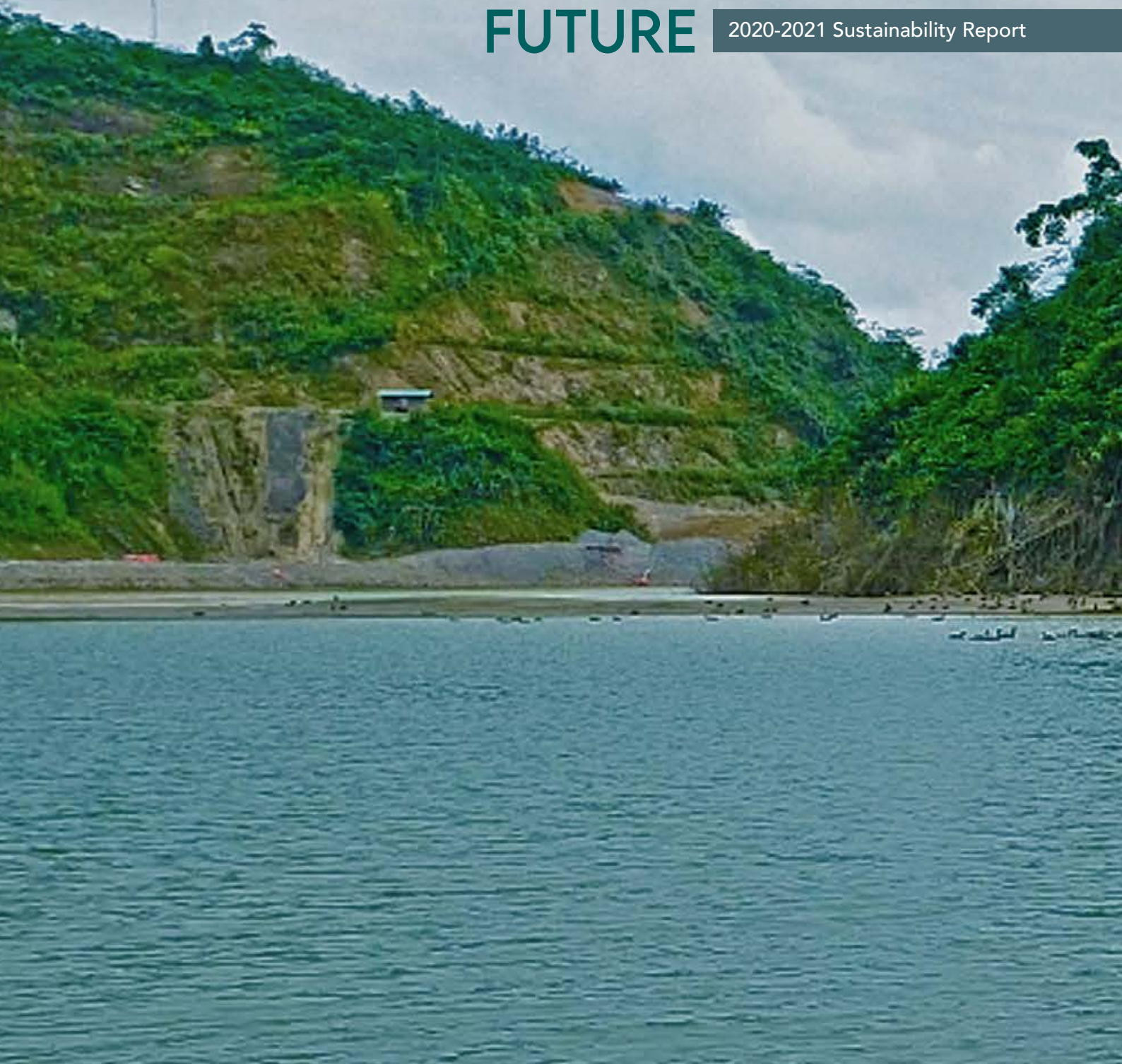




# ANCHORING ON OUR VALUES FOR A SUSTAINABLE FUTURE

2020-2021 Sustainability Report





# About the Report

(102-46, 102-50)

We are pleased to share with you our third Sustainability Report which covers our sustainability performance from January 1, 2020 to December 31, 2021. This report has been prepared in accordance with the GRI Standards: Comprehensive Option along with the Mining and Metals Sector Supplement of GRI. The terms 'our Company', 'our business', 'us', 'our' and 'we' used in this report refer to FCF Minerals Corporation (FCF).

This report provides our stakeholders with a transparent account and comprehensive information on our sustainability performance including our governance disclosures – particularly on how we addressed the most material sustainability issues of our Company from 2020 to 2021. We have also aligned our material topics with the United Nations Sustainable Development Goals (UN SDGs), which reflect our dedication to contribute to an inclusive and sustainable future.

Since 2018, our Company has highlighted our strategic developments and performance through sustainability reporting. In this report, we aim to highlight our commitment, purpose, ambition, strategy, objectives, and governance to pursue our sustainability strategy – rooted in our corporate values and principles. All our actions are directed towards one common objective: *to achieve excellence in all that we do.*



## Our Values (102-16)



Prevent harm



Show respect



Act honestly



Be accountable



Seek excellence



Innovate and create



Acknowledge success



Be fearless



## Contents

Sustainability Performance Highlights	02
Our Company	04
Message from the President and CEO	08
Our Sustainability Strategy	10
Our COVID-19 Response	12
Stakeholder Engagement and Materiality Assessment	15
Our Sustainability Performance	21



## Transparency in Building towards Economic Recovery 21

- Ensuring long-term prosperity for our stakeholders and to the whole economy 22
- Building an inclusive economic development 23
- Towards a more meaningful and lasting economic impact for all 24
- Responsible sourcing and supply 28
- Tax contribution for nation building 30

## Accountability in Conserving the Environment 32

- Ensuring responsible energy management 33
- Enhancing water management to maintain operations 34
- Going beyond for biodiversity conservation 35
- Our contributions to addressing climate change 40
- Maximizing our resources to reduce wastes 41
- Adhering to environmental laws and regulations 44

## Excellence in Protecting our People 46

- Engaging and caring for our people 47
- Fostering stronger workforce relations 52
- Safety and health above all 52
- Supporting our people's continuous development 55
- Ensuring a safe and inclusive workplace 57
- Marching against child, forced and compulsory labor 60
- Securing safe operating environment through sustainable security practices 61
- Creating an inclusive and long-term partnership with Indigenous Peoples 62
- Strengthening social license by respecting and upholding human rights 63



- Fostering growth in our partner communities with the growth of our Company 65
- Taking customer privacy seriously in our business 69
- Compliance with regulations as non-negotiable 70

Awards and Recognition of FCF	70
GRI Content Index	71
Technical Working Group	IBC

# Sustainability Performance Highlights



Transparency in Building towards Economic Recovery



Accountability in Conserving the Environment



Excellence in Protecting our People



Our collective efforts in pursuing economic, environmental, and social growth are embedded in our core values as a Company. We continue to make progress in delivering our strategy towards a sustainable future.

**Economic Contributions:**

PHP6.3 billion  
2021

PHP6 billion  
2020

**Total contribution to infrastructure and support services:**

PHP18.6 million  
2021

PHP23.4 million  
2020

**Profit before tax:  
(Philippines)**



USD25.98 million  
2021

USD21.3 million  
2020

**Habitats restored:**

7.17 hectares  
2021

8.81 hectares  
2020

Accumulated: 35.62 hectares since the start of our mine operation

**Habitats protected:**

871.34 hectares



**Mining Forest Program:**

2021 1st runner-up Best Mining Forest (Metallic Category)

2020 2nd runner-up Best Mining Forest (Metallic Category)



15 million  
safe manhours worked without a Lost Time Incident (LTI) in 2021

Safest Surface Mine Operations and Safest Mining Operations in the country in 2020

**Women in Leadership Positions:**

34%  
2021

33%  
2020

**Women in Workforce:**

36%  
2021

30%  
2020

**Five PWD employees**



76% of employees are fully vaccinated as of 2021

PHP8.7 million of COVID-19 donations in host and neighboring communities



# Our Company

## Vision

To be the most admired gold producer in the Philippines

## Mission

To enhance the lives of our people and local communities through the responsible management of our natural resources

To deliver resource development and performance that owners have confidence in and employees are proud of

### About the Company

(102-2, 102-5)

FCF Minerals Corporation is a mining company engaged in the exploration, development, and commercial operation of mineral claims through the Runruno Gold-Molybdenum Project (RGMP). The Company was incorporated in 2001 and on February 1, 2005, Metals Exploration Plc (MEP) entered into a Memorandum of Agreement to acquire 40% of the subscribed share capital of FCF, with an option to increase that holding if it desired. From February 1, 2005, MEP

increased its shareholding in FCF in various stages and ultimately became the sole owner of FCF on December 2, 2011.

MEP is an investment and holding company. Its registered office is at 200 Strand London WC2R 1DJ, United Kingdom and its Philippine office is located at Unit 1407 Pacific Star Building, Sen. Gil Puyat Ave, cor. Makati Ave., Makati City. MEP is listed on the Alternative Investment Market (AIM) in London with ticker identity MTL.



### Area of Operations

The Runruno Gold-Molybdenum Project is located in Barangay Runruno, Municipality of Quezon in the Province of Nueva Vizcaya. The area has been known to be abundant in gold and other precious metals since the early 1960s and has enjoyed a varied exploration history.

MEP, through its wholly owned subsidiary company FCF, first became involved with the Runruno deposit in 2005 and conducted extensive scientific and geological surveys with positive results. In May 2010, the Company disclosed the results of the Runruno project feasibility study which confirmed its viability, projecting an average production of 96,700 oz of

gold per annum over a mine life of 10.4 years, at an average forecast operating cost of USD477/oz gold. The capital cost is forecasted to be USD149.3 million.

The Runruno project is a surface scooping mine operation and uses the proven BIOX® and carbon in leach processes to recover gold. The deposit is located within a large alkaline volcanic complex, approximately 3.5 kilometers in diameter, of which less than 15% has been effectively explored presenting possible exploration upside.



### Municipal Profile of Quezon, Nueva Vizcaya

The Town of Quezon in Nueva Vizcaya is a 4th class municipality categorized by the Bureau of Local Government Finance. It is situated in the northeastern part of the province of Nueva Vizcaya (16°20'North and 121°25' East). The town is unique as it is ideally located at the center of six (6) municipalities. It is bounded on the west by the municipality of Solano; on the north by the municipality of Bagabag; on the east by the municipality of Diffun, province of Quirino; on the southeast by the municipality of Kasibu; and on the southwest by the municipalities of Bayombong and Bambang.

It is around 282 kilometers north of Manila and 14 kilometers from the Provincial Capitol in Bayombong. It covers a land area of 23,349.37 hectares or about 5.37% of the province's total land area.

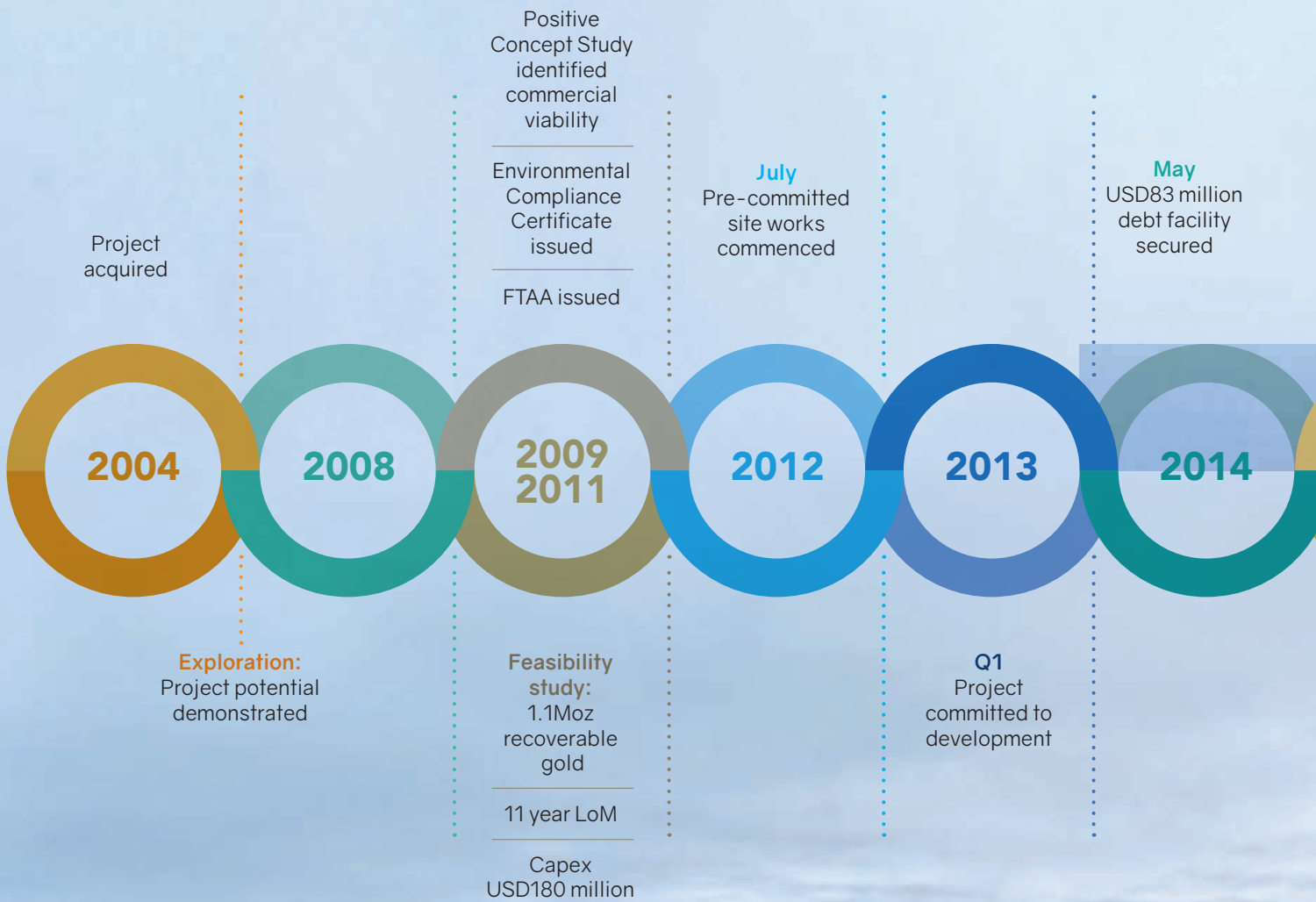
The municipality is politically subdivided into 12 barangays, the biggest of which is Barangay Runruno with an area of 10, 278.62 hectares.



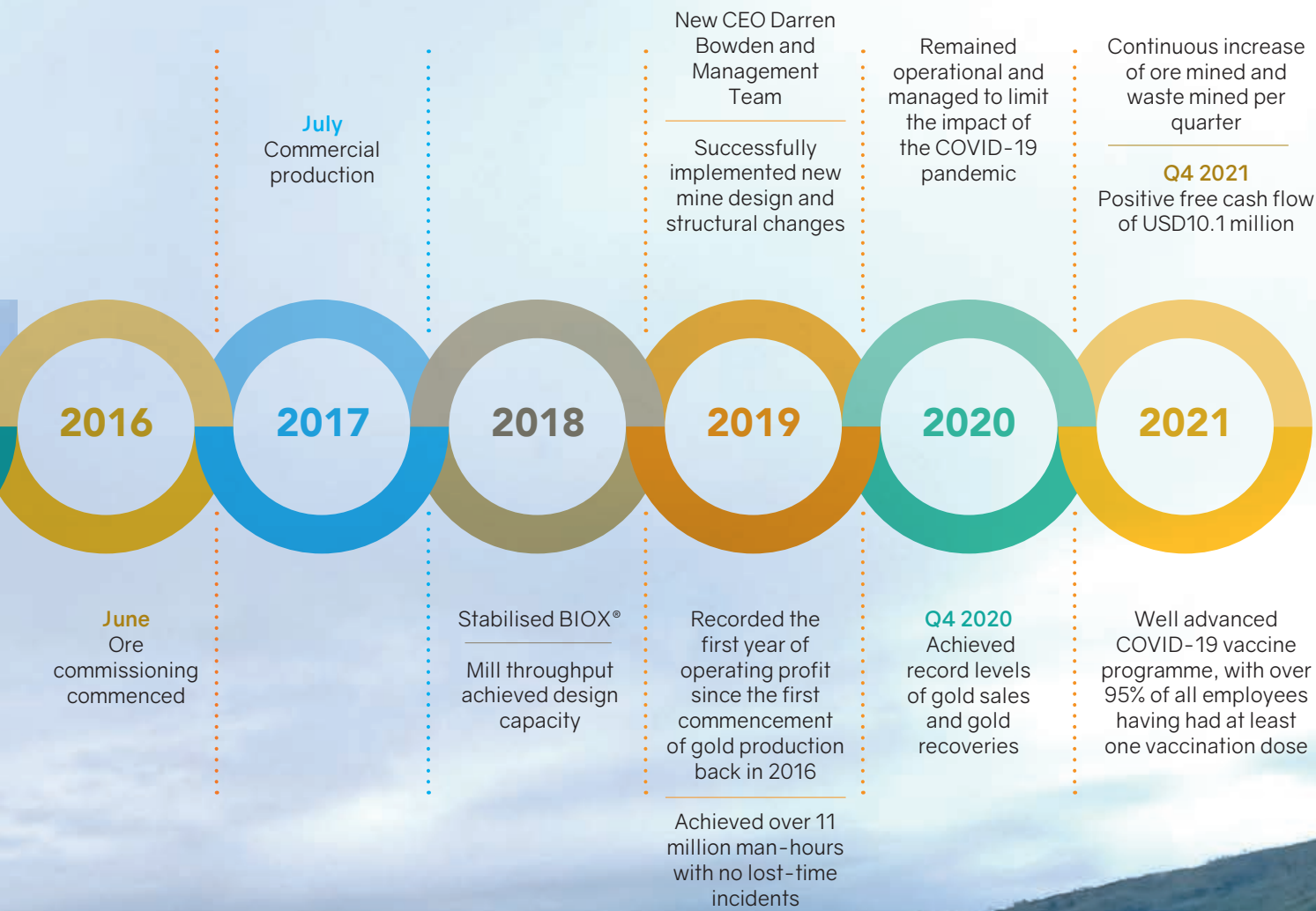


# Runruno Timeline

Operational since July 2017









# Message from the President and CEO

(102-14)



As a responsible mining company, we ensure that our Company's core values reverberate across all aspects of our business and represent the way we do business. And I am very pleased to see that our values are being shared by our local communities and partner stakeholders. These shared commitments give me optimism that our Company is well-positioned to support long-term recovery and help local communities and partners to recover and rebuild.

The year 2020 was truly an extraordinarily challenging year as the world has faced a global health emergency with the spread of the COVID-19 pandemic. Until now, the impact of the pandemic on the mining sector has been unprecedented and remains uncertain. However, the mining sector in the Philippines is beginning to adapt quickly by working together with the national

and local governments to address the challenges caused by the crisis in order to support its employees and their families, communities, and partner stakeholders.

In the face of today's uncertainty, we take a look back at our corporate values to help us navigate and successfully overcome the challenges in the new business normal. Our third Sustainability Report, "Anchoring on

our Values for a Sustainable Future," covering the period 2020 to 2021, describes our Company's approach to the pandemic and value drivers on how we are building back better for the post-pandemic future. Our business was founded on a set of values that promotes sustainable economic growth, the building of resilient and inclusive communities, and developing the innovations needed to urgently address the challenges of the new normal. At the onset of the pandemic, our response has been driven by three key priorities consistent with our values of achieving excellence in all that we do through protecting the health and safety of our staff and local communities, reinforcing a resilient business infrastructure to build forward better, and laying the groundwork to support the long-term recovery of our local communities and suppliers towards building community resilience to be able to cope with future crises.

## Health and safety as a central shared value

The higher level of safety and health awareness that we gained during our mining activities has facilitated the way we handled the current crisis. The successful implementation of essential protocols and measures established for our safe operations has resulted in outcomes that are secured, efficient, and streamlined. This involves working closely with local health authorities to ensure that our project site adheres to the health guidelines provided by the national and local authorities. Some of the protocols that we have implemented include COVID-19

As we work through this and prepare for the future, we will continue to uphold fundamental sustainability-related standards that were already at the forefront of our business processes prior to the pandemic and integrate it into our business plans to remain resilient and flourish in the new business normal.

testing, temperature screening on site, restrictions on work-related travel, social distancing, and provision of online hotlines for those needing medical advice and for the mental well-being of employees and those in the local community. The continuing observance of strict health measures is crucial to ensuring the safety of our employees and local communities and therefore, sustainably flatten the curve. Overall, our Company is satisfied with the handling of the outbreak as shown by the considerable low rate of positive cases among our employees tested compared to the communities outside our mining operations.

### Resilient business infrastructures for risk management

We realigned our business strategies to respond to the longer-term effects of the pandemic with a degree of agility and forward action coming from the company leadership. We immediately collaborated with organizations across our supply chains and our staff to draw their

attention to the digital transformation of professional services and remote work arrangements. In practice, we significantly shifted from in-person communication to virtual arrangements for purposes including business meetings, professional services, and managerial jobs. Although there were challenges in adapting to these changes, the consensus was that there was no reduction in productivity and our suppliers and vendors appreciated the flexibility and convenience of working remotely. As we work through this and prepare for the future, we will continue to uphold fundamental sustainability-related standards that were already at the forefront of our business processes prior to the pandemic and integrate it into our business plans to remain resilient and flourish in the new business normal.

### Supporting long-term economic recovery

The complex nature of our operations demanded a strong relationship with and special commitment to local

communities that are unlike any other sector. One of the key insights from the pandemic is the role that mining companies can potentially play to support and help communities and partners to quickly adapt in times of crises. This expression of solidarity and social responsibility has led to the refocusing and reframing of relationships with local community groups. As we move from the response to the recovery and rebuilding efforts in the post-pandemic phase, FCF will continue to learn from and encourage this positive collaboration.

This pandemic has made it immediately clear that FCF has shown adaptability, resilience, and compassion through its response to the pandemic. Values, arguably, are the most important component of these efforts. Well-defined values embedded into the business processes and structures along with consistent leadership actions and behaviors provide the foundation for corporate culture and its subsequent success. As a responsible mining company, we ensure that our Company's core values reverberate across all aspects of our business and represent the way we do business. And I am very pleased to see that our values are being shared by our local communities and partner stakeholders. These shared commitments give me optimism that our Company is well-positioned to support long-term recovery and help local communities and partners to recover and rebuild.



  
**Darren Bowden**  
President and  
Chief Executive Officer



# Our Sustainability Strategy

## Our Sustainability Framework

(102-15)

As a responsible mining company, we ensure to integrate sustainability in everything that we do. We balance the economic, environmental, and social aspects throughout our mining processes. As a result, we have adopted world-class environmental and social policies to minimize our impacts. The major non-economic risks include constructing a sustainable safe waste storage dam that will survive past the closure of the mine and the gradual rehabilitation of the disturbed mine area. We are also operating in an ongoing “back-fill” mine plan which allows rehabilitation of disturbed areas to be undertaken in conjunction with mining. In addition, we have won numerous government forestry awards for our rehabilitation programs.

By holding onto our core values as a Company, together with our stakeholders, we will attain our ambition to be the best gold producer in the Philippines.



### Planet

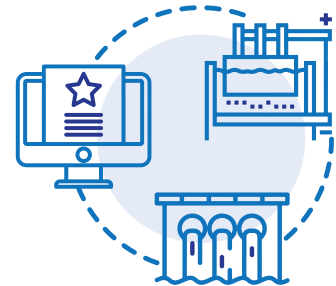
Our Runruno Gold-Molybdenum Project employs best practices with measurable outcomes to compensate for biodiversity disturbances and land movements and to replace and maintain the biodiversity richness of the areas surrounding the operations.



### People

We put emphasis on delivering improved standards and sustainable outcomes to the host communities.

We prioritize providing education on responsible mining, ensuring good health and wellness of the community, building strong partnerships and alliances, and respecting cultural heritage.



### Process

BIOX® is the first in the country that uses naturally occurring bacteria to liberate 95% content of gold.





ASTER technologies encompass four pollution control devices to destroy all cyanide species from residuals before pumping to the Residual Storage Impoundment (RSI).

## Our Balanced Business Plan

In our previous Sustainability Report, we shared our Balanced Business Plan for 2019-2020 including our strategic priorities and goals. We recognize that the pandemic has brought about unexpected challenges, but we remain committed to continuously improve our operational and business performance. Through our proactive approach in developing sustainable and inclusive strategies, we have increased our resilience as a Company and helped our stakeholders to move forward together to recover from the global health crisis.

In 2020 and 2021, our Company, led by our top management, conducted annual workshops with departmental managers to discuss our strategic direction in alignment with our core values. The managers then presented the progress of our plans including our targets, objectives, and key performance indicators during monthly departmental meetings with their respective staff members.



Our values	Strategic Priorities	Goals	Strategies
Seek excellence Innovate and create Be fearless	<b>Target 80, drive to 100.</b> 	Optimized mill performance  Optimized mine plan	Searching for the latest technologies in mining and processing, and proactively looking for cost-optimizing processes to improve its operational and financial performance
Prevent harm Be accountable	<b>Our people are gold.</b> 	Behavioral-based safety culture  Engaged and competent workforce	Prioritizing the advancement of quality and performance, formation and retention of its employees and offering a considerable compensation and incentives package to inspire, attract, and retain employees
Show respect	<b>Strengthening our community sustains our future.</b> 	Proactive partnership with government initiatives for the safety of the community  Progressive development of mining tenement	Working within the principles of socially responsible businesses and beneficial collaboration with community members and government agencies and aiming to keep its investments in the local communities
Acknowledge success Act honestly	<b>Profit equals growth.</b> 	Efficient systems and controls  Improved profitability	Sustaining financial performance as a crucial step for the Company to be able to give back to its shareholders and fulfill its responsibility to the community and environment



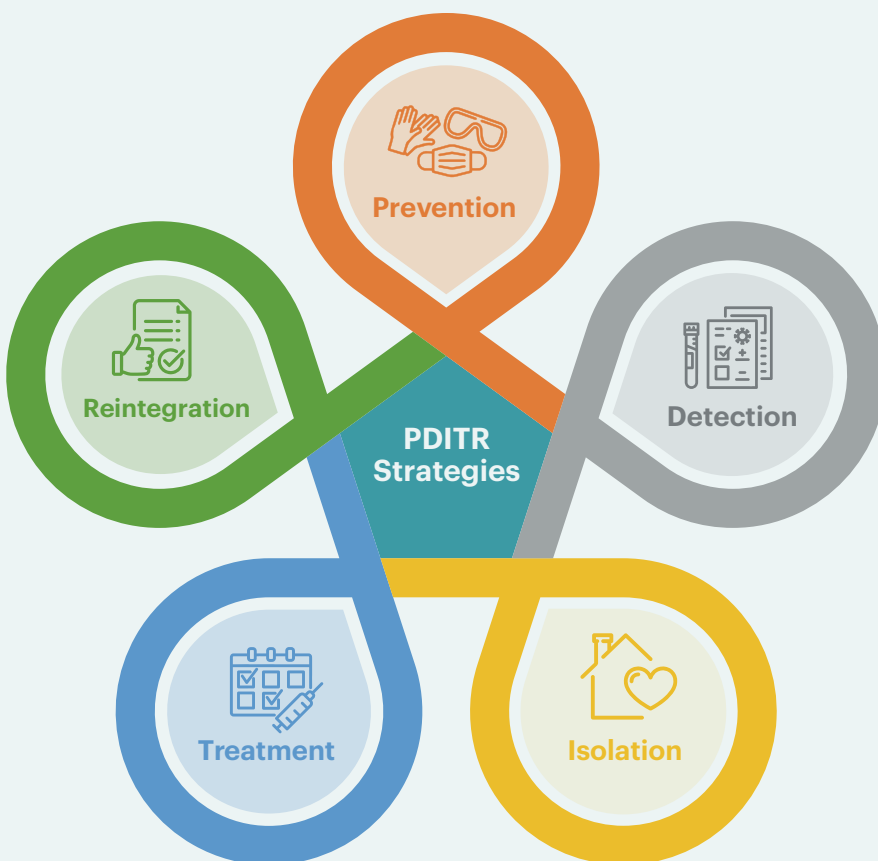
# Our COVID-19 Response

(102-14)



The world has undeniably faced the massive impacts of the COVID-19 pandemic that challenged our ability to be proactive, adaptable, and resilient. This global health crisis has pushed us to further deepen our priority to protect the health and well-being of our employees and their families as well as our partner communities.

In 2020, we were able to respond immediately to the pandemic by developing a COVID-19 Management Plan, led by our General Manager of Operations and our Occupational Safety and Health Department. The team identified the risks, possible strategies, and measures to address the specific concerns of our people, aligned with the guidelines of the Department of Labor and Employment, Department of Trade and Industry (DOLE-DTI) and Department of Health (DOH). Through our efforts, we had zero cases of COVID-19 among our on-site employees in 2020. However, with the increasing risks of the pandemic, a total of 310 cases were recorded in 2021.



## Protecting our people

Our COVID-19 Management Plan has provided a holistic approach which includes the following key focus areas: prevention, detection, isolation, treatment, and reintegration (PDITR). These strategies are strictly implemented to manage potential threats of virus among all personnel who are entering the site.

## Prevention

**Hazard identification** – As our first step, we identified the potential risk and exposure of our employees in relation to their respective jobs so we may assist them with their individual needs and concerns. Some of the risk factors include the extent of community transmissions, the physical environment of the workplace, the type of work activity, workers' possible existing medical conditions, the medical or other measures available to control the impact of the virus, and the relative success of these measures.

**Information drives and campaigns** – We conducted virtual meetings for our information campaigns to discuss

the risks and effects of the virus with our employees and to promote safety measures to prevent its transmission.

**Engineering and administrative controls** – Aside from disseminating information, we provided a practical guide for our employees in the site such as the use of floor marking and other barrier types to promote distancing (i.e., alcohol booth), establishing cough and sneeze etiquette procedure, proper hand hygiene and control procedure, installing safety signs, and active health monitoring and screening of each employee. We also provided COVID-19-related personal protective equipment (PPE) to all our employees such as face masks.



**Inoculation of the COVID-19 vaccines** – When the vaccines became available in our country, we ensured to immediately avail them for our employees. As of 2021, 76% of our employees were fully vaccinated, 19% partially vaccinated (total of 95.2% for fully and partial vaccination), leaving only 5% or 34 employees out of the entire workforce still unprotected.

## Detection

**COVID-19 Testing** – Our trained experts from the FCF Medical Group facilitated daily COVID-19 screening for all personnel in our site so we may safely continue our operations. In 2021, we shifted from Rapid Antibody Testing to Rapid Antigen Testing

in anticipation of the number of employees to be tested. This is done through scheduled random testing wherein approximately 30 individuals are screened per day and/or diagnostic testing as recommended by our site physicians.



## Isolation and Treatment

### Teleconference/Telemedicine

– For our members of the personnel who tested positive for COVID-19, we interviewed them for contact tracing purposes and directed them to our isolation facility within the site. For safety measures, we also tested their close contacts to determine whether they also acquired the virus. Our site physicians and nurses

closely monitored the conditions of our patients and responded to their concerns through teleconference or telemedicine. However, our isolation facility can only accommodate mild cases of COVID-19. For those with severe cases, they were transferred to a nearby hospital which can cater to their situation more effectively.





## Reintegration

**Toolboxes and bulletins** – We have conducted a reintegration program for recovered COVID-19 patients through toolboxes and bulletins to monitor whether they are already in good health condition, and fit enough to return to work.

**Additional Support** – We also ensure that the recovered COVID-19 patients were treated with empathy, care, and

support as they adapt to this new normal. We believe that workers who had recovered from COVID-19 shall not be discriminated against. Instead, he/she shall be supported and shall be entitled to work for as long as they are certified by an accredited health provider as medically fit and shall be restored to work as soon as their illness is controlled.



PHP8.8 million

in donations from the Social Development and Management Program (SDMP)



28,600

recipients from our host and neighboring communities in Nueva Vizcaya.

## Helping our communities

Through our Social Development and Management Program (SDMP), we donated a total of PHP8.8 million that benefitted approximately 28,600 recipients from our host and neighboring communities in Nueva Vizcaya. Our in-kind donations included health and medical supplies, groceries, and sacks of rice for the frontliners and residents. We have also extended our information campaigns to our stakeholders, educating them about the benefits of getting vaccines not only for themselves, but also for their families and communities. We employed various approaches such as distributing information materials and conducting a raffle activity.

## Rising above the pandemic

To date, the fight against the pandemic is not over yet. Nevertheless, we remain proactive to come up with contingency measures and constantly strengthen our COVID-19 Management Plan based on the latest information and guidelines released by the government. In our Company, we stay committed to our values in protecting our people and prioritizing our health and safety in every work that we do.







# Stakeholder Engagement and Materiality Assessment

(102-21, 102-42, 102-43)



This year, we have further reflected on our strategic priorities and aspirations as we collectively head towards a sustainable future. Given this, we have commissioned the University of Asia and the Pacific – Center for Social Responsibility (UA&P-CSR) to conduct a materiality assessment to help us review and determine the emerging sustainability topics that are deemed material to our Company and our stakeholders







## Materiality Assessment Process

This materiality assessment provided an objective and robust evaluation of the key sustainability issues that matter to us. First, UA&P-CSR facilitated a process of surfacing including the following: a) desk research of sustainability topics that are relevant to international organizations, regulators, investors, industry associations, and academic institutions, and b) benchmarking of material topics with our international and local industry peers.

Moreover, we have consulted the priority stakeholder groups through an online survey and focus group discussion to gain further insight on the key issues concerning them in relation to our business operations and activities. It should also be noted that we were only able to invite a limited number of stakeholders during the online consultation due to health restrictions and intermittent internet connection in their area.

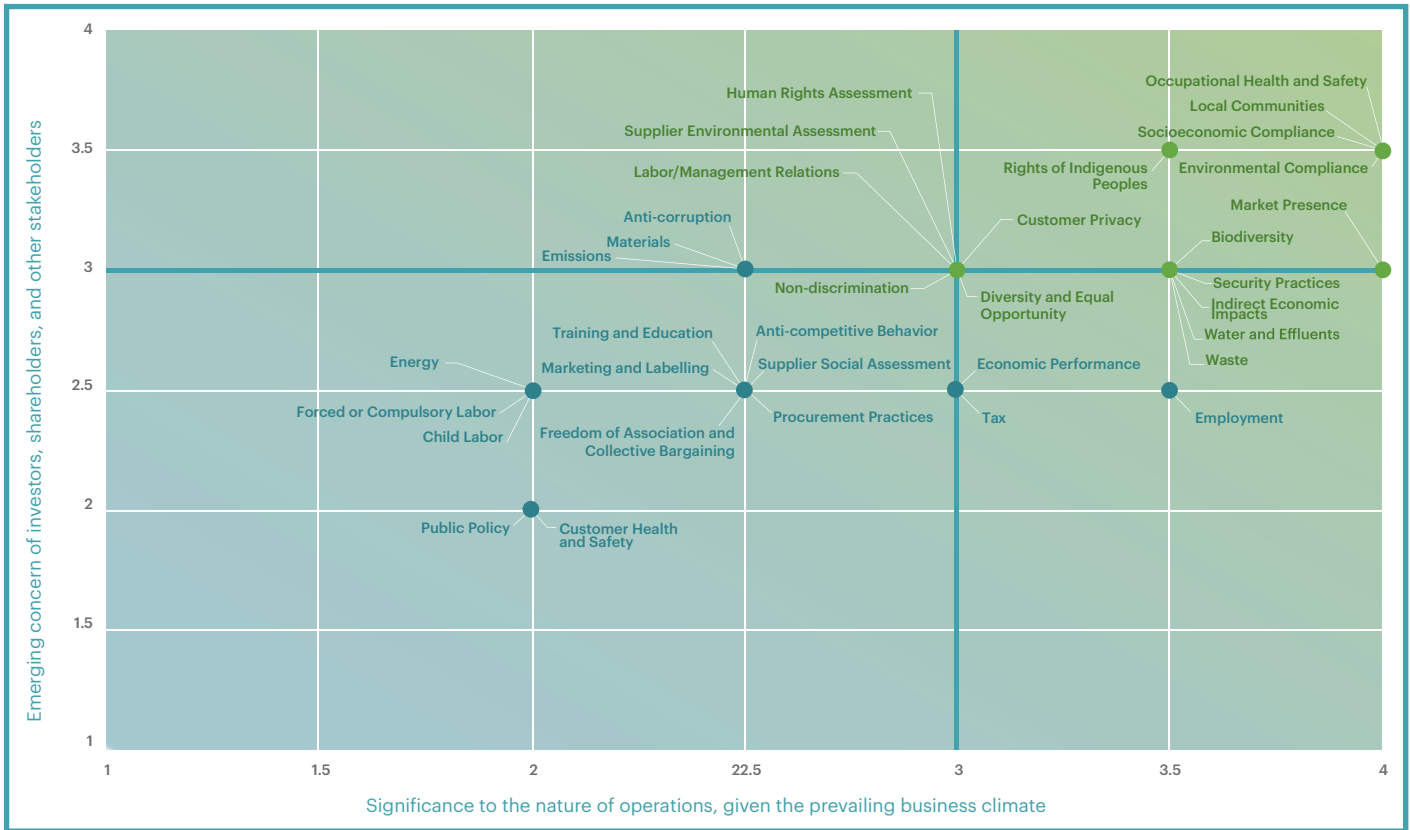


## Key Sustainability Issues (102-44)

Stakeholder Group (102-40)	Key concerns		
	Economic	Environmental	Social
<b>Security Providers</b> 	<ul style="list-style-type: none"> <li>• Future planning to expand operations</li> <li>• Ensuring long term sustainability with supporting local economic development</li> </ul>	<ul style="list-style-type: none"> <li>• Monitoring of potential effects of environmental air-borne toxins and pollutants which may lead to community health issues</li> <li>• Maintaining environmental protection as a high priority in mitigating effects on the natural ecosystem</li> </ul>	<ul style="list-style-type: none"> <li>• Lack of facilities to support Occupational Health and Safety policies</li> <li>• Communication and work performance from people on the ground</li> </ul>
<b>Regulatory Bodies</b> 	<ul style="list-style-type: none"> <li>• Sustaining the perceived development</li> </ul>	<ul style="list-style-type: none"> <li>• Following strict sanitation and environmental laws</li> <li>• No residual adverse impact of the final rehabilitation of the disturbed areas</li> </ul>	<ul style="list-style-type: none"> <li>• Continuous support in the community to sustain life on land</li> <li>• Ensuring good health and well-being through strict observance of health protocols to prevent possible bad effects</li> </ul>
<b>Contractors</b> 	<ul style="list-style-type: none"> <li>• Acknowledging the economic meltdown brought about by frequent lockdowns</li> </ul>		
<b>Suppliers</b> 		<ul style="list-style-type: none"> <li>• Permits are in place for the continuous operations of the plant</li> <li>• Reduced environmental impact</li> </ul>	<ul style="list-style-type: none"> <li>• Co-existence of the plant/business with the local community</li> </ul>
<b>Employees</b> 	<ul style="list-style-type: none"> <li>• Community officials' action</li> </ul>	<ul style="list-style-type: none"> <li>• Rehabilitation</li> <li>• Noise</li> <li>• Environmental impact</li> <li>• Climate change and its relation to plant operations</li> <li>• Lack of solid waste management</li> <li>• Foul odor from the process plant</li> </ul>	<ul style="list-style-type: none"> <li>• Infrastructure</li> <li>• Livelihood opportunities for local communities</li> <li>• Support to education</li> <li>• Access to health professionals and health facilities</li> <li>• Increasing COVID-19 cases</li> </ul>
<b>Partners</b> 	<ul style="list-style-type: none"> <li>• Unbalanced opportunities</li> </ul>	<ul style="list-style-type: none"> <li>• Pollution</li> <li>• Non-action on the climate change</li> <li>• Non-reduction of the carbon footprints</li> <li>• Pollution or health hazard</li> </ul>	<ul style="list-style-type: none"> <li>• Lack of quality education</li> <li>• COVID-19 pandemic</li> <li>• Lack of healthcare personnel</li> <li>• Possible land disputes</li> </ul>

The results of the desk research, benchmarking and stakeholder consultation were presented to our Executive Management Team (EMT). Our EMT assessed and prioritized the sustainability topics that are significant to our operations and considered as an emerging concern of our stakeholders.

Using a threshold of 3.00 and above, we have determined a total of **26 material topics** including five (5) economic, seven (7) environmental, and 14 social topics. Since we are adopting the Comprehensive Option of the GRI Standards, it is required to report on all topic-specific disclosures for each material topic.



## Materiality Matrix

The EMT conducted another review through a discussion to revisit the previously reported GRI Standards topics in the second Sustainability Report. Out of the 13 GRI Standards topics that were revisited by the EMT, nine (9) were included in the final list of material topics for the 2020-2021 SR including **Economic Performance, Procurement Practices, Tax, Energy, Emissions, Employment, Training and Education, Forced or Compulsory Labor, and Child Labor.**

### Economic

**GRI 201:** Economic Performance

**GRI 202:** Market Presence

**GRI 203:** Indirect Economic Impacts

**GRI 204:** Procurement Practices

**GRI 207:** Tax

### Environmental

**GRI 302:** Energy

**GRI 303:** Water and Effluents

**GRI 304:** Biodiversity

**GRI 305:** Emissions

**GRI 306:** Waste

**GRI 307:** Environmental Compliance

**GRI 308:** Supplier Environmental Assessment

### Social

**GRI 401:** Employment

**GRI 402:** Labor/Management Relations

**GRI 403:** Occupational Health and Safety

**GRI 404:** Training and Education

**GRI 405:** Diversity and Equal Opportunity

**GRI 406:** Non-discrimination

**GRI 408:** Child Labor

**GRI 409:** Forced or Compulsory Labor

**GRI 410:** Security Practices

**GRI 411:** Rights of Indigenous Peoples

**GRI 412:** Human Rights Assessment

**GRI 413:** Local Communities

**GRI 418:** Customer Privacy

**GRI 419:** Socioeconomic Compliance

Material Topics (102-47)

Material Topic	Alignment with the UN Sustainable Development Goals					
Economic Performance						
Market Presence						
Indirect Economic Impacts						
Procurement Practices						
Tax						
Energy						
Water and Effluents						
Biodiversity						
Emissions						

Material Topic	Alignment with the UN Sustainable Development Goals					
Waste						
Environmental Compliance						
Supplier Environmental Assessment						
Employment						
Labor/Management Relations						
Occupational Health and Safety						
Training and Education						
Diversity and Equal Opportunity						
Non-discrimination						

Material Topic	Alignment with the UN Sustainable Development Goals
Child Labor	  
Forced or Compulsory Labor	 
Security Practices	
Rights of Indigenous Peoples	
Human Rights Assessment	
Local Communities	 
Customer Privacy	
Socioeconomic Compliance	

# Our Sustainability Performance

## Transparency in Building towards Economic Recovery

**22**

Ensuring long-term prosperity for our stakeholders and to the whole economy

**23**

Building an inclusive economic development

**24**

Towards a more meaningful and lasting economic impact for all

**28**

Responsible sourcing and supply

**30**

Tax contribution for nation building

Since our business commenced, we ensure that our economic value generated is distributed equitably to achieve long-term prosperity for our stakeholders. We also recognize that our presence has pronounced implications to many sectors in the economy, thus, we extend our assistance to the households of our workers, the communities in and around the mining site, and our local suppliers.

# Be accountable: Ensuring long-term prosperity for our stakeholders and to the whole economy

(103-1, 103-2, 103-3)



## PHP6.4 billion

total revenue in 2021

## PHP6 billion

total revenue in 2020

Economic performance describes our economic value generated and distributed (EVG&D) to all our stakeholders and the whole economy. To achieve this, we ensure the proper management and security of all our Company's assets and liabilities. The true and correct documentation of all accounting transactions and their

timely recording and reporting are observed in a fully transparent and accountable manner.

The commercial group, composed of our Finance and Accounting units, has the primary responsibility for accounting, budget planning, forecasting, cash management, among others. They provide the necessary leadership and direction in the optimal management of all our Company's financial resources. Our Commercial Group also conducts regular monthly meetings and annual group strategic planning, which uses reportorial requirements to check the effectiveness of our implemented approaches.

Through all these established processes, we have a direct contribution to the economic welfare of all our stakeholders evident in our employees' wages and benefits, community contributions, dividends to our stockholders, and payments

to our suppliers and contractors. Our Company remains steadfast in our economic responsibilities to all our stakeholders and conscientious of our impact on the improvement of the quality of their lives.

### Direct economic value generated and distributed

(201-1)

From 2020 to 2021, we have increased our total revenue from PHP6 billion to PHP6.4 billion. These numbers are relatively higher compared to 2018 and 2019. Due to the impacts of the COVID-19 pandemic, there has been a slight reduction in our operating costs. Nevertheless, during this global health crisis, we have prioritized the welfare of our internal and external stakeholders by providing higher employee wages, benefits, and community investments. We have also paid a total of PHP6.4 billion in 2020 and PHP505 million in 2021 to the Philippine government.

### Direct economic value generated and distributed (201-1)

(in PHP)

Item/Description	Amount (2021)	Amount (2020)	Amount (2019)	Amount (2018)
I. Direct economic value generated:				
Total Revenue	6.4 billion	6 billion	4.9 billion	3.2 billion
II. Economic value distributed:	4.5 billion	4.5 billion	4.9 billion	14.5 billion
Operating costs	3.6 billion	3.6 billion	4.1 billion	13.9 billion
Employee wages and benefits	373.9 million	384.7 million	310.7 million	255.4 million
Payments to providers of capital	-	-	-	-
Payments to government	505 million	6.4 billion	367.7 million	296.3 million
Community investments	52.2 million	56.5 million	49.5 million	35.5 million
III. Economic value retained (calculated as 'Direct economic value generated' less 'Economic value distributed')	1.9 billion	1.5 billion	28.5 million	(11.3 billion)



## Scale of the organization (102-7)

Item/Description	2021	2020	2019	2018
Total Number of Operations			1	
Net Sales (USD)	<b>129.8 million</b>	<b>122.1 million</b>	94.3 million	61.4 million
Total Capitalization (USD)		0	3.1 million	6.7 million
Quantity of Products Provided (in oz)	<b>72,447</b>	<b>68,630</b>	67,356	48,475

## Financial implications and other risks and opportunities due to climate change (201-2)

Our Company is taking measures to address climate-related risks and opportunities, considering that the location of our operations is susceptible to strong typhoons. We have included our contingencies for potential extreme weather events and seismic activities as part of our operational design criteria. With this, we have established the RSI which acts as a buffer for both flood and drought. During extremely heavy rainfall, the RSI, designed as a water-

retaining dam, can hold significant inflow while the spillways steadily release and control water. It can also serve as a backup source, providing an adequate water supply during extended dry periods. As of 2021, the total cost of the RSI has amounted to USD35.9 million.

We do not anticipate significant shifts in the seasonal weather. However, our well-developed closure plan covers the impacts on the environment especially in relation to water resources and reforestation.



## Be accountable: Building an inclusive economic development

(103-1, 103-2, 103-3)

Through the years, we have fully complied with all our taxes and fees obligations to the government. For instance, the current minimum wage being paid by our Company is based on Wage Order No. RTWPB-02-20 issued by the National Wages and Productivity Commission of DOLE. Our Company believes that through our modest efforts, we contribute to a better nation and build together stronger and more cohesive communities.

FCF's market presence describes our contribution to economic development in the local areas or communities where we operate. This is reflected through our unwavering accord in paying our fiscal and regulatory payments to the local and national governments. At the local level, our payments include business tax or mayor's permit, real estate property tax, and for the local community – our SDMP.

On the other hand, our payments that are accounted for in the national treasury include our income taxes, excise taxes, value-added tax, capital gains, documentary stamp tax, and environmental fees (i.e., rehabilitation fund, monitoring fund, and the environmental trust fund). All these contribute to fair and better services by both national and local governments.

# Seek excellence: Towards a more meaningful and lasting economic impact for all

(103-1, 103-2, 103-3)



Our indirect economic impact concerns the spectrum of contributions of our business to our stakeholders and the economy. As we continuously implement projects and activities that provide for and care for our stakeholders, we have become more conscious and responsive to their actual needs that ultimately benefit their families and households.

Our business that impacted the barangays and municipal governments are also recipients of the SDMP which represents

critical spending on communities in compliance with the Department of Environment and Natural Resources (DENR) Administrative Order No. 2010-21. Through the community-based programs under SDMP, the economic activities have increased which generate the level of resources that directly improved the welfare of and integrate the communities within and around our mining operations. The implementation of our SDMP, in consultation and partnership with our host communities of the Municipalities of Quezon and Kasibu in Nueva

Vizcaya, as well as Diffun of Quirino Province, brings forth community-based development programs that are geared towards the residents' needs on livelihood, infrastructure, culture, health and education.

## Infrastructure investments and services supported (203-1)

Our infrastructure projects are established within the 20 host and neighboring communities located in Diffun, Quirino, Kasibu, and Quezon in Nueva Vizcaya. These projects include improvements of school, health, and other barangay facilities, hanging bridges, irrigation canals, water facilities, and drainages. In 2020 and 2021, we have a total contribution to infrastructure and support services amounting to PHP23.4 million and PHP18.6 million, respectively, consisting of the construction of new roads to further improve farm-to-market activities and a new barangay hall to provide a more accessible and convenient office for the constituents. Our contribution has relatively increased from PHP16.2 million in 2019 and PHP14.4 million in 2018.

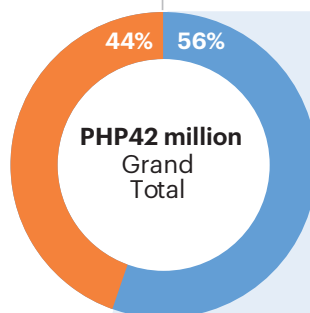
**PHP9.3 million**

Total project cost of 2.366 km road network for 2020 & 2021

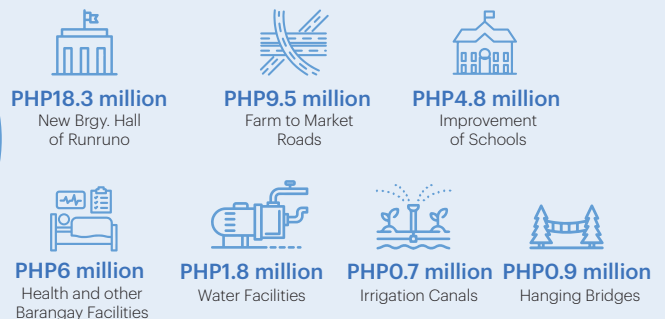
**PHP17.7 million**

Total project cost of the three-story Runruno Barangay Hall

**PHP18.6 million** 2021    **PHP23.4 million** 2020



## Infrastructure Investments and Services supported



## Significant indirect economic impacts (203-2)

Significant indirect economic impacts (203-2)	
Examples of significant indirect economic impacts	Description of Impact /Location
Changes in the productivity of organizations, sectors, or the whole economy	It may help boost employment in the community once productivity is increased. However, costs shall be managed well to improve profitability while increasing productivity.
Economic development in areas of high poverty	This could also help boost local employment and potentially improve living standards in the community.
Economic impact of improving or deteriorating social or environmental conditions	The deterioration of social or environmental conditions in the community can drive away people that would have otherwise contributed to its development. Not only would it drive away locals, but more significantly, potential investors that would have otherwise helped develop the community.
Availability of products and services for those on low incomes	With the opportunity to avail of products and services for those on a low income, the community's local economy would be further stimulated. This may, however, lessen the competition due to the saturation of the market which might impact the quality of these products and services.
Enhanced skills and knowledge in a professional community or in a geographic location	The specialized nature of work in the organization prompts the local community to develop relevant talent and skills. However, this can negatively impact the diversity of skills and professions in the community.
Stimulating, enabling, or limiting foreign direct investment	Changing the investment structure of the organization can have various repercussions to the local community due to its impact on taxes. Similarly, investment regulations may also have an effect.
Economic impact of change in location of operations or activities	The major changes in the location of operation also have a significant economic impact. The things to consider would be an additional investment in infrastructures, sourcing of manpower, logistics, and all types of operational costs.
Economic impact of the use of products and services	The widespread use of a particular product or service can impact the organization in both ways.

We also further adhere to the business adage “you cannot manage what you can’t measure”. Thus, over the years, we have practiced measuring and estimating our direct and indirect economic impacts. In partnership with the UA&P, the latest study\* yielded significant estimates of our Company’s contribution to the economy in terms of total economic output, additional household income generated, and company generated additional employment brought by our business activities for the years 2019 and 2020 at the national and regional levels.

\*There is no data for 2021 since the latest input-output study of FCF, commissioned to UA&P, covers the period from 2019 to 2020 only.

National Economic Impact and Multiplier Effects of Investments  
of the Runruno Gold Mining Project: 2019-2020

	2020	2019
Output (in PHP)	862.8 million	798.6 million
	0.005% of 2020 GDP (in current prices)	0.004% of 2019 GDP (in current prices)
Household Income (in PHP)	155.3 million	143.7 million
	0.002% of 2018 total family income	0.002% of 2018 total family income
Employment (number of jobs)	485	449
	0.011% reduction in the total number of unemployed persons in 2020	0.02% reduction in the total number of unemployed persons in 2019

National Economic Impact and Multiplier Effects of Sales of Metals  
(Revenues from Contracts with Customers) of the Runruno Gold Mining Project: 2019-2020

	2020	2019
Output (in PHP)	8.2 billion	6.6 billion
	0.046% of 2020 GDP (in current prices)	0.034% of 2019 GDP (in current prices)
Household Income (in PHP)	1.5 billion	1.1 billion
	0.019% of 2018 total family income	0.015% of 2018 total family income
Employment (number of jobs)	4,626	3,734
	0.10% reduction in the total number of unemployed persons in 2020	0.17% reduction in the total number of unemployed persons in 2019

Regional Economic Impact and Multiplier Effects of Investments  
of the Runruno Gold Mining Project: 2019-2020

	2020	2019
Output (in PHP)	735.9 million (lower)	681.2 million (lower)
	0.20% of 2020 GRDP (Cagayan Valley Region)	0.171% of 2019 GRDP (Cagayan Valley Region)
	754.9 million (upper)	698.8 million (upper)
	0.21% of 2020 GRDP (Cagayan Valley Region)	0.175% of 2019 GRDP (Cagayan Valley Region)
Household Income (in PHP)	127.1 million (lower)	117.6 million (lower)
	0.056% of 2018 total family income (Cagayan Valley Region)	0.052% of 2018 total family income (Cagayan Valley Region)
	131.7 million (upper)	121.9 million (upper)
	0.058% of 2018 total family income (Cagayan Valley Region)	0.054% of 2018 total family income (Cagayan Valley Region)
Employment (number of jobs)	397 (lower)	367 (lower)

	2020	2019
	0.30% reduction in the total number of unemployed persons in 2020 (Cagayan Valley Region)	0.68% reduction in the total number of unemployed persons in 2019 (Cagayan Valley Region)
	411 (upper)	381 (upper)
	0.32% reduction in the total number of unemployed persons in 2020 (Cagayan Valley Region)	0.70% reduction in the total number of unemployed persons in 2019 (Cagayan Valley Region)

Regional Economic Impact and Multiplier Effects of Sales of Metals (Revenues from Contracts with Customers) of the Runruno Gold Mining Project: 2019-2020

	2020	2019
Output (in PHP)	7 billion (lower)	5.7 billion (lower)
	1.91% of 2020 GRDP (Cagayan Valley Region)	1.42% of 2019 GRDP (Cagayan Valley Region)
	7.2 billion (upper)	5.8 billion (upper)
	1.96% of 2020 GRDP (Cagayan Valley Region)	1.46% of 2019 GRDP (Cagayan Valley Region)
Household Income (in PHP)	1.2 billion (lower)	978.3 million (lower)
	0.54% of 2018 total family income (Cagayan Valley Region)	0.43% of 2018 total family income (Cagayan Valley Region)
	1.3 billion (upper)	1.1 billion (upper)
	0.56% of 2018 total family income (Cagayan Valley Region)	0.45% of 2018 total family income (Cagayan Valley Region)
Employment (number of jobs)	3,166 (lower)	3,056 (lower)
	2.91% reduction in the total number of unemployed persons in 2020 (Cagayan Valley Region)	5.64% reduction in the total number of unemployed persons in 2019 (Cagayan Valley Region)
	3,922 (upper)	3,786 (upper)
	3.01% reduction in the total number of unemployed persons in 2020 (Cagayan Valley Region)	5.84% reduction in the total number of unemployed persons in 2019 (Cagayan Valley Region)

# Act honestly: Responsible sourcing and supply

(102-9, 103-1, 103-2, 103-3)



Our procurement policy aims to develop excellent relationships and reinforce the Company's purpose with the local community and national based indent and overseas suppliers. Due to the COVID-19 pandemic, we

have seen a dramatic increase in pressures to procure in a socially responsible manner, and we have formulated strategies to achieve our sourcing goals efficiently and manage costs.

Moreover, the management has taken cognizance of creating shared value for all its stakeholders to sustain our significant contribution to the community because of the interdependence that exists between our Company and the supply chain. It is our policy that as the Company becomes competitive, it also has to enhance and create a positive impact on the community. Under these circumstances, procurement plays a vital role in making strategic choices that will help our business as critical creators of value and true strategic partners of communities and the broader stakeholders.

As we look beyond the pandemic, we aim to follow the same procedures and principles of conventional procurement while working on a safe and efficient qualification process by creating cross-disciplinary teams (e.g., consisting of procurement, operations, and maintenance) and embracing agile delivery. This is where our Green Procurement Policy (GPP) is most useful to guide the acquisition of our materials, supplies and services on the basis of their impact on the environment and human health. Under our GPP, the basic functionality of procured items remains untouched but it will account for the environmentally relevant technical specifications in open competitive bidding to help contribute to a greener marketplace. As part of our environmental policy, we take part in encouraging our suppliers and contractors to ensure environmentally responsible practices. In 2020 and 2021, there was a higher number of suppliers that were screened using environmental criteria and assessed for environmental impacts.

These strategies are critical to help prepare our partners and stakeholders for a quick recovery:



**End to End Process.** We have taken steps to mitigate risks in our supply chain by establishing a sustainable local supply base and strengthening our inventory strategies for the Company to have greater access to critical supplies.



**Procure to Pay.** We have built redundancy mechanisms into our supply chains to minimize the disruptions of the COVID-19 pandemic. This mechanism allows us to understand the specific risk lens in our supply lines and proactively address red flags as they arise in real-time.



**Quotes Standard.** We have simplified our supplier portfolio in order to reduce the variability of our inventory and, where applicable, our Company uses strategic scenario planning to account for anticipated changes in the supply requirements.

Furthermore, our approach to procurement is supported by measures to systematically monitor, evaluate, and address grievances and issues that may arise in the whole process with due respect to the local circumstances and context. As an inclusive mining company, mutual trust, transparency, and keeping the system simple are key to the success and compliance of our responsible sourcing and procurement policy.

### Proportion of spending on local suppliers (204-1)



### New suppliers that were screened using environmental criteria (308-1)

	2021	2020	2019	2018
Percentage of new suppliers that were screened using environmental criteria	30%	25%	20%	10%

### Negative environmental impacts in the supply chain and actions taken (308-2)

	2021	2020	2019	2018
Number of suppliers assessed for environmental impacts	22	15	13	12
Number of suppliers identified as having significant actual and potential negative environmental impacts	21	25	25	25
Significant actual and potential negative impacts identified in the supply chain	4	4	5	5
Percentage of suppliers identified as having significant actual and potential negative environmental impacts with which improvements were agreed upon as a result of assessment	4%	5%	5%	10%
Percentage of suppliers identified as having significant actual and potential negative environmental impacts with which relationships were terminated as a result of assessment	3%	3%	4%	5%

# Act honestly: Tax contribution for nation building

(102-9, 103-1, 103-2, 103-3, 207-1, 207-2, 207-3)

The mining sector remits large amounts of taxes compared to other industries in the Philippines according to a study by PricewaterhouseCoopers (PwC). As we extract natural resources through our Financial Technical Assistance Agreement (FTAA), the Philippine government requires the payment of taxes in various forms such as contractor's income tax, value-added tax, withholding and excise taxes, royalties and permit fees, and all other government levies at the local and national levels. As a Company, we believe that we play a significant role in the creation of prosperity, stability, and a strong relationship with the communities where we operate. And by way of full compliance with our tax obligations, not only do we expand our economic footprint but we also minimize penalties that could affect our overall profitability.

On this account, we have established tax governance mechanisms through the leadership of the Chief Financial Officer and Financial Comptroller, which are the governance body or executive-level position within our organization that is accountable for compliance with the tax strategy. As well, our Company's approach to tax is embedded within our accounting manual and system which includes the monitoring of tax obligations by multiple individuals within FCF, review of tax returns, and delegation of tax authority prior to actual payments. The compliance with the Company's tax governance and control framework is assessed through an independent external audit and the audit by the regulatory agencies. We also have put

in place a mechanism for reporting concerns about unethical or unlawful behavior our integrity in relation to the payment of taxes.

Moreover, the impact of the COVID-19 pandemic on the public finances of the Philippine government puts greater pressure on mining companies to increase transparency with a call for "publish what we pay". We fully endorse this principle of transparency so that we can fully explain to our stakeholders the overall tax contributions of our operations. We adhere to relevant tax laws and memorandums issued by the Philippine government's Bureau of Internal Revenue (BIR), the Bureau of Customs (BOC), the Board of Investments (BOI). Recently, the Corporate Recovery and Tax Incentives for Enterprises (CREATE) Act and the Tax Reform for Acceleration and Inclusion (TRAIN) Law also contributed to our way

of transparent recordkeeping and reporting so that our stakeholders can verify our Company's compliance with fiscal and tax policies.

## Country-by-country reporting (207-4)

Our audited consolidated financial statements cover our resident entities in the United Kingdom (Metals Exploration Plc.), Singapore (Metals Exploration Pte. Ltd.), and the Philippines (FCF, MTL Philippines Inc., Metals Exploration Plc. ROHQ, Cupati Holdings Corporation, Woggle Corporation, Runruno Livelihood Foundation, and FCF Senior Staff Annuity Corporation). In our operations, we identify, acquire, explore, and develop mining and processing projects, mining companies, businesses, or opportunities with particular emphasis on precious and base metals mining opportunities in the Philippines.







	2021	2020
Number of employees, and the basis of calculation of this number	Metals Exploration Plc. - 6 Metals Exploration Pte. Ltd. - 4 FCF Minerals Corporation - 680 Cupati Holdings Corporation - 2  <i>For Metals Exploration Plc. and Metals Exploration Pte. Ltd., the figure pertains to the board of directors</i>	Metals Exploration Plc. - 6 Metals Exploration Pte. Ltd. - 4 FCF Minerals Corporation - 706 Cupati Holdings Corporation - 2 Woggle Corporation - 1  <i>For Metals Exploration Plc. and Metals Exploration Pte. Ltd., the figure pertains to the board of directors.</i>
Revenues from third-party sales (USD)	Metals Exploration Plc. - nil Metals Exploration Pte. Ltd. - nil FCF Minerals Corporation - 129.8 million	Metals Exploration Plc. - nil Metals Exploration Pte. Ltd. - nil FCF Minerals Corporation - 122.1 million
Revenues from intra-group transactions with other tax jurisdictions (USD)	United Kingdom - 1.3 million Singapore - nil Philippines - 3.3 million	United Kingdom - 2.3 million Singapore - nil Philippines (ROHQ & Cupati)- 3.3 million
Profit/loss before tax (USD)	United Kingdom - (11.2 million) Singapore - nil Philippines - 26.4 million	United Kingdom - (17.4 million) Singapore - nil Philippines (All) - 27.1 million
Tangible assets other than cash and cash equivalents (USD)	United Kingdom - 5.2 million Singapore - nil Philippines - 125.5 million	United Kingdom - .05 million Singapore - nil Philippines (All) - 135.1 million
Corporate income tax paid on a cash basis		nil
Corporate income tax accrued on profit/loss		nil

## Our Sustainability Performance

# Accountability in Conserving the Environment

Proper environmental management is considered as our main priority in improving our day-to-day operations as well as in bolstering our long-term strategic direction. We are continuously guided by our commitment to comply with relevant laws and regulations and contribute to globally aligned environmental aspirations and targets. As stewards of the environment, we strengthen our transparency and accountability to manage our environment-related impacts by developing the necessary measures and procedures within and nearby our operations.

**33**

Ensuring responsible energy management

**34**

Enhancing water management to maintain operations

**35**

Going beyond for biodiversity conservation

**40**

Our contributions to addressing climate change

**41**

Maximizing our resources to reduce wastes

**44**

Adhering to environmental laws and regulations

# Seek Excellence: Ensuring responsible energy management

(103-1, 103-2, 103-3)

Energy fuels our daily operations as the machines and equipment we use, especially in the process plant, require a significant amount of electricity which is being supplied by the National Grid Corporation of the Philippines (NGCP). Hence, we exert diligent efforts in the reduction of both energy consumption and greenhouse gas (GHG) emissions by using more energy-efficient equipment, implementing preventive maintenance of other equipment and ensuring necessary energy usage in our project site.

Our Company always seeks excellence in everything that we do. Therefore, we secure that our site activities adhere

to relevant environmental policies and will not cause any inconvenience with our community's electricity supply. We also have standby generators to ensure that the operations at the site will not be hampered by the power outage.

## Energy consumption within the organization (302-1)

There was an increase in the total energy consumption within our Company for 2020 and 2021, composed of our fuel (non-renewable sources) and electricity consumption.



Energy Consumption (302-1)				
Year	Fuel Consumption		Electricity Consumption (megajoules)	Total Energy Consumption (Joules/Multiples)
	Types of Fuel			
	Non-renewable Sources	Renewable Sources		
2021	374,383,063.06	0	369,211,536.00	743,594,599.06
2020	364,582,038.08	0	349,830,007.00	714,412,045.28
2019	356,132,580.00	0	342,307,242.00	698,439,822.00
2018	342,342,945.44	0	293,671,026.00	636,013,971.44

## Energy intensity (302-3)

Meanwhile, our energy intensity has lowered in 2020 and 2021 as compared to the previous reporting period because of the increase in the number of products produced for the year. It should be noted that this computation included the energy consumption within our Company only.

Energy Intensity (302-3)			
Year	Total Energy Consumption (megajoules)	Products Produced (kg)	Energy Intensity (megajoules/kg bullion)
2021	743,594,599.06	4,080.10	182,249.11
2020	714,412,045.28	3,487.40	204,855.21
2019	709,756,615.30	2,983.05	237,929.84
2018	651,124,260.70	2,237.22	291,041.68

# Prevent harm: Enhancing water management to maintain operations

(103-1, 103-2, 103-3, 303-1, 303-2)

We recognize that water is fundamental in our operations and nearby communities. Moreover, our Company upholds that access to safe water is a fundamental human right. Guided by our values of preventing harm and accountability, we maintain to embrace our role and commitment to reduce water-related impacts and become water stewards through collaboration, partnerships, product stewardship, and ultimately, water management.

Despite the challenges brought by the COVID-19 pandemic, we stay true to our commitment. Our Company ensures that water management is in place to maximize the reclaim of water, minimize water extraction and discharge from the site, and avoid possible impacts on the downstream water quantity, quality, and aquatic environment.

Water management indeed plays an essential role in our Company's operations given that the Runruno Gold-Molybdenum Project is located at the Sulong catchment, a dominant catchment with an area of approximately 3,776 hectares. The immediate downstream of the project area is the village of Runruno which proceeds to the Sulong River, joined by the Lintungan River to the North West, and Kinalabasa River to the East. The further downstream connects to



Overall, the design of our Company's water management approach aims to:

Ensure the continuous supply of reclaimed water from the RSI to the process water;	Provide sediment control for runoff water in the project area;	Provide a dewatering system in the surface mine;
Provide the necessary control to ensure site discharge meets the mine effluent quality standard of the Philippines;	Divert external drainage away from project areas; and	Contain site drainage and reclaim it into the operations.

the Magat River and Cagayan River, then the water flows through the Babuyan Channel.

Thus, beyond water management, we comply with all relevant local and international standards. These include the discharging of the RSI – which stores the process plant operations (PPO) wastewater, as well as the Big Malilibeg Creek flow and direct precipitation – to comply with the project's requirements.

## Water withdrawal (303-3)

From 2019, there has been an increase in the total amount of water withdrawal in 2020 with 2,339.73 megaliters coming solely from surface water. However, a significant decrease in the amount of water withdrawal was evident in 2021, having 1,045.27 megaliters. Meanwhile, there was no water withdrawal from all areas with water stress for 2020 and 2021, similar to our record since 2018.

Water Withdrawal from all areas in megaliters (303-3)						Breakdown of total water withdrawal according to:		
Year	Surface Water	Groundwater	Seawater	Produced Water	Third-party water	Total	Freshwater	Other Water
Amount in (2021)	1045.27	0	0	0	0	1045.27	1045.27	0
Amount in (2020)	2339.73	0	0	0	0	2339.73	2339.73	0
Amount in (2019)	1135.13	0	0	0	0	1135.13	1135.13	0
Amount in (2018)	1102.66	0	0	0	0	1102.66	1102.66	0

In 2020, we had a total of 569.55 megaliters of water discharge which increased to 664.55 megaliters the following year, 2021. Moreover, we ensure to improve the quality of our water discharge by undergoing the process of wastewater treatment before it proceeds to Sulong River, the receiving waterbody. There was also no water discharge to all areas with water stress in 2020 and 2021.

Our total water consumption for the reporting period has been reduced by 222.64 megaliters in 2020 and 8.75 megaliters in 2021 compared to our 2018 and 2019 records. The decrease in water consumption was due to our situation during the pandemic wherein we implemented a skeletal workforce and work-from-home set-up for some of our employees.

**664.55**  
megaliters of  
water discharge  
in 2021

**569.55**  
megaliters of  
water discharge  
in 2020

**903.74**  
megaliters of  
water consumed  
in 2021

**912.49**  
megaliters of  
water consumed  
in 2020

Water Discharge from all areas in megaliters (303-4)					Breakdown of total water discharge according to:		
Year	Surface Water	Groundwater	Seawater	Third-party water	Total	Freshwater	Other Water
Amount in (2021)	664.55	0	0	0	664.55	569.55	0
Amount in (2020)	569.55	0	0	0	569.55		

### Water consumption (303-5)

Water Consumption (303-5)				
	Amount (2021)	Amount (2020)	Amount (2019)	Amount (2018)
Total Water Consumption from all areas in megaliters	903.74	912.49	1,135.13	1,102.66
Total Water Consumption from all areas with water stress in megaliters	No identified water stress areas	No identified water stress areas	No identified water stress areas	No identified water stress areas
Change in water storage in megaliters	None	None	None	None

## Innovate and create: Going beyond for biodiversity conservation

(103-1, 103-2, 103-3)

Protecting the ecosystem is essential in enhancing the health and well-being of our stakeholders. The ecosystem services enable people to support their daily needs, thus, we ensure to constantly evaluate and address the risks and impacts caused by our operations. Our mining site is not located in a conservation area, yet we take proactive measures such as engaging with our partners in research initiatives, conducting baseline and follow-up environmental impact assessments, and strengthening rehabilitation efforts. We uphold this

responsibility towards biodiversity conservation, contributing to the ambition of no net loss of biodiversity.

In the implementation of our biodiversity programs, we believe that it is important to seek guidance from environmental experts from different agencies and educational institutions. Our Biodiversity Management Program (BMP) is developed through our collaboration with the Mines and Geosciences Bureau (MGB), Nueva Vizcaya State University (NVSU), local government units (LGUs) and

Peoples Organization (PO). We have also worked with NVSU in a study to determine and analyze the survival and growth performance of and among the trees that we planted in our reforestation and rehabilitation areas. Consequently, together with NVSU, we produced the first volume of the coffee table book on our biodiversity conservation program. It is hoped that the coffee table book may serve as a useful reference for future policy formulation on biodiversity in the Philippines.

As a manifestation of our commitment to biodiversity conservation, we have extended our rehabilitation efforts within and outside our mining site. We identified target bio-offset areas within the periphery of or adjacent to the mining areas within our FTAA area.



We have developed the following initiatives:

Nursery for propagation of quality planting material	In relation to our government's National Greening Program, we built a nursery for propagation of quality planting materials that are used in our reforestation and rehabilitation programs within and outside our host community and donated to nearby communities, LGUs, non-governmental organizations (NGOs), and private organizations.
Macro-somatic Clonal Propagation Technology	We implemented this process to clone endemic and native forest tree species from identified plus trees (IPTs) as source of high-quality germplasms.
Low-Cost Hydroseeding Program	In this program, we utilize the use of advanced technologies to plant seeds for initial vegetation. Through the use of locally available materials, we are able to prevent soil and sediment erosion and abrupt water loss in open areas and around the plants. It also helps maintain the moisture content and nutrients of the soil, and upon decomposition, it serves as an organic soil conditioner that provides a good medium for seeds and plants to grow.
Planting wildlings of indigenous species sourced from areas to be cleared	We aim to establish regenerants planting for area endemization.
Vermicomposting	Through vermicomposting, we were able to turn our wastes into useful materials such as a nutrient-rich organic fertilizer used for high-quality planting materials, soil amendment, and amelioration of mined-out rehabilitation areas.
Herbal gardening	The herbal garden was established as a source of readily available traditional medicine in treating minor illnesses such as cold and cough. It also aims to lessen dependency on the use of synthetic drugs. During the first year of the pandemic in 2020 when alcohol was a scarce product, we used Sabila ( <i>Aloe vera</i> ) as the main ingredient in the production of hand sanitizer. Some herbal species planted in our garden are Turmeric ( <i>Cucurma longa</i> ), Ginger ( <i>Zingiber officinale</i> ), Oregano ( <i>Origanum vulgare</i> ), Lagundi ( <i>Vitex negundo</i> ), Akapulco ( <i>Senna alata</i> ), etc.
Agroforestry	<p>The FCF Agroforestry Farm, located at the Central Nursey with an area of 2,500 sq.m, demonstrates the integration of trees and shrubs with agricultural crops and/or livestock on the same land management unit to increase diversity, productivity, &amp; profitability.</p> <p>In demonstrating agroforestry as an alternative farming system, we adopted the Sloping Agricultural Land Techniques (1-4) as Agroforestry Farming System Models. SALT 1-4 showcases different trees and agricultural component combinations that address both environmental and socio-economic issues.</p> <p>The introduction of agroforestry as an alternative land-use/farming system aims to showcase a land-use system that continuously produces diverse and adequate supply of products/resources and environmental services while ensuring to protect the natural environment to meet the needs of both the present and future generations.</p>
Temporary wildlife rescue center	The Temporary Wildlife Rescue Center is used for temporary safe-keeping of wildlife turned-over and encountered during mine operations and forest protection activities.



### Operational sites owned, leased, managed in, or adjacent to protected areas and areas of high biodiversity value outside protected areas (304-1)

Our area is covered under the FTAA within Barangay Runruno of Quezon in Nueva Vizcaya. It is comprised of about 38 blocks covering 3,093.51 hectares with no declared protected areas and areas of high biodiversity value surrounding or adjacent to our Company's FTAA. We have a conventional surface mine operation that uses truck and hydraulic excavators in backhoe configuration, with a size of 4.575 km<sup>2</sup> which increased as compared to the previous reporting period (2.62 km<sup>2</sup>). We have implemented a progressive development of the mining area to minimize negative environmental impacts. When the area is not yet needed for the operation, it will not be disturbed by our Company.

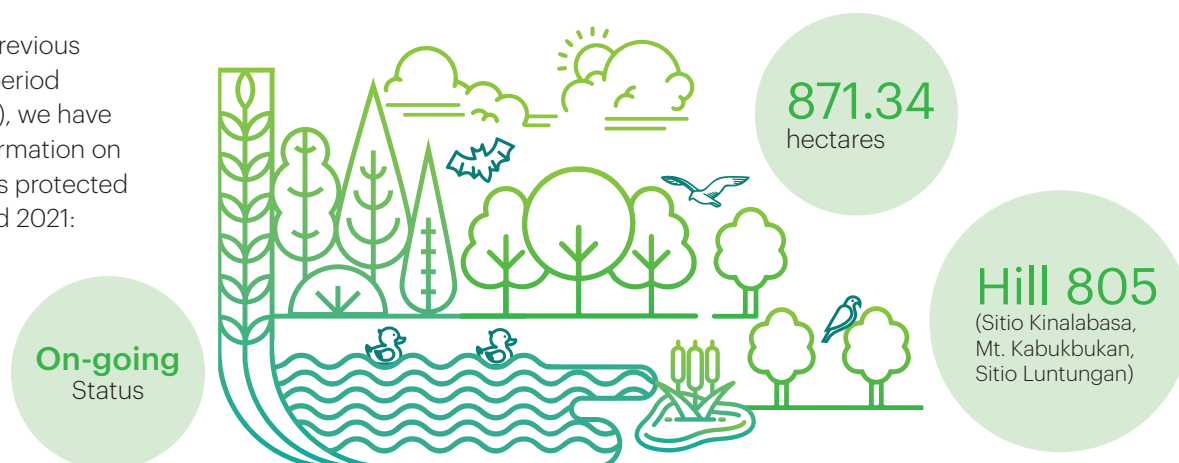
### Significant impacts of activities, products, and services on biodiversity (304-2)

By identifying the impacts of our activities on biodiversity, we were able to provide measures to mitigate them. For instance, since 2020, we prohibited the use of any exotic species in our rehabilitation activities, and we only used endemic/indigenous plant species available within the FTAA for our restoration and enhancement activities.

Significant impacts of activities, products and services biodiversity (304-2)		
Nature of significant direct and indirect impacts on biodiversity with reference to one or more of the following:	2020-2021	
	Significant impacts on Biodiversity	
	Direct	Indirect
Construction or use of manufacturing plants, mines and transport infrastructure	Habitat destruction, reduction of species population	Anthropogenic noise may affect an animal's physiology, behavior, reproduction, and long-term survival.
Introduction of substances that do not naturally occur in the habitat from point and non-point sources	Affect the health and breeding success of wildlife	Poor management of substances/waste contributes significant to the pollution of water and soil thus impacting on biodiversity and the health and ecosystems on which we depend.
Introduction of invasive species, pests and pathogens	Throwing off ecosystem balance and causes biodiversity degradation	Loss of native plant diversity through invasive plant pathogens may indirectly affect human health through perturbations in the environmental quality
Reduction of species	Reduction of genetic diversity	Genetic isolation
Habitat conversion	Population decline and species richness	Causing consistent reductions in species richness and changes in abundance in the natural habitat
Changes in ecological processes outside the natural range of variation	Death impairment, reduction of production capacity, endangerment of species	Affects long-term survival of species

Significant direct and indirect positive and negative impacts with reference to the following:	2020-2021			
	Positive Impacts		Negative Impacts	
	Direct	Indirect	Direct	Indirect
Species affected	A total of 17.02 hectares of disturbed areas previously a build-up, grassland, and agricultural areas before the start of mining operation had been now fully reforested and planted with different endemic species that serve as a natural habitat of wildlife species in the area.	Increase long-term survival of species	Death impairment, reduction of production capacity, endangerment of species	Anthropogenic noise may affect an animal's physiology, behavior, reproduction, and long-term survival.
Extent of areas impacted	Increase diversity of flora and fauna	Increase the production capacity of flora and fauna due to greater breeding grounds and dwelling areas	Habitat fragmentation	Lessen the production capacity of flora and fauna due to lower breeding grounds and dwelling areas.
Duration of impacts	Increase endemic flora and fauna productivity	Low susceptibility to invasion of alien and invasive species	Degrade endemic flora and fauna productivity	Susceptibility to invasion of alien and invasive species
Reversibility or irreversibility of the impacts	Population increase	Genetic diversity	Population decline	Genetic isolation

From the previous reporting period (2018-2019), we have similar information on the habitats protected in 2020 and 2021:



In terms of habitat restored, from 19.64 hectares restored last 2018-2019, an additional of 8.81 hectares and 7.17 hectares of habitats were restored in 2020 and 2021, respectively. Overall, a total of 35.62 hectares was restored since the start of our mine operation.

	Habitat restored (304-3)			
	2021	2020	2019	2018
Size	<b>7.17 hectares</b>	<b>8.81 hectares</b>	19.64 hectares	
Location	Tulingan Dump Site	Tulingan Dump Site	TDS1 Malilibeg Dump Site; Radio Hill; RSI Magazine	
Status	On-going	On-going	On-going	

### IUCN Red List species and national conservation list species with habitats in areas affected by operations (304-4)

	2021	2020
Critically endangered	<b>6</b>	<b>6</b>
Endangered	<b>6</b>	<b>6</b>
Vulnerable	<b>19</b>	<b>19</b>
Near threatened	<b>2</b>	<b>2</b>
Least concern	<b>62</b>	<b>62</b>



## Amount of land (owned or leased, and managed for production activities or extractive use) disturbed or rehabilitated (MM1)

Our Company's nature of activities can inevitably disturb the land. However, we ensure to take necessary actions to rehabilitate these areas.

	2020-2021
Total land disturbed and not yet rehabilitated (A: opening balance)	157.98
Total amount of land newly disturbed within the reporting period (B);	81.51
Total amount of land newly rehabilitated within the reporting period to the agreed end use (C);	35.62
Total land distributed and not yet rehabilitated (D=A+B-C; closing balance).	203.87

## FEATURE STORY

# Building partnerships for a shared vision: Arboretum Establishment

Strengthening our efforts towards biodiversity conservation, our Company has partnered with the DENR-Region 2 for the establishment of an arboretum in the Nueva Vizcaya province. Last July 30, 2021, FCF Country Manager James Carmichael and DENR Regional Executive Director Gwendolyn Bambalan signed a memorandum of agreement to formally commence this joint initiative to conserve native plant species in the area.



The arboretum was thoroughly conceptualized by the DENR in September 2020 with the aim to bring back a variety of endemic and indigenous forest tree species that are thriving in the locality such as Narra, Dao, Yakal, Molave, Kamagong, Kalumpit, Anilau, Panglomboien, Tuai and Philippine Teak. As of 2021, the arboretum already houses around 34 species. This is beneficial to the community as it can serve as a source of quality planting materials, an ecotourism site, and research area for academic institutions in the province. Furthermore, the DENR envisioned that the arboretum will

be widely showcased to the youth to hopefully raise environmental awareness and elicit interest in identifying and understanding various tree species that are native to the region.

In its early stages, this project is being successfully implemented through the close collaboration between DENR and FCF. Our Company is responsible for funding the establishment, maintenance, and protection of the arboretum for five years, amounting to PHP300,000 per year. In addition, we are working

with DENR in developing information campaigns such as briefing kits to educate and promote the positive impacts of the arboretum on the community and the environment. Guided by our commitment, we look forward to various opportunities for a long-term partnership with DENR towards building a shared vision of protecting, conserving, and managing our natural resources especially in the location of our operations.

# Be accountable: Our contributions to addressing climate change (103-1, 103-2, 103-3)

As the world soon recovers from the COVID-19 pandemic, we bear in mind another challenge that cannot be cured by a vaccine – climate change. Most companies have focused their attention on addressing the impacts of the pandemic. However, at the same time, the threats posed by climate change have been an equally immediate concern. Hence, as a mining company, we recognize our crucial role in the transition to a low-carbon economy. We aim to align our efforts to contribute to global climate goals and targets including the net-zero emissions by 2050. In this regard, we have enhanced our accountability to operate in an environmentally responsible manner.

Within our operations, we support the use of renewable energy since we purchase our power from a hydroelectric company. In addition, we have adopted methods and technologies that increase the efficiency of our operations without causing significant harm to the environment.

We also acknowledge that the fight against climate change cannot be done by one entity alone. Thus, our Company participates in nationwide initiatives, such as the National Climate Change Consciousness Week, to raise awareness on the impacts of global warming and climate change. This campaign for our stakeholders was intended to communicate the mitigating measures of our Company towards climate change, best practices and environmental protection programs as well as how these initiatives will impact their lives.



Our total amount of Scope 1 GHG emissions slightly increased from 2020 to 2021. These are emissions from stationary sources, production, use of liquefied petroleum gas (LPG), mobile sources — light vehicles, light trucks, heavy equipment, and buses. This is also similar to our Scope 2 GHG emissions, having an increase from 2020 to 2021. With this, there was no GHG emissions reduction due to higher production which required

higher energy and electricity (305-5). However, a continuous decrease in emissions intensity (Scope 2) can be observed due to constant improvements on our Process Plant Operations.

As part of our monitoring, we are currently working on the establishment of our database to calculate our Scope 3 GHG emissions (305-3).

## Direct (Scope 1) GHG Emissions (305-1)

Year	Scope 1 GHG Emissions (in metric tons equivalent)			
	CO2	CH4	N2O	Total
<b>2021</b>	<b>24684.65</b>	<b>91.13</b>	<b>47.65</b>	<b>24,823.44</b>
<b>2020</b>	<b>24038.43</b>	<b>88.75</b>	<b>46.41</b>	<b>24,173.58</b>
2019	24184.16	85.85	61.69	24,331.69
2018	23509.80	83.11	59.74	23,652.64

## Energy indirect (Scope 2) GHG Emissions (305-2)

Year	Total
<b>2021</b>	<b>72,291.37 (CO2)</b>
<b>2020</b>	<b>69,262.57 (CO2)</b>

### Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions (305-7)

In monitoring the air emissions, there was a decrease in the amount of both nitrogen oxide and sulfur oxide in our operations. However, a slight increase in the particular matter was evident from 2019 to 2020. To date, emission testing is ongoing for our 2021 data.

### GHG emissions intensity for each ton of gold produced (305-4)

182,249.11  
2021

204,855.21  
2020



### Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions (305-7)

(in kilograms or multiples)

		2021	2020	2019	2018
NOx	Emission testing ongoing		2.45E-09	2.84E-09	2.45E-09
SOx			3.00E-09	3.79E-09	4.00E-09
Particulate Matter			1.52E-08	1.46E-08	2.24E-08

## Prevent harm: Maximizing our resources to reduce wastes

(103-1, 103-2, 103-3, 306-1, 306-2)

As we move towards a sustainable future, we continuously promote the sustainable and effective use of our natural resources in the areas we operate in. Considering our operations' potential adverse impacts on the environment, we ensure to strengthen our waste management techniques and practices in terms of recovery, reuse, or recycling. In turn, this will also protect the health and safety of our partner communities.

### Non-hazardous wastes

Following the Republic Act No. 9003 or the Ecological Solid Waste Management Act, we aim to reduce our generation of non-hazardous wastes by 5% based on the previous reporting year (2018-2019).

To achieve this target, we have implemented a "No Segregation, No Collection" policy wherein we only collect wastes that are properly segregated in our identified waste collection points. Additionally,

we adopted the process of vermicomposting our biodegradable materials—resulting in soil conditioners that are used as organic fertilizers in the seedling production at the nursery and in the plantation areas.

Moreover, to encourage recycling, we have established a buying agreement with our partners wherein the profits donated will proceed to the host community. Meanwhile, the DENR – Environmental Management Bureau (EMB) is responsible for transporting our residual wastes that are disposed of in a sanitary landfill.

### Hazardous and chemical wastes

For our hazardous waste generation, our goal is to attain a reduction of 1% from the previous year.

Given this, we have established a waste facility to temporarily store our hazardous wastes which are then hauled, transported, and disposed of

in a Transporter, Storage, and Disposal (TSD) facility accredited by the EMB. Furthermore, we encourage working with partners for the recycling of the hazardous wastes that we generate. For instance, we have participated in the *Balik-Bateria* program wherein the company, Motolite, purchases our used lead-acid batteries (ULABS). The proceeds from the program are donated to our host community. Through these kinds of initiatives, our collaboration translates to meaningful and sustainable results.

### Wastewater and Effluents

We comply with the Republic Act No. 9275 or the Philippine Clean Water Act in our efforts to manage effluents in our operations. All wastewater discharges are also covered with discharge permits from the DENR-EMB.

As part of our initiatives, we make use of our installed wastewater treatment facilities (e.g., oil/water separators, sewage treatment plants, and polishing) and conduct regular water quality sampling and testing.

### Waste by composition, in metric tons (306-3)

As we continuously aim to manage our waste-related impacts, we reported our data based on the waste generated and waste diverted from and directed to disposal. These are also categorized according to waste composition including biodegradable, residual, and recyclables. In our operations, we have generated a total of 137.29 metric tons in 2020 and 123.49 metric tons in 2021. The total weight of wastes diverted from disposal slightly increased in 2021, while there was a decrease in the wastes directed to disposal in the same year.



### We also join our partner communities in the following activities:

- Supporting potable water and sanitation planning and infrastructure
- Delineating watershed management responsibilities
- Sharing benefits of water infrastructure
- Exploring co-financing arrangements
- Supporting local capacity-building in water and sanitation management
- Conducting information drive on waste management

#### Waste by Composition, in metric tons (306-3): 2021

	Waste generated	Waste diverted from disposal	Waste directed to disposal
Waste Composition			
Biodegradable	74.57	14.91	59.66
Residual	17.23	0	17.23
Recyclables	31.69	31.69	0
Total Waste	123.49	46.60	76.89

#### Waste by Composition, in metric tons (306-3): 2020

	Waste generated	Waste diverted from disposal	Waste directed to disposal
Waste Composition			
Biodegradable	95.16	19.03	76.13
Residual	17.78	0	17.78
Recyclables	24.34	24.34	0
Total Waste	137.29	43.37	93.91

## Waste diverted from disposal (306-4)

The total weight of waste diverted from disposal is divided into hazardous and non-hazardous wastes both for onsite and offsite areas. For hazardous wastes, we employed other recovery operations while our non-hazardous wastes were managed through preparation for reuse and recycling. Through these approaches, we have increased the total weight of wastes diverted from disposal both for hazardous and non-hazardous wastes in 2021.

Waste diverted from disposal, in metric tons (306-4): 2021			
	Onsite	Offsite	Total
Hazardous waste			
Other recovery operations	0	228.32	228.32
Total			228.32
Non-hazardous waste			
Preparation for reuse	3.17	0	3.17
Recycling	0	28.52	28.52
Total			31.69

Waste diverted from disposal, in metric tons (306-4): 2020			
	Onsite	Offsite	Total
Hazardous waste			
Other recovery operations	0	177.42	177.42
Total			177.42
Non-hazardous waste			
Preparation for reuse	2.43	0	2.43
Recycling	0	21.91	21.91
Other recovery operations	0	0	0
Total			24.34

## Waste directed to disposal (306-5)

We also utilized other disposal operations for our hazardous wastes and landfilling operations for non-hazardous wastes. From 2020, there was only a minimal decrease in the total weight of non-hazardous wastes directed to disposal in 2021. On the other hand, from 2020, the total weight of hazardous waste increased by 23.59 metric tons in 2021.

Waste directed to disposal, in metric tons (306-5): 2021			
	Onsite	Offsite	Total
Hazardous waste			
Other disposal operations	0	351.41	351.41
Non-hazardous waste			
Landfilling	0	17.23	17.23

Waste directed to disposal, in metric tons (306-5): 2020			
	Onsite	Offsite	Total
Hazardous waste			
Other disposal operations	0	327.82	327.82
Non-hazardous waste			
Landfilling	0	17.78	17.78

## Total Amounts of Overburden, Rock, Tailings and Sludges and their Associated Risks (MM3)

In order to manage the possible impacts of these types of waste, our Company evaluates the related risks and conducts a continuous geotechnical assessment to ensure the stability of its RSI. We also ensure the proper disposal of our wastes through a waste impoundment that strictly follows engineered fill processes and containment of tailings.

	2021	2020	Risk
Overburden/ Rock (Tonnes)	7,388,608.43	8,829,435.23	Build-up of waste dump and impoundment at RSI followed strict and continuous geotechnical assessment/monitoring is conducted to ensure stability of waste dump and RSI
Ore (Tonnes)	1,482,161.48	2,636,933.51	Containment of tailings in RSI: Geotechnical assessment/ Monitoring to ensure stability of RSI
Tailings (BCM)	1,642,665.00	1,411,002.00	
Sludge	N/A	N/A	

## Act honestly: Adhering to environmental laws and regulations

(103-1, 103-2, 103-3, 307-1)

As a Company that is guided by the values of honesty, accountability, and safety, we put utmost importance on environmental compliance which covers how we conform with relevant environmental laws and regulations. Thus, we follow and comply with all required mining permits and licenses as it also plays a vital role in providing our stakeholders with assurance that we follow the respective rules and regulations of our country. This solidifies our aspiration of being stewards of the environment in which we operate while ensuring business continuity through the reduction of organizational and individual risks and the retention of a good image and reputation.

Since the beginning of our operations, we have always aimed to maximize our positive impact and deliver sustainable environmental outcomes. In order to fulfill this objective, we have started cultivating a company-wide culture of awareness and compliance education. Over the years, our Company has also established various

processes to strengthen our practice of compliance. For instance, our compliance procedures are regularly reviewed and updated appropriately. We also conduct regular periodic monitoring and audits of standards and codes to maintain full compliance and meet or exceed all applicable environmental laws and regulations in the Philippines and other industry standards to which we subscribe to. Inspection practices are in place which allow us to evaluate and ensure the effectiveness of our environmental management systems.

We religiously follow the regulations indicated in the mining law and other relevant laws regulated by other government entities. We also try to eliminate permitting inefficiencies by navigating the complex government compliance process in order to save both time and money. Unfortunately, there was one (1) recorded case brought through dispute resolution mechanisms with a significant fine of PHP1.4 million (~USD26,388) in 2021.



We are compliant with different environmental laws and regulations of the following regulatory bodies:

### 1. DENR and its bureaus and various offices:

- Mines and Geosciences Bureau
- Environmental Management Bureau
- Forest Management Bureau

### 2. Municipal Local Government Units (MLGUs) and Barangay Local Government Units (BLGUs)

### 3. Multipartite Monitoring Team (MMT)

### 4. Other government agencies:

- Philippine National Police
- Philippine Drug Enforcement Agency
- National Water Resources Board
- Department of Energy

### 5. Other relevant interested parties

## FEATURE STORY

# The continued success of our Mining Forest Program

Our Company is adamant in promoting responsible mining in the Philippines through the effective implementation of our Mining Forest Program (MFP) in accordance with the DENR Administrative Order No. 22, Series of 1989. Our program takes into account the requirement of the Mines and Geosciences Bureau to establish two hectares of plantation for every hectare of area disturbed. In 2021, our Company has met beyond its obligation with a rate of 116.72% which increased from our previous reporting period with a rate of 107.60%.



As a manifestation of our unwavering and exemplary commitment, we have received awards from the Best Mining Forest Contest for five consecutive years (2017-2021). It is an annual ceremony that recognizes the initiatives and achievements of mining companies in “environmental and ecological protection, biodiversity conservation, enhancement of public awareness, contribution to the growth of the economy, and improvement in the quality of life of Filipinos.”

Moving forward, we will continue to adopt our best practices that contributed to our high survival rate

for our established rehabilitation and reforestation areas. These include the following:

- 1) technical and incentive mechanism for MFP Beneficiaries;
- 2) Barangay Greening Project which involves stakeholders’ training and capacity building;
- 3) innovations on production of quality planting materials through macro-somatic clonal propagation technology; and
- 4) low cost hydro-seeding technology for initial rehabilitation.



# Our Sustainability Performance

## Excellence in Protecting our People

**47**

Engaging and caring  
for our people

**62**

Creating an inclusive  
and long-term  
partnership with  
indigenous peoples

**52**

Fostering stronger  
workforce relations

**63**

Strengthening social  
license by respecting  
and upholding human  
rights

**55**

Supporting our people's  
continuous development

**65**

Fostering growth in our  
partner communities  
with the growth of  
our Company

**57**

Ensuring a safe and inclusive  
workplace

**69**

Taking customer privacy  
seriously in our business

**60**

Marching against child,  
forced and compulsory labor

**70**

Compliance  
with regulations  
as non-negotiable

**61**

Securing safe operating  
environment through  
sustainable security practices

Our corporate values are deeply reflected in our strong relationship with our employees and external stakeholders. We recognize the valuable work of our people that greatly contributes to the long-term success of our Company. We also continuously identify, monitor, and assess our impacts on our host and neighboring communities and establish a genuine connection with them through our community engagements and initiatives.



# Seek Excellence: Engaging and caring for our people

(103-1, 103-2, 103-3)

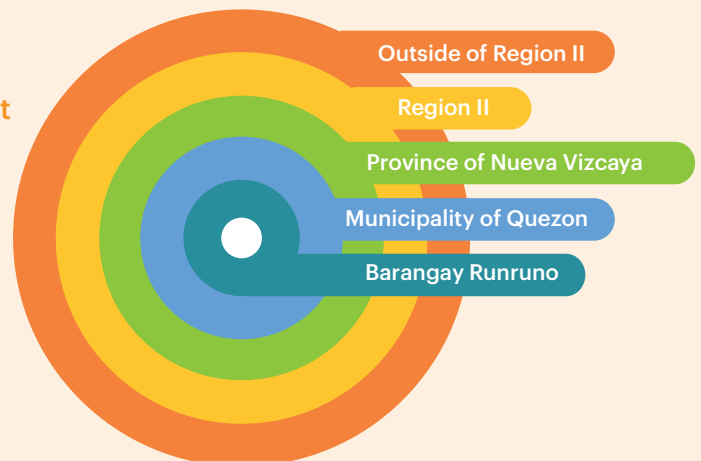


Our Company provides employment opportunities for the community where we conduct our operations. These opportunities have socioeconomic impacts not just for our employees and the community, but for the region and the country as well. Specifically, our employees, communities, regulatory bodies (such as DOLE and MGB), and other government agencies are all affected by our endeavors concerning employment. Thus, we aim to meet the expectations of our stakeholders in terms of our service improvements to our employees and the union. We have also developed and implemented policies to strengthen our relationship with our employees and to reduce the number of turnovers as well as the cost of recruitment. In March 2020, we introduced and implemented the “2:1 (two weeks on-site and one week off)” work arrangement so that employees can have more time to spend with their families. We have also ensured that even with the implementation of this new sitewide program, the continuity of operations around the clock takes place by providing just compensation to avoid disputes.

In order for us to evaluate our impacts on the community, we have utilized the Bull’s Eye approach in filling vacant positions. Using this approach, we have effectively implemented a recruitment and talent management strategy especially during this pandemic by hiring the most suitable, qualified, and experienced persons available, prioritizing the residents of Barangay Runruno, followed by the residents from the other barangays of Quezon in Nueva Vizcaya, other areas in Region II, and lastly, outside of Region II.

Through our employment strategies and processes, our stakeholders expect the compliance of our Company with several regulations on working conditions, terms of employment monitored through a collective bargaining agreement, and the Labor Code and other regulations from DOLE. Additionally, our employees expect our Company to comply with and recognize human rights in the workplace including the provision of appropriate benefits to employees, just compensations, and more importantly, ensuring that unfair labor practices are prevented.

## FCF Minerals’ Bull’s Eye Approach in Employment





### Information on employees and other workers (102-8)

As a Company, we depend on our ability to recruit and retain the most talented and high-performing people – those who share our commitment to sustainable development that will benefit all our stakeholders – to ensure our organization’s success. We take great care in every step of the employment process with an emphasis on equality, diversity, workplace safety, and employee welfare.

Total Number of Employees	Permanent		Temporary	
	2021	2020	2021	2020
Gender				
Male	573	486	88	79
Female	216	190	127	55
Region				
Region I	16	11	-	-
Region II	586	537	199	126
Region III	21	17	-	-
Region IV-A	34	23	2	2
Region IV-B	3	1	-	-
Region V	13	7	-	-
Region VI	-	5	-	-
Region VII	8	3	-	-
Region VIII	4	2	-	-
Region IX	-	-	-	-
Region X	1	-	-	-
Region XI	4	4	-	1
Region XII	-	1	-	-
Region XIII	5	3	1	-
NCR	40	25	4	2
CAR	53	34	9	2

### New employee hires and employee turnover (401-1)

Our new employees are within the range of 21-50 years old, mostly males, and are residing in Region II. This reinforces our commitment to utilize local skills and talent which in turn, contributes to the economic development of local communities.

Total Number of Employees	Full-time	
Gender	2021	2020
Male	662	565
Female	363	245

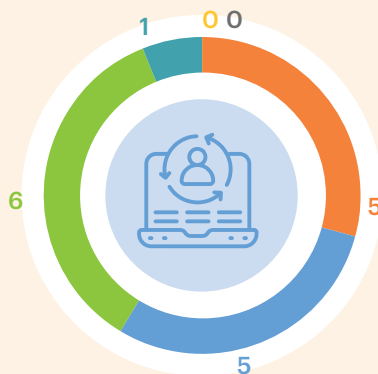
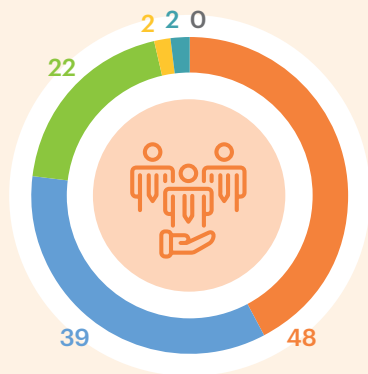
### Collective bargaining agreements (102-41)

	2021
Percentage of total employees covered by collective bargaining agreements	28%

### By Age Group

### By Gender

2021



Number of New Employee Hires

Number of Employee Turnover

Number of New Employee Hires

Female

21

Male

92

Number of Employee Turnover

Female

3

Male

14

Legend

● 18-20

● 21-30

● 31-40

● 41-50

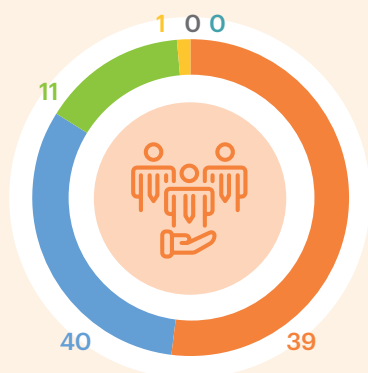
● 51-60

● 61 and above

### By Age Group

### By Gender

2020



Number of New Employee Hires

Number of Employee Turnover

Number of New Employee Hires

Female

22

Male

53

Number of Employee Turnover

Female

5

Male

12

By Region	Number of New Employee Hires		Number of Employee Turnover	
	2021	2020	2021	2020
Region I	4	1	2	-
Region II	63	51	7	7
Region III	7	3	1	2
Region IV-A	12	7	1	1
Region IV-B	1	1	0	-
Region V	4	2	0	1
Region VI	0	1	0	-
Region VII	0	-	0	1
Region VIII	0	-	0	1
Region IX	0	-	0	-
Region X	0	1	0	-
Region XI	0	-	0	-
Region XII	1	-	0	-
Region XIII	0	1	0	-
NCR	13	4	3	3
CAR	8	3	3	1

## Benefits provided to full-time employees that are not provided to temporary or part-time employees (401-2)

### Recognition Award



**15 years of service**  
PHP15,000 and token

**10 years of service**  
PHP10,000 and a plaque of recognition

### Licenses



Reimbursement of actual fees paid by the employee in relation to the renewal of their license and certification being used in the fulfillment of his/her job including transport costs.

### Employee Development and Training



Training courses, seminars, conferences, and conventions, which relate directly to the job of an employee in order to enhance and improve their skills.

### Work Uniform and Personal Protective Equipment (PPE)



Initial three (3) sets of PPE for all employees and undertakes to replace any worn-out items.

### Fifteen (15) days Emergency Leave



Fifteen (15) days emergency leave with pay per annum, subject to the following conditions:

- Confinement of dependents, children under 18 years of age and/or incapacitated who are dependent on their parents
- Parents and spouses who are confined
- Death of immediate family members (spouse, parents, children, siblings, parents-in-law)
- Employees who were affected by flood, fire, and typhoon (must be supported by a Government proclamation or may be declared by our Company)

### Ten (10) days Sick Leave



Ten (10) days sick leave with pay every year for all regular employees who have completed at least one (1) year of service from the date of probationary employment.

### Retirement Pay



Retirement pay that is equivalent to one (1) month pay for every year of service for all workers who reached mandatory or optional retirement age and has served the Company for at least five (5) years.

A fraction of at least six months is considered as one whole year.

### HMO



Covered by Cocolife Group Life, Accident, and Health Policy for all regular employees.

### Personal Accident Insurance



Covered by Personal Accident Insurance (CV STARR) in case of an accident for all regular employees.

### Life Insurance



Covered by life insurance (general) in case of disability or death for all regular employees.

### Financial Assistance (PHP6,500)



Cash assistance is provided to an employee in case of the death of an immediate family member.



### Parental Leave (401-3)

As part of caring for our people, we also provide them with leave credits that they may use for personal reasons. In 2020 and 2021, a total of 486 and 471 individuals were entitled to parental leave, respectively.

PARENTAL LEAVE	2021		
	MALE	FEMALE	TOTAL
Total number of employees that were entitled to parental leave	343	128	471
Total number of employees that took parental leave	30	14	44
Total number of employees that returned to work in the reporting period after parental leave ended	30	13	43
Total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work	30	11	41
Total number of employees due to return to work after taking parental leave	0	2	2
RETURN TO WORK RATE		21.5	
RETENTION RATE		22	

PARENTAL LEAVE	2020		
	MALE	FEMALE	TOTAL
Total number of employees that were entitled to parental leave	353	133	486
Total number of employees that took parental leave	28	25	53
Total number of employees that returned to work in the reporting period after parental leave ended	28	24	52
Total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work	28	23	51
Total number of employees due to return to work after taking parental leave	0	3	3
RETURN TO WORK RATE		17.33	
RETENTION RATE		17	

## Act honestly: Fostering stronger workforce relations

(103-1, 103-2, 103-3, 402-1)



### Four-week (15-day) notice

is provided to our employees prior to the implementation of significant operational changes as specified in our collective agreements.

As a business, we uphold healthy labor/management relations through the efficient management of the workforce which will help us in collectively achieving our goals and objectives. We also believe that establishing a harmonious relationship with our workforce will positively affect the overall productivity of our Company. As such, we have conducted regular consultations and established labor-management cooperation, collective bargaining agreement, and functional grievance mechanism. All of these impact our employees (both non-union and union), contractors, external regulators such as the DOLE, National Conciliation and Mediation Board (NCMB), National Labor Relations Commission (NLRC), and government litigation courts.

Our Company primarily ensures a balanced approach to facilitate clear and effective communication lines among the employees and establish feedback mechanisms to help mitigate conflicts at their earliest onset in our work areas.

We also provide a four-week (15-day) notice to our employees prior to the implementation of significant operational changes as specified in our collective agreements.

With these processes in place, our stakeholders, especially our employees, expect the maintenance of a harmonious relationship between them and the management, with a healthy resolution of internal and external conflicts that may arise and affect their performance.

## Prevent harm: Safety and health above all

(103-1, 103-2, 103-3, 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-8)

In the mining sector, we always consider the health and well-being of our employees, contractors, visitors, and other stakeholders as our main priority. We believe that our continued success is mainly attributed to our efforts in maintaining a safe and healthy working environment. Through effective leadership in our Company, we strengthen our policies and measures to recognize risks and hazards in our operations. Our Occupational Safety and Health (OSH) policy is compliant with all relevant laws and regulations including the MGB Department Administrative Order 2000-98 and DOLE OSH Law.



In terms of ensuring safety, we have conducted the following practices:

Hazard Identification, Risk Assessment, and Risk Management - These safety practices including work permitting, job safety and environment analysis (JSEA), and hazard reporting are conducted prior to the conduct of work.

Behavioral Based Safety and Visible Felt Leadership Program - This program promotes good behavior and provides coaching to unsafe acts. We conduct regular safety group meetings with the employees to discuss safety and health concerns and to make recommendations in the occurrence of any unsafe act.

Guidelines to Manage Industrial-related Incidents - We have established guidelines and procedures for the proper reporting, investigation, analysis, prevention or mitigation, and follow-up program of industrial-related incidents occurring within our premises. This ensures the consistency of properly handling such cases in order to mitigate the impacts and prevent their recurrence.

Capacity Building Sessions on Workplace Safety - We provide orientations and training programs on safety to all employees, and if necessary, to contractors and visitors before the commencement of work. In addition, we distribute safety manuals to all employees which contain safety rules and corresponding penalties for each infringement. For instance, erring employees are given a chance to explain their side upon issuance of a Notice to Explain.

Safety Leader Awards Program and Safety Influencer Program - We reward our employees who show exemplary behavior in following safety guidelines through our Safety Leader Awards Program and recognize them as role models through our Safety Influencer Program. We feature them in our Employee Safety Spotlight



program to show our appreciation for their contribution to create a just, safe, and healthy culture.

Our strong and comprehensive health programs have helped us cope better with the impacts of the pandemic. We made sure to take care of our employees including their families and our stakeholders during this difficult time. Specifically, we have implemented the following activities:

- Set of health promotions and protection strategies at the worksite (e.g., monthly medical bulletin with different health topics of common illnesses and guidelines for a healthy lifestyle)
- Primary healthcare services for employees' consultation through a site hospital
- Inclusion of proper job instruction, with emphasis on OSH matters given to each employee, in standard operating procedures manual and work instructions
- Free rapid antigen testing facility for all local employees, regulators, and regular local contractors and refund for antigen test for employees outside of Quezon, Nueva Vizcaya
- Isolation facility for employees who tested positive for COVID-19, where all their needs are provided throughout the duration of their 14-day quarantine

In case of emergencies, we ensure that our employees are prepared by being equipped with sufficient knowledge and capabilities to facilitate preventive

measures and response procedures in the workplace. We also conduct lifesaving rules and risk assessments for the identification of work-related hazards including accidents in confined spaces, falls from height, lifting and rigging, and hot works. We constantly monitor the situation of our workers and provide restrictions when reporting to work in conditions such as lack of training/authorization, being unfit to work, being under the influence of drugs or alcohol, and lack of or tampered safety devices.

In 2021, we have reached the 15 million safe manhours worked without a Lost Time Incident (LTI) milestone. This is significant to our Company as it shows our strong foundation in OSH, managing to still attain a momentous milestone of reaching a five (5) year consecutive period without any LTI amid the pandemic.

### **Work-related injuries (403-9)**

As part of our safety measures, we conduct various approaches to determine work-related hazards including risk assessments, JSEA, safety meetings, hazard reporting system for employees, planned inspections in all areas of the sites, safety audits of OSH programs and procedures (including review of safety data sheets and operating manuals), incident investigation and analysis, and hazard registry and analysis.

Based on our assessments, below are the common work-related hazards including the actions that were taken by our Company:

Work-related hazards that pose a risk of high-consequence injury	Actions taken by FCF	Work-related hazards that pose a risk of ill health	Actions taken by FCF
<ul style="list-style-type: none"> <li>• Fires and explosions</li> <li>• Chemical spills and toxic gas leaks</li> <li>• Geotechnical hazards (e.g., rockfall, slope failure)</li> <li>• Equipment interactions (i.e., equipment vs. equipment, equipment vs. personnel)</li> <li>• Construction hazards (e.g., lifting and rigging, working at heights, hot works, confined space, scaffolding)</li> <li>• Weather emergencies and natural disasters (e.g., typhoon, thunderstorms, earthquakes)</li> </ul>	<p>Establishment and implementation of the following:</p> <ul style="list-style-type: none"> <li>• Annual safety and health program</li> <li>• Emergency preparedness and response program</li> <li>• Hazard identification and risk management (e.g., work permit system, risk assessment, JSEA)</li> <li>• Planned inspections</li> <li>• Geotechnical risk management plan</li> <li>• Use of slope monitoring equipment (i.e., prisms and radars)</li> <li>• Trigger action response plan</li> <li>• Traffic management plan</li> <li>• Safety trainings and refresher courses (including emergency drills)</li> <li>• Use of monitoring devices (e.g., multi-gas detector, sound level meter, speed guns)</li> <li>• Provision of PPE</li> </ul>	<ul style="list-style-type: none"> <li>• Exposure to chemicals through inhalation, ingestion, absorption</li> <li>• Infectious diseases (e.g., viruses, bacteria)</li> <li>• Exposure to insects and animals</li> <li>• Exposure to noise, radiation, and heat</li> <li>• Fatigue</li> <li>• Ergonomic hazards (e.g., vibrations, repetitive motions, manual lifting)</li> <li>• Substance abuse</li> </ul>	<p>Establishment and implementation of the following:</p> <ul style="list-style-type: none"> <li>• Health maintenance program (pre-employment, annual, and exit medical examination)</li> <li>• Medical surveillance (e.g., biochemical monitoring)</li> <li>• Management and review of medical records</li> <li>• Hygiene facilities and practices</li> <li>• Health education and training</li> <li>• Air monitoring</li> <li>• Provision of PPE</li> <li>• Vaccination program</li> <li>• COVID-19 management program</li> <li>• Clean up drives</li> <li>• Fit for duty programs for fatigue, alcohol, and drugs</li> <li>• Hearing conservation program and audiometric testing</li> </ul>



However, there was an inevitably small number of employees and contractors that were recorded to have work-related injuries during the reporting period. In 2020, there were 18 employees and three (3) contractors (1.35 rate) with a total of 3,099,132 hours worked. On the other hand, in 2021, there were 19 employees and two (2) contractors (1.39 rate), having a total of 3,011,551 hours worked.

The main types of work-related injuries are the following:

Employees	Contractors
Open wounds (cuts, lacerations, punctures, avulsions)	Open wounds (cuts, lacerations, punctures, avulsions)
Sprain and strains	Burns (heat)
Bruises	Animal and insect bites
Animal and insect bites	Chemical injury (irritation)
Chemical injury (irritation)	
Burns (heat)	



# Employee Safety Spotlight

We recognize our employees who have shown exemplary efforts in safety and health. This is consistent with our belief that giving our employees a platform to be heard and recognizing their efforts contributes to the creation of a just, safe, and healthy culture.

With this, we have given the spotlight to our Executive Secretary and Towards Sustainable Mining (TSM) Project Assistant, Ms. Cristine Raspado. She is an active Safety Influencer and participates during the Joint Safety Inspections.

She accurately identifies hazards and goes beyond her normal duties by tapping and relentlessly reminding area owners to correct observe hazards.



## Seek excellence: Supporting our people's continuous development

(103-1, 103-2, 103-3)

The greatest asset of our Company is our people. We deemed it important to focus on our employees' continuous learning and development to support their individual career goals and at the same time, help in meeting the ever-growing changes in our business environment. This will help them boost their confidence in performing their jobs and showcase their individual potential even outside of work. The increase of training and development opportunities for our employees may also result in higher productivity and increased retention rate and transfer to our Company.

Following the International Labor Standards on Vocational Guidance and Training, our employees are required to undergo training on aspects that concern our operations including safety, renewal of licenses and permits, and certifications. Some of our contractors participate in safety training programs in accordance with safety requirements. We also encourage our employees to take graduate studies as required by their respective positions, and we provide learning offerings through our SDMP funding.

To assess the appropriate training for our employees, all departments identify the learning gaps that need to be addressed through a training needs assessment. These are taken into consideration for the allocation of their annual training budget and are incorporated in the performance appraisal.

## Average hours of training per year per employee (404-1)

Our employees have average training hours of 43.63 and 21.44 for 2020 and 2021, respectively. The conduct of face-to-face training was limited due to the health and safety protocols that were imposed due to the COVID-19 pandemic. Nevertheless, our employees – from rank and file to managerial positions – attended online training programs to continue strengthening their career development.

Average hours of training per year per employee (404-1)		
	2021	2020
<b>Gender</b>		
Male	8.15	19.28
Female	10.07	16.49
<b>Employee Category</b>		
Rank and file	8.59	18.80
Supervisory	9.62	18.79
Managerial	3.23	6.04

## Programs for upgrading employee skills and transition assistance programs (404-2)

### Renewal of professional licenses/accreditation

It is being offered to our engineer employees, both regular and contractual. The training expenses can be reimbursed in full amount to acquire Continuing Professional Development (CPD).

**45** engineer employees acquired renewal of licenses and underwent training for their CPDs

**5** drivers renewed licenses

**17** employees underwent defensive training

Approximately **14 out of 65** heavy equipment operators renewed licenses and attended training to acquire full authorization

Our transition assistance programs provide support to our employees from pre-boarding until their retirement or termination of employment. In 2020 and 2021, we have conducted the following:

#### Pre-boarding

Our Company has provided assistance for the pre-employment requirements such as medical examination, and COVID-19 test (100% reimbursement of expenses) and transportation assistance.

covered topics on coaching, project management, workplace respect, career development, technical skills on heavy equipment (excavator, bulldozer, loader, grader, compactors, and light trucks), conflict resolution, and performance management.

#### Staff training and development

We have offered competency-building training through virtual platforms such as live and recorded webcasts for our employees across the site. We organized online sessions that

#### Retirement/Termination of Employment

We facilitated the retirement pay for our three (3) separated employees in 2020 and 25 separated employees in 2021.



## Percentage of employees receiving regular performance and career development reviews (404-3)

In 2020 and 2021, most of our employees who received regular assessments are males and are under the rank-and-file category.

Percentage of total employees who received regular performance and career development review during the reporting period (404-3)		
Classification	2021 (%)	2020 (%)
Gender		
Male	49%	60%
Female	19%	23%
Employee Category		
Rank and File	51%	23%
Supervisory	14.41%	15%
Managerial	2.43%	3%

## Show respect: Ensuring a safe and inclusive workplace

(103-1, 103-2, 103-3)



We put utmost importance on an inclusive workplace where anyone can thrive regardless of his/her race, age, gender, sexual orientation, religion, cultural background, attributes, social background, or political orientation. We believe that preventing any form of discrimination and any unlawful harassment as well as establishing a safe workplace for all our employees is vital in promoting decent work and achieving high performance and long-term success of FCF.

Over the years, we have continued improving cultural and gender diversity across all levels of leadership in our business. Hence, we conduct

benchmarking to determine the level of engagement with our Company based on different categories including gender and age as part of our responsibility to effectively manage and disclose risks and opportunities concerning diversity and equal opportunity. We also remain steadfast with our goal to eliminate gender stigma in the male-dominated industry by providing equal opportunities to all genders in terms of employment.

Currently, we are still working towards fulfilling this commitment. In 2020, 33% of our managers and superintendents are women. It has increased to 34% in

2021 as we continue to hire women professionals for both managerial and superintendent positions. Meanwhile, we have relatively more male than female employees for this reporting period. The main reason for this gender imbalance in our record is our commitment to the protection of women from working in hazardous or arduous situations. Hence, this contributed to our recognition as the Safest Surface Mine Operations and Safest Mining Operations in the country in 2020.

## Diversity of governance bodies and employees (405-1)

### Governance Bodies

Classification	2021 (%)	2020 (%)
Gender		
Male	25	11
Female	13	23
Age		
Under 30	1	1
30-50	26	21
Over 50	11	11

### Employees

Classification	2021					Total	Percentage
	Regular	Probationary	Contractual	Spothire (Contractual)			
Gender							
Male	519	54	19	69	661	64%	
Female	197	19	4	149	369	36%	
Age							
Under 30	167	34	8	141	350	34%	
30-50	457	38	8	71	574	56%	
Over 50	92	1	7	6	106	10%	

Classification	2020					Total	Percentage
	Regular	Probationary	Contractual	Spothire (Contractual)			
Gender							
Male	446	40	9	70	565	70%	
Female	181	9	7	48	245	30%	
Age							
Under 30	131	21	8	58	218	27%	
30-50	402	26	8	51	487	60%	
Over 50	95	2	-	8	105	13%	



We aim to achieve a balanced workforce and aspire to be as diverse as the communities in which we operate. With this, we prioritize local employment and training opportunities to ensure that our host community can participate and benefit from our operations. Moreover, the age range of our workforce is commonly within 30 to 50 years old.

We treat everyone equally as we believe that equal opportunity must be given to everyone including equal pay for work of equal value,

promotion, training opportunities, and opportunities to study and scholarship grants. We also do not tolerate any discriminatory actions in our organization. For instance, in five (5) of our female employees, one (1) is an HD785 operator, one (1) is a compactor, and three (3) are currently in training for LV driving.

We abide by various legislations and frameworks including the Anti-Discrimination Act of 2011, the Republic Act No. 7877 or the Anti-Sexual Harassment Act of 1995, and the United Nations Guiding Principles

## FEATURE STORY

# Achieving success is possible for PWDs in FCF

on Business and Human Rights (UNGP BHR). Moreover, we have established several mechanisms to ensure that equality is being observed in our workplace which include the following:

- Implementing criteria for hiring, training, and promotion including the hiring of persons with disabilities (PWDs)
- Forming of steering committee responsible for handling discriminatory violations
- Providing compensation and benefits according to position, qualifications, and performance
- Instituting standardized salaries
- Implementing of non-discriminatory policies, Code of Conduct and Discipline, Policy of Anti-Sexual Harassment, and Collective Bargaining Agreement
- Establishment of a lactation room for breastfeeding mothers in compliance with the Republic Act No. 10028
- Establishment of mental health workplace policy in compliance with Republic Act No. 11036

We apply the principle of equality in the hiring process for new employees, current employees, and business partners. Currently, five (5) of our employees are PWDs – three (3) of them are handicapped while the two (2) are visually impaired. As a result, we maintain to be free from any discrimination and unlawful harassment.

Guided by our values of showing respect and seeking excellence, we will continue to encourage all our employees to develop leadership skills in the qualities we expect our current and future leaders to hold as we put a premium value on the talent of our people while nurturing a safe and inclusive work environment.



**“One of the greatest experiences working with FCF is that people work together as a family and want to see their colleagues succeed in their careers.”**

– Jommar Balaos, Compactor Operator of FCF

In our Company, we maintain to create an inclusive working environment, providing equal opportunities for all to maximize a wide range of talent within and outside the locality. We believe in honing the individual potential of our people and help in fulfilling their goals and aspirations. At present, we have five (5) employees who have disabilities. One of them is Jommar Balaos, a Compactor Operator of FCF and a resident in Barangay Runruno in Quezon, Nueva Vizcaya. He has an orthopedic impairment disability wherein he lost his right leg due to a motorcycle accident, and he was using a prosthetic leg to overcome mobility problems.

Jommar was hired in our Company in 2015 because of his courage and persistence to continuously

improve his skills as an operator. He actively participates in various training opportunities and learns from his colleagues in performing roles in various areas in the Company. With his commendable capabilities, he achieved a record performance of 4.0 (Very Satisfactory) from his training on Heavy Equipment. It has also led to his promotion from a Mine Spotter to a fully authorized Compactor Operator in December 2020. More importantly, his positive attitude and professional achievements further emphasize that PWDs can greatly contribute to achieving the vision of the Company and become productive members of society.

## Show respect: Marching against child, forced and compulsory labor

(103-1, 103-2, 103-3, 408-1, 409-1)

Any form of compelled, forced, or child labor is a violation of basic human rights. As a business that takes place in remote areas and often where other social services are scarce, mining activities are highly susceptible to forced or child labor. The consequences of any form of forced labor can be felt by society because it can be deprived of the opportunity to develop the skills of its human resources as well as the economy because of the potential loss of labor markets in the future. From a business perspective, this lowers our expected level of productivity and promotes a less secure investment environment due to the shortage of qualified and highly skilled manpower.

We have made it our Company's mandate to have zero tolerance and uphold the elimination of all forms of forced and compulsory labor. Our policy is embedded throughout the organization to ensure that all Company officials have a full understanding of the mandate. It is consistent with the various International Labor Organization (ILO) instruments and standards that complement Philippine national and local laws and policies governing forced labor. As a registered member of the Chamber of Mines TSM, our Company is committed to uphold the established protocol of "No Child Labor Policy." To support this policy, we have organized Information, Education, and Campaign (IEC) sessions and distributed flyers to our host and neighboring communities to raise awareness on eliminating the practice of child labor.



Moreover, in the implementation of our SDMP infrastructure projects in the host and neighboring communities, it is stated in our policy that contractors who are engaged to implement the projects shall not engage in child labor. This policy should be mutually agreed upon by the concerned parties including the BLGU beneficiary or project proponent, FCF, and the winning contractor as indicated in the Tripartite Memorandum of Agreement.

We understand that while we do not employ forced, compulsory, or child labor, our Company may be associated with it through our business partners or links such as our contractor and suppliers. We are committed to working with our business partners to detect and end forced labor in

our supply chain. For 2020 and 2021, we have regularly encouraged our business partners to map their supply chain to identify possible risk areas for forced labor and conduct due diligence to demonstrate respect for labor laws. If there are expected and reasonable risks that forced or child labor exists, our partners are required to implement actions to mitigate such risks, or we reserve the right to end our business relationship with them.

Overall, these mitigation measures include a set of interventions that demand both workplace and community actions to help ensure the elimination of forced labor practices.

# Prevent harm: Securing safe operating environment through sustainable security practices

(103-1, 103-2, 103-3, 410-1)

Our Company, together with the civil society, can play a significant role in advancing human rights goals through security practices in their areas of operation. We understand that our success is highly dependent on operating in a safe and secure business environment that benefits everyone: our employees, local communities, and assets. We have arranged dialogue on security with stakeholders that have an interest in human rights and corporate social responsibility. Through this dialogue, the participants underscored the importance of an operating framework that ensures respect for human rights and fundamental freedoms.

The security practices policy of our Company aims to fully address the security and human rights-related issues arising from our operations within an operating framework that encourages respect for human rights. Bearing in mind our security policy, it is instructive in the development of our Security Management Plan (SMP), a document that articulates our security philosophy, procedures, goals, and guidance that is consistent with our business plan, risk assessment, and mitigation plans to ensure the protection of partner communities, employees, facilities, operations, production, and the reputation of FCF. The SMP further outlines the security function as an integral part of conducting a successful business and upholding the rule of law on all occasions. It also demonstrates our relationship and arrangement with both private security companies and third parties such as government security forces and stakeholders including civil authorities. Specifically, the SMP expresses our security practices and procedures covering such topics as the implementation

of security management systems, procedures for dealing with security risks, incidents, and impacts on human rights, among others. Our goal is to be able to protect human rights, promote development, and avoid or reduce conflict in our areas of operations.

Moreover, our security personnel regularly network with industry professionals to ensure that our commitment to responsible security practices is current, up-to-date, and consistent with the highest strategic and operational-level solutions. It often involves sharing of insights and learnings with subject matter experts about the ongoing and evolving risks and best practice learnings for dealing with emerging and dynamic challenges confronting the mining sector. Overall, we proactively anchor our security policy on internationally recognized standards of the Voluntary Principles on Security and Human Rights, and the UN Declaration of Human Rights designed specifically for extractive sector companies.

For the years 2020 and 2021, a total of 88 of our security guards (17 female and 71 male), through the leadership

of a Security Superintendent, were trained on gun safety procedures, civil disturbance, Red Cross first aid certification course, firearms safety, and tactical training. Also, three (3) security guards attended the Basic Occupational Safety and Health (BOSH) certificate course.

Where appropriate, we include the security practices principles in the contractual provisions in agreements with the Company's private security providers and ensure that private security personnel are adequately trained to respect the rights of employees, the local community, and other relevant parties. Likewise, to the extent practicable, we are determined to end contractual agreements where there is credible evidence of unlawful behavior by the private security contractors. In an effort to reduce this risk, we regularly communicate our policies to public security providers and express our desire for them to provide security in a manner consistent with ethical conduct and human rights.



## Show respect: Creating an inclusive and long-term partnership with indigenous peoples

(103-1, 103-2, 103-3, 411-1)

There is a recognition among mining companies that Indigenous Peoples (IPs) have distinct rights and interests which must be respected by responsible companies. Often, this creates specific obligations for companies, as well as presents a range of unique challenges that requires a set of engagement approaches sensitive to the rights, interests, aspirations, and culture of IPs.

Although we do not operate in an ancestral domain area, we ensure to observe the highest standards

in protecting the rights of IPs as the key to building our harmonious relationships with them. Adherence to the principle of self-determination means that our Company provides adequate, meaningful mechanisms, and due diligence to ensure that our actions will not violate nor be complicit in violating peoples' rights.

Through the years, our Company takes into account the long-term benefits of our mining projects to the IPs in Runruno. For 2020 and 2021, there were no reported incidents of

violations involving the rights of IPs in our operations. This has resulted in strong public support towards our project and is aligned with our goal of seeking to leave a positive legacy, particularly concerning the social and economic development of our indigenous communities.

## FEATURE STORY

# Preserving local culture through livelihood projects

Mining companies can be a driver of sustainable development as it boosts the local economy through generation of revenues. In particular, the operation of responsible mining companies can help provide indigenous communities with livelihoods to help them acquire assets and enhance its ability to meet their day-to-day needs and reduce poverty. It is in this sense that socially responsible mining companies can have positive impacts on local and indigenous communities.

The role of mining in this life-enhancing condition can be shown in FCF's partnership with the IPs in Barangay Runruno. Through our Annual Social Development Management Program (ASDMP)

2019 Fund, our Company provided financial assistance and livelihood opportunities for loom weaving for the Abel Runruno Indigenous Peoples Organization (RIPO) project. It was established in 2015 to preserve the culture and tradition of the Runruno community and a source of additional income of the weavers involving five tribes - Kankanaey, Ibaloi, Kalanguya, Tuwali, and Ayangan. This project was initiated by the LGU of Barangay Runruno and National Commission on Indigenous Peoples (NCIP) and assisted by FCF through the SDMP.

In 2019, the project received a total funding of PHP148,500 to cover the training cost, fixed asset, and revolving capital. The members

underwent skills training on weaving in partnership with the Technical Education and Skills Development Authority (TESDA) of the province of Nueva Vizcaya.

Juliana Redondo, Antonette Dumapi, and Mona Ancheta are some of the members of the RIPO who showcased their passion in loom weaving. As compared to when they started in 2019, they can now attest that after two years, their skills in loom weaving have greatly improved. They have received orders during the pandemic within and even outside of Barangay Runruno. Aside from tribal costumes, they have decided to offer more products such as wallets, bags, and dresses wherein they earn an average of PHP3,000 of monthly income for each person.



# Show respect: Strengthening social license by respecting and upholding human rights

(103-1, 103-2, 103-3, 412-2)

Mining companies have a distinct responsibility to respect human rights. There is a strong connection between the impacts of mining activities on the surrounding communities and the Company's social license to operate in those communities. This is clearly stated in the internationally recognized UNGP BHR which provided a framework for identifying, understanding, assessing, and addressing human rights impacts associated with

business activity. Recognizing this imperative, our Company considers human rights assessment as crucial to understanding human rights in our local value chain including those impacts associated with vulnerable groups such as children, women, and minorities.

However, as in the case of many mining companies in the Philippines, challenges remain for this reporting cycle and we are still in the process of

embedding human rights assessment into our everyday business operations by developing policies specific to human rights, referencing human rights in our various reports including sustainability reports, conducting human rights training for our employees or implementing human rights into environmental, social impact assessments in our contracts, among others.



According to the weavers, FCF has continuously helped them by providing the necessary materials and equipment and organizing training on loom weaving for further enhancement of their skills. Last September 8 to 19, 2020, they underwent another five-day training, and they expressed interest to participate in more sessions in the future. They shared that the Company is also willing to assist them whenever they need guidance

and encouragement to continue their business, given the impacts of the pandemic.

Overall, the loom weaving project hopes to contribute to a strong social infrastructure after the completion of mining activities in the area. The weavers also aspire to invite more members, most especially the youth, to help fulfill the purpose of this project which is to ensure the survival of the local culture and community.



## PHP3,000

Average monthly income per person earned from loom weaving orders during the pandemic



As of 2021, our operations have not been subjected to any human rights reviews or impact assessments, and we have no current employee training on human rights. Nevertheless, we are implementing human rights policies such as gender equality, prohibition against child labor, and penalizing sexual harassment.

Given the cross-cutting relevance of human rights to achieve the universal sustainable development goals (i.e., UN SDGs), our Company's action plan is distinct by focusing on rights and not needs. In doing so, it

aims to respect and strengthen the participation of vulnerable groups and considers the characteristics of our local communities as key actors in their development.

We firmly believe that implementing the action plan can help improve our decision-making by anticipating future impacts of present decisions and thus reinforcing transparency, information, effective communication among stakeholders, and accountability of our business actions.

It is our desire that in the succeeding year, we can integrate such human rights impact assessments in business areas where it can create risks and opportunities for the Company. Our specific human rights assessment action plan includes:



**Policy.**  
Adopting, implementing, and integrating a human rights policy throughout our business to ensure that it complies with all local laws and adopting relevant codes of practice relating to human rights

**Measurement.**  
Assessing the human rights impacts of our Company's operations

**Monitoring.**  
Implementing a credible and transparent system of monitoring and reporting on our human rights impacts and performance

**Reporting.**  
Externally communicating our human rights impacts and performance through various corporate reports including sustainability reports

**Feedback and Remediation.**  
Establishing accessible and appropriate systems to address grievances and remediation mechanisms related to the impacts of human rights on our operations



## Show respect: Fostering growth in our partner communities with the growth of our Company

(103-1, 103-2, 103-3)

We are driven by our commitment to engage with our external stakeholders towards sustainable growth. Our goal is to align our initiatives with their local practices and maximize opportunities for the continuous development of the communities. We encourage their participation in our activities and value their inputs as a crucial element of our Company's decision-making. As we promote responsible mining in the Philippines, we believe that our goals will be achieved through our strong relationship with our key stakeholders.

We regularly conduct local community engagements, impact assessments, and development programs in our host communities in Barangay Runruno in Quezon, Nueva Vizcaya. In 2020 and 2021, our operations have had no significant actual and potential negative impacts on our local communities since we ensure to strictly adhere to the approved work program. Our activities were also closely monitored by the MMT composed of representatives from MGB, EMB, PO, NGO, BLGU Runruno, and MLGU Quezon.

The implementation of our social development and management programs in the host and neighboring communities generated a positive attitude towards our Company, grounded on the fact that from the proceeds of the project's operating costs, 1.5% of the allocation cost goes to the host and neighboring communities in the form of development assistance.

Our efforts are focused on institutionalizing systems and procedures for the implementation



### PHP9.31 million

Total project cost of 2,366 km road network for 2020 & 2021

of our programs to have a smooth business relationship between our Company and the host and neighboring communities. We have retained a healthy engagement with the *Punong Barangay* and the council to ensure that our programs are parallel to the overall development directions of the community. In the final selection of priority projects to be funded and implemented annually, it is required to conduct community consultation with sectoral representation.

The government agency representatives are engaged as members of the Technical Working Group (TWG), and the Program

Management Committee is tasked to have oversight in the implementation of the SDMP. These committees helped set up policies that appropriately govern the character of development assistance.

Through our partnership with our stakeholders, we showcase the transparency of our business operations which contributes to building an enhanced reputation and continued trust with them.

## FEATURE STORY

# Bridging the path towards holistic local development

In our community engagement initiatives, our Company employs a participatory approach that encourages the community members to develop projects based on their own identified needs and concerns. We foster a harmonious relationship with our partner communities and serve as a bridge for the LGU officials and residents.

In our SDMP, we work with focal persons who are trained community development workers in their respective barangays. They are responsible for coordinating among the BLGU, Community Relations Office of FCF, and other government agencies. As endorsed by barangay captains to FCF, the focal persons are directly involved in all SDMP-related initiatives of the barangay throughout the project life cycle – from planning until evaluation.

As part of the focus areas of SDMP, health, education, and infrastructure were prioritized for 2020 and 2021 in light of the impacts of the COVID-19 pandemic. The budget from the SDMP was mostly realigned for the COVID-19 response in accordance with the Republic Act. No. 11469 or the “Bayanihan to Heal as One Act.” The barangays provided relief packs to the residents including food and medicines. Regarding education, there were donations of printers, photocopy machines, and school supplies to support the students’ modular distance learning set-up. We also distributed motorized knapsack sprayers that serve as quality equipment for our farmers.



In these efforts, our Company maintains a close coordination in the development of various projects funded by SDMP concerning education, health, culture, infrastructure, livelihood, and human resource. We actively participate in monthly meetings and stakeholder consultations to identify the strengths and points for improvement of the projects. The success of projects may also be attributed to the focal persons

who serve as a bridge between FCF and the BLGUs in identifying and addressing various key issues in their respective localities. Mirasol Wais from Barangay Caloocan shared that being a focal person is “challenging”, but she has learned a lot from her experience. In addition, Arlene Valenzuela from Barangay Aurora expressed her fulfillment in seeing the development of the barangay she resides in and having a crucial role for such progress.



## FEATURE STORY:

# Improving the lives of women through entrepreneurship

Our Company believes that enterprise development is one of the keys to the economic growth of its mining communities. In 2018, we introduced and funded a sewing project that aims to improve the skills of women in sewing and needlecraft which will be instrumental in providing additional income for their families.

In partnership with TESDA of Nueva Vizcaya, our Company provided women with the necessary skills and tools, such as sewing machines and sewing accessories, to help them start with their business. There was also funding for skills development conducted by TESDA which were sourced from our annual SDMP fund. Through this project, 16 women completed the month-long training program for Tailong NC II competency.

Despite the various challenges faced by these women – including the struggle in Calico bags suppliers, quality control, rejections, and time management issues – only six (6) of them have continued with the sewing business and eventually set up their shop on a rented facility in Sitio Dipilipig, Barangay Runruno called the Runruno Sewing Services (RSS). In order to sustain the earlier months of operations, the women borrowed money as revolving capital through the assistance of our Community Relations Officer (CRO) who supervised and monitored the sewing business.

Through the sewers' determination and continuous improvement and learning, the sewing business persisted. Hence, amidst the impact of the COVID-19 pandemic, their

business continued. For instance, the BLGU of Runruno commissioned them to produce facemasks when the pandemic started its grip on the country during the first quarter of 2020.

Moreover, through the support of our CRO's livelihood team, the sewers now produce a variety of items such as uniforms, pillows, curtains, and rags. Additionally, they are supplying our Company with calico bags, with the Company regularly purchasing 10,000 pieces (worth PHP200,000) every other month. This persistence and resilience led the women to be known throughout the community –providing sewing services to FCF employees, to the residents of Runruno, and even to the neighboring towns in Quezon, Nueva Vizcaya.

The six women who started this sewing business are now earning an average salary of PHP6,000 per month which they use to help support household expenses for their families and other personal expenses (i.e., monthly contribution to the Social Security System).

In the last quarter of 2021, the start-up capital provided by FCF to the women amounting to PHP231,650 has increased by 408% which amounted to PHP945,426. Additionally, the women have maintained their fixed assets like their sewing machines. More importantly, they were able to pay the initial capital that they loaned from the BLGU of Runruno for their operations.

In the years to come, the women of RSS aim to make their business a self-sustaining and self-reliant



**“Getting into the sewing business industry means committing to a lifelong learning, with a desire to learn at every opportunity, develop a teachable character within, and enhance proactivity to look for ways on how to deliver things better.”**

**- Ms. Analyn Felix, Sewer at Runruno Sewing Services**

organization. They also hope to improve their skills through more training programs and tools and encourage a new generation of sewers who can continue their business. Thus, with guidance from our CRO livelihood team, the women plan to embark on new entrepreneurial sewing projects including the establishment of a wider market for their products, as well as to utilize what they learned from the training to produce a variety of other products to help increase their capital and income. Currently, the sewers are prioritizing the acquisition of a lot for the construction of their sewing shop.

# Innovating educational success

The COVID-19 pandemic has brought significant disruptions to various sectors in the Philippines, including the education sector. Schools and universities were forced to close and transition to online or blended learning in order to continuously provide education while ensuring the safety of the teachers and students. Despite the ongoing impacts of the pandemic, FCF continues to offer scholarship programs to improve the lives of deserving students.



During the exploration phase of FCF in 2008, the scholarship program was started to help alleviate poverty in the community as the Company believes that the best way to help families improve their lives is through helping their children finish their studies. Hence, the Company's scholarship program is open province-wide, with the following qualifications:

1. Must be a graduate under the Science, Technology, Engineering, and Mathematics (STEM) strand;

2. Must have a Grade Point Average (GPA) of 85 or higher;
3. Must be of good moral character;
4. Must not be a current recipient of any scholarship;
5. Must be physically fit as certified by a physician; and
6. Must be a bonafide resident of the Province of Nueva Vizcaya.

Through the scholarship program, qualifying students can choose from programs such as Bachelor of

Science (BS) in Mining Engineering, BS Metallurgical Engineering, BS Geology, and BS Geological Engineering in universities such as Saint Louis University, University of the Philippines Diliman, Adamson University, and Mapua Institute of Technology.

In 2020 and 2021, FCF has continued to provide benefits to the scholars such as free tuition and miscellaneous fees, monthly allowance, assistance during on-the-job training, fieldwork, board examination review fees, book and uniform allowances, and dormitory fees.

One of the Company's scholars is Anna Cabungan, a 22-year old student from Barangay Caliat, Quezon, Nueva Vizcaya. She is currently a 4th-year student of BS Mining Engineering at Saint Louis University in Baguio City. Since the beginning of the pandemic, Anna has been studying at home since their university also transitioned to online learning. She has encountered changes and challenges because of the impacts of the pandemic, but she remained thankful to FCF for its unwavering support to scholars like her. Through the scholarship program of the Company, she received a laptop for her online classes along with various benefits of the program with minor changes for 2020 and 2021. Thus, she mentioned that the scholarship is truly a big help to a student like her, especially on the financial aspect. As a scholar, Anna is more determined to improve her studies as her way of giving back to FCF for the genuine support it continuously provides.

# Act honestly: Taking customer privacy seriously in our business

(103-1, 103-2, 103-3, 418-1)

As a Company, we believe that it is our responsibility to provide overall management and oversight of sensitive information provided by customers, especially with the increasing use of the internet. In the Philippines, companies are governed by the Republic Act No. 10173 or the Data Privacy Act (DPA) of 2012 which enforces data privacy protection in the country to ensure transparency, legitimate purpose, and proportionality in data collection and processing.

Our Company supports the DPA and has appointed a Data Protection Officer (DPO) apart from complying with all its issuances guided by the principles of conscientious use and proactive protection of data and information. We believe that the appointment of our DPO improves our customer service, enhances our responsiveness to the growing public awareness of personal data protection, and remains competitive in a dynamic global landscape of data protection.

While the Philippine law provides a unified data privacy framework, we have installed a mechanism for data security and customer privacy that is compliant with international standards set for data protection. The mechanism regulates the collection, recording, organization, storage, updating or modification, retrieval, consultation, use, consolidation, blocking, erasure or destruction of personal data. Likewise, we regularly conduct a data audit to make sure that all our projects are designed with data protection measures in mind.



In the event of breach, we have robust and reliable security breach notification systems for identifying and reporting security breaches.

Overall, for the period 2020 and 2021, we have zero number of substantiated complaints received concerning breaches of customer privacy as well as identified leaks, thefts, or losses of customer data.

We are well-aware that the enactment of privacy laws and the increasing trends of advanced data collection technology indicates a heightened concern for customer privacy among mining companies. Our Company is well-positioned to deal with this sustained interest in data collection privacy and increased expectation of transparency for the foreseeable future.



## Republic Act No. 10173

The Data Privacy Act ensures data collection and processing is transparent, legitimate, and proportionate.



# 0

Verified complaints about privacy breaches, data leaks, thefts, or losses.

# Be accountable: Compliance with regulations as non-negotiable

(103-1, 103-2, 103-3, 419-1)

Our Company is committed to the highest standard of compliance with social and environmental regulations in areas where we operate. We value the importance of the principle of common but differentiated responsibility in protecting the environment and safeguarding the social and cultural heritage and well-being of our communities and partners. As a responsible mining company, we put a premium on inspection and monitoring and procedures for engaging the community as effective ways of detecting violations of laws and monitoring compliance with the law.

We conduct our operations being mindful that it is not harmful to the health and well-being of our

stakeholders. This is the reason that our Company has put in place enforcement mechanisms to deter violations of any environmental, social, and cultural legislation or regulations. Part of this mechanism are effective administrative practices and the availability of means for civil society to become involved specifically in monitoring and finding possible solutions that are suitable or adaptable to conditions in our area of operation.

We also support the MMT pursuant to the Philippine Environmental Impact Statement (EIS) System. The MMT is composed of the regulatory agency of the DENR, our Company, other relevant government agencies, LGUs, civil society, and stakeholders.

It conducts regular oversight of our mining practices to ensure that legal requirements are adhered to by our Company to avoid violations. As of 2021, the monitoring of our operations has been successful in improving the level of compliance with our activities.

Above all these, we adhere to government laws, regulations, guidelines, and specifications relevant to our processes. Hence, for 2020 and 2021, we have not been imposed with significant fines and non-monetary sanctions by authorities for non-compliance with laws or regulations in the social and economic areas of our operations.

## Acknowledge Success: Awards and Recognition of FCF



### Philippine Mine Safety and Environment Association (PMSEA) 2020 Awards

Safest Surface Mining Operation

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Safest Mining Operation

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2nd Runner-up Best Mining Forest Contest under Metallic Category



# GRI Content Index

For the Materiality Disclosures Service, GRI Services reviewed that the GRI content index is clearly presented and the references for Disclosures 102-40 to 102-49 align with appropriate sections in the body of the report.

For the SDG Mapping Service, GRI Services reviewed that the GRI disclosures included in the content index are appropriately mapped against the SDGs.



GRI Standard	Disclosure	Page Number(s), Direct Answer, or Reason for Omission	SDG Linkage to Disclosure	
<b>GRI 101: Foundation 2016</b>				
<b>General Disclosures</b>				
<b>GRI 102: General Disclosures 2016</b>	<b>Organizational Profile</b>			
	102-1	Name of the organization	FCF Minerals Corporation	
	102-2	Activities, brands, products, and services	p. 4	
	102-3	Location of headquarters	Unit 1407 Pacific Star Building, Sen. Gil Puyat Ave, cor. Makati Ave., Makati City	
	102-4	Location of operations	Barangay Runruno, Quezon, Nueva Vizcaya, Philippines 2713	
	102-5	Ownership and legal form	p. 4	
	102-6	Markets served	India	
	102-7	Scale of the organization	p. 23	
	102-8	Information on employees and other workers	p. 48	
	102-9	Supply chain	p. 28	
	102-10	Significant changes to the organization and its supply chain	No significant changes	
	102-11	Precautionary Principle or approach	FCF has no precautionary principles as of the moment, but has plans in drafting one.	
	102-12	External initiatives	None	
	102-13	Membership of associations	Chamber of Mines of the Philippines, ANZCHAM	
	<b>Strategy</b>			
	102-14	Statement from senior decision-maker	p. 8	
	102-15	Key impacts, risks, and opportunities	p. 10	
	<b>Ethics and integrity</b>			
	102-16	Values, principles, standards, and norms of behavior	Inside Front Cover	
102-17	Mechanisms for advice and concerns about ethics	Our Code of Conduct enumerates our ethics. Our standards of procedures, aligned with the requirement of the law, have been established in various activities that we undertake. The way we behave is also being manifested in the performances as certified with ISO 14001:2015 and as a member of the Chamber of Mines of the Philippines "Towards Sustainable Mining" (TSM). The reporting of infractions especially on safety concerns is participatory and cuts across all employees regardless of position.		
<b>Governance</b>				
102-18	Governance structure	Our Company is a 100% subsidiary of a UK publicly listed company. The parent company's Board of Directors is the ultimate responsible body for overseeing the Group's activities. The parent company has both an audit and remuneration committee charged for further governance of relevant Group matters.		
102-19	Delegating authority	The parent company's Board delegates all day-to-day activities to senior executives through an approved Delegation of Authority schedule.		

GRI Standard	Disclosure		Page Number(s), Direct Answer, or Reason for Omission	SDG Linkage to Disclosure
102-20	Executive-level responsibility for economic, environmental, and social topics		There are assigned executives in charge of overseeing the health, safety, environmental, and social responsibility aspects of our operation. They are also responsible for reporting directly to the highest governance of our Company.	
102-21	Consulting stakeholders on economic, environmental, and social topics		The stakeholder consultation is being delegated to the Community Relations Office (CRO), and the results are being reported to the highest governance body for recommendations on actions to be taken.	
102-22	Composition of the highest governance body and its committees		Our parent company's Board is composed of all males, consisting of one (1) executive and five (5) non-executive directors. The audit and remuneration committees consist of three (3) non-executive directors.  The two (2) directors are fully independent. One (1) director is independent of Group lenders but is not independent due to his firm acting as a broker to our Company. The two (2) directors are appointees of the Group's lenders.  All board members, other than the Group lender appointees, are elected annually at the Annual General Meeting (AGM). They are all experienced in public company governance and mining company operations/responsibilities.	
102-23	Chair of the highest governance body		The Chairman of our parent company's Board of Directors is independent and non-executive.	
102-24	Nominating and selecting the highest governance body		The full board acts as the nomination committee. The directors are elected by shareholders at each AGM (other than lender nominee directors). The two (2) lender nominee directors represent 67% of our Company's shareholders. Diversity is considered, but mining experience is the overriding qualification sought.	
102-25	Conflicts of interest		The detailed process on how to deal with possible conflicts is included in our parent company's Articles of Association.	
102-26	Role of highest governance body in setting purpose, values, and strategy		Our highest governance body is on top of the development, approval, and updating of our Company's purpose, values, and mission statements. They also oversee the conduct of our annual Balance Business Plans where strategies and goals on economic, environmental, community, employees, safety, and operations are set.	
102-27	Collective knowledge of highest governance body		All directors are required to have relevant years of experience in the mining industry. Regular board meetings are held, and twice-yearly on-site tours are undertaken. Weekly and monthly reports are issued to all Board members.	
102-28	Evaluating the highest governance body's performance		We conduct an internal review by the Board itself.	
102-29	Identifying and managing economic, environmental, and social impacts		The Group-wide risk register is maintained and is a permanent Board meeting agenda that is reported monthly. Stakeholder consultation is being conducted in the management of the topics and their impacts, risks, and opportunities through meetings and forums. In particular, the implementation of the SDMP passes through a series of community consultations to identify socio-economic programs.	
102-30	Effectiveness of risk management processes		The identification of risks per department as well as the measures to be undertaken in preventing the risks are integrated into our ISO certification. The leadership of the management in ensuring the implementation of actions to prevent the risks has been significant in the process.	
102-31	Review of economic, environmental, and social topics		On a monthly basis, our management reports to the Board matters relating to identified major risks. Quarterly reporting to regulatory bodies through on-site monitoring is also conducted.	

GRI Standard	Disclosure	Page Number(s), Direct Answer, or Reason for Omission	SDG Linkage to Disclosure
102-32	Highest governance body's role in sustainability reporting	Board of Directors	
102-33	Communicating critical concerns	Our Company's Code of Conduct promotes reporting any concerns to senior management.	
102-34	Nature and total number of critical concerns	Land acquisition, environmental, employee concerns, community issues, and grievance are the concerns raised to the management. Our CRO receives and facilitates the resolution of community concerns. The Land Acquisition Office and Legal department also attend to land disputes and related concerns on settlements of occupants within our Company's operation area. Our employees' concerns are being managed by the Human Resource (HR) department and through the employees' union. For community concerns, a third-party intervention particularly from the government is being explored to further address concerns.	
102-35	Remuneration policies	Our remuneration includes industry-competitive packages and is subject to contract as approved by parent company Board and Group lenders. Our performance criteria include key performance indicators regarding health, safety, environment, and economic hurdles.	
102-36	Process for determining remuneration	The HR department's recommendations are followed by the manager and Board approval. Independent industry information accessed to ensure competitive packages are offered.	
102-37	Stakeholders' involvement in remuneration	Group lenders have final approval of the total budget and personnel remuneration matters.	
102-38	Annual total compensation ratio	Confidentiality constraints due to private employment contract	
102-39	Percentage increase in annual total compensation ratio	Confidentiality constraints due to private employment contract	
<b>Stakeholder engagement</b>			
102-40	List of stakeholder groups	p. 16	
102-41	Collective bargaining agreements	p. 48	
102-42	Identifying and selecting stakeholders	p. 15	
102-43	Approach to stakeholder engagement	p. 15	
102-44	Key topics and concerns raised	p. 16	
<b>Reporting practice</b>			
102-45	Entities included in the consolidated financial statements	FCF Minerals Corporation	
102-46	Defining report content and topic Boundaries	Inside Front Cover	
102-47	List of material topics	p. 18	
102-48	Restatements of information	No restatements have been made.	
102-49	Changes in reporting	None	
102-50	Reporting period	2020 to 2021	
102-51	Date of most recent report	2018-2019	
102-52	Reporting cycle	Biennial	
102-53	Contact point for questions regarding the report	James Carmichael james.carmichael@metalsexploration.com	
102-54	Claims of reporting in accordance with the GRI Standards	This report has been prepared in accordance with the GRI Standards: Comprehensive option.	
102-55	GRI Content Index	p. 71	
102-56	External Assurance	The report has not been externally assured.	

Material Topics				
GRI Standard	Disclosure		Page Number(s), Direct Answer, or Reason for Omission	SDG Linkage to Disclosure
<b>Economic Category</b>				
<b>Economic Performance</b>				
<b>GRI 103: Management Approach 2016</b>	103-1	Explanation of the material topic and its Boundary	p. 22	
	103-2	The management approach and its components	p. 22	
	103-3	Evaluation of the management approach	p. 22	
<b>GRI 201: Economic Performance 2016</b>	201-1	Direct economic value generated and distributed	p. 22	SDG 8: Decent Work and Economic Growth SDG 9: Industry, Innovation, and Infrastructure
	201-2	Financial implications and other risks due to climate change	p. 23	SDG 13: Climate Action
	201-3	Defined benefit plan obligations and other retirement plans	Our Company has an unfunded, noncontributory defined benefit retirement plan covering substantially all regular employees who have rendered at least six months of continuous service. As of 2020, the updated retirement benefit liability of our Company has amounted to USD1.8 million.	
	201-4	Financial assistance received from the government	FCF did not receive any financial assistance from the government for 2020 and 2021.	
<b>Market Presence</b>				
<b>GRI 103: Management Approach 2016</b>	103-1	Explanation of the material topic and its Boundary	p. 23	
	103-2	The management approach and its components	p. 23	
	103-3	Evaluation of the management approach	p. 23	
<b>GRI 202: Market Presence 2016</b>	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	The number of employees currently paid at minimum wage is insignificant. The current minimum wage being paid by our Company is based on Wage Order No. RTWPB-02-20 issued by the National Wages and Productivity Commission of the Department of Labor and Employment.	SDG 1: No Poverty SDG 5: Gender Equality SDG 8: Decent Work and Economic Growth
	202-2	Proportion of senior management hired from the local community	There are no members from the senior management that are hired from the local community in Nueva Vizcaya.	SDG 8: Decent Work and Economic Growth
<b>Indirect Economic Impacts</b>				
<b>GRI 103: Management Approach 2016</b>	103-1	Explanation of the material topic and its Boundary	p. 24	
	103-2	The management approach and its components	p. 24	
	103-3	Evaluation of the management approach	p. 24	
<b>GRI 203: Indirect Economic Impacts 2016</b>	203-1	Infrastructure investments and services supported	p. 24	SDG 5: Gender Equality SDG 9: Industry, Innovation, and Infrastructure SDG 11: Sustainable Cities and Communities
	203-2	Significant indirect economic impacts	p. 25	SDG 1: No Poverty SDG 3: Good Health and Well-being SDG 8: Decent Work and Economic Growth
<b>Procurement Practices</b>				
<b>GRI 103: Management Approach 2016</b>	103-1	Explanation of the material topic and its Boundary	p. 28	
	103-2	The management approach and its components	p. 28	
	103-3	Evaluation of the management approach	p. 28	

GRI Standard	Disclosure		Page Number(s), Direct Answer, or Reason for Omission	SDG Linkage to Disclosure
<b>GRI 204: Procurement Practices 2016</b>	204-1	Proportion of spending on local suppliers	p. 29	SDG 8: Decent Work and Economic Growth
<b>Tax</b>				
<b>GRI 103: Management Approach 2016</b>	103-1	Explanation of the material topic and its Boundary	p. 30	
	103-2	The management approach and its components	p. 30	
	103-3	Evaluation of the management approach	p. 30	
<b>GRI 207: Tax 2019</b>	207-1	Approach to tax	p. 30	SDG 1: No Poverty SDG 10: Reduced Inequalities SDG 17: Partnerships for the Goals
	207-2	Tax governance, control, and risk management	p. 30	SDG 1: No Poverty SDG 10: Reduced Inequalities SDG 17: Partnerships for the Goals
	207-3	Stakeholder engagement and management of concerns related to tax	p. 30	SDG 1: No Poverty SDG 10: Reduced Inequalities SDG 17: Partnerships for the Goals
	207-4	Country-by-country reporting	p. 30	SDG 1: No Poverty SDG 10: Reduced Inequalities SDG 17: Partnerships for the Goals
<b>Environmental Category</b>				
<b>Energy</b>				
<b>GRI 103: Management Approach 2016</b>	103-1	Explanation of the material topic and its Boundary	p. 33	
	103-2	The management approach and its components	p. 33	
	103-3	Evaluation of the management approach	p. 33	
<b>GRI 302: Energy 2016</b>	302-1	Energy consumption within the organization	p. 33	SDG 7: Affordable and Clean Energy SDG 8: Decent Work and Economic Growth SDG 12: Responsible Consumption and Production SDG 13: Climate Action
	302-2	Energy consumption outside the organization	We are currently establishing a database for energy consumption outside of the organization.	SDG 7: Affordable and Clean Energy SDG 8: Decent Work and Economic Growth SDG 12: Responsible Consumption and Production SDG 13: Climate Action
	302-3	Energy intensity	p. 33	SDG 7: Affordable and Clean Energy SDG 8: Decent Work and Economic Growth SDG 12: Responsible Consumption and Production SDG 13: Climate Action
	302-4	Reduction of energy consumption	There are no significant reductions in energy consumption achieved as a direct result of conservation and efficiency initiatives. The base year was 2018 when our Company was first 100% operational for a whole year.	SDG 7: Affordable and Clean Energy SDG 8: Decent Work and Economic Growth SDG 12: Responsible Consumption and Production SDG 13: Climate Action

GRI Standard	Disclosure		Page Number(s), Direct Answer, or Reason for Omission	SDG Linkage to Disclosure
	302-5	Reductions in energy requirements of products and services	Not applicable	SDG 7: Affordable and Clean Energy SDG 8: Decent Work and Economic Growth SDG 12: Responsible Consumption and Production SDG 13: Climate Action
<b>Water</b>				
<b>GRI 103: Management Approach 2016</b>	103-1	Explanation of the material topic and its Boundary	p. 34	
	103-2	The management approach and its components	p. 34	
	103-3	Evaluation of the management approach	p. 34	
<b>GRI 303: Water and Effluents 2018</b>	303-1	Interactions with water as a shared resource	p. 34	SDG 6: Clean Water and Sanitation SDG 12: Responsible Consumption and Production
	303-2	Management of water discharge-related impacts	p. 34	SDG 6: Clean Water and Sanitation
	303-3	Water withdrawal	p. 34	SDG 6: Clean Water and Sanitation
	303-4	Water discharge	p. 35	SDG 6: Clean Water and Sanitation
	303-5	Water consumption	p. 35	SDG 6: Clean Water and Sanitation
<b>Biodiversity</b>				
<b>GRI 103: Management Approach 2016</b>	103-1	Explanation of the material topic and its Boundary	p. 35	
	103-2	The management approach and its components	p. 35	
	103-3	Evaluation of the management approach	p. 35	
<b>GRI 304: Biodiversity 2016</b>	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside of protected areas	p. 37	SDG 6: Clean Water and Sanitation SDG 14: Life Below Water SDG 15: Life on Land
	304-2	Significant impacts of activities, products, and services on biodiversity	p. 37	SDG 6: Clean Water and Sanitation SDG 14: Life Below Water SDG 15: Life on Land
	304-3	Habitats protected or restored	p. 38	SDG 6: Clean Water and Sanitation SDG 14: Life Below Water SDG 15: Life on Land
	304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	p. 38	SDG 6: Clean Water and Sanitation SDG 14: Life Below Water SDG 15: Life on Land
	MM1	Amount of land disturbed or rehabilitated	p. 39	
	MM2	Number and percentage of total sites identified as requiring biodiversity management plans according to stated criteria, and the number of those sites with plans in place	A total of 871.34 hectares or 28.17% of the FTAA area has been assessed under the criteria as in need of a Biodiversity Management Plan (BMP), while a total of 35.62 hectares or 4.08% of the BMP area has BMP in place and is operational. The development of BMP for other areas is still ongoing.	
<b>Emissions</b>				
<b>GRI 103: Management Approach 2016</b>	103-1	Explanation of the material topic and its Boundary	p. 40	
	103-2	The management approach and its components	p. 40	
	103-3	Evaluation of the management approach	p. 40	

GRI Standard	Disclosure		Page Number(s), Direct Answer, or Reason for Omission	SDG Linkage to Disclosure
<b>GRI 305: Emissions 2016</b>	305-1	Direct (Scope 1) GHG emissions	p. 40	SDG 3: Good Health and Well-being SDG 12: Responsible Consumption and Production SDG 13: Climate Action SDG 14: Life Below Water SDG 15: Life on Land
	305-2	Energy indirect (Scope 2) GHG emissions	p. 40	SDG 3: Good Health and Well-being SDG 12: Responsible Consumption and Production SDG 13: Climate Action SDG 14: Life Below Water SDG 15: Life on Land
	305-3	Other indirect energy (Scope 2) GHG emissions	p. 40	SDG 3: Good Health and Well-being SDG 12: Responsible Consumption and Production SDG 13: Climate Action SDG 14: Life Below Water SDG 15: Life on Land
	305-4	GHG emissions intensity	p. 41	SDG 13: Climate Action SDG 14: Life Below Water SDG 15: Life on Land
	305-5	Reduction of GHG emissions	p. 40	SDG 13: Climate Action SDG 14: Life Below Water SDG 15: Life on Land
	305-6	Emissions of ozone depleting substances (ODS)	We do not use any ODS in any of our operations, therefore no ODS emissions were generated. Additionally, equipment such as air conditioning units, chillers, and fire extinguishers used only non-ODS or its alternatives.	SDG 3: Good Health and Well-being SDG 12: Responsible Consumption and Production
	305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	p. 41	SDG 3: Good Health and Well-being SDG 12: Responsible Consumption and Production SDG 14: Life Below Water SDG 15: Life on Land
<b>Waste</b>				
<b>GRI 103: Management Approach 2016</b>	103-1	Explanation of the material topic and its Boundary	p. 41	
	103-2	The management approach and its components	p. 41	
	103-3	Evaluation of the management approach	p. 41	
<b>GRI 306: Waste 2020</b>	306-1	Waste generation and significant waste-related impacts	p. 41	SDG 3: Good Health and Well-being SDG 6: Clean Water and Sanitation SDG 11: Sustainable Cities and Communities SDG 12: Responsible Consumption and Production
	306-2	Management of significant waste-related impacts	p. 41	SDG 3: Good Health and Well-being SDG 6: Clean Water and Sanitation SDG 8: Decent Work and Economic Growth SDG 11: Sustainable Cities and Communities SDG 12: Responsible Consumption and Production
	306-3	Waste generated	p. 42	SDG 3: Good Health and Well-being SDG 6: Clean Water and Sanitation SDG 11: Sustainable Cities and Communities SDG 12: Responsible Consumption and Production SDG 15: Life on Land

GRI Standard	Disclosure		Page Number(s), Direct Answer, or Reason for Omission	SDG Linkage to Disclosure
	306-4	Waste diverted from disposal	p. 43	SDG 3: Good Health and Well-being SDG 11: Sustainable Cities and Communities SDG 12: Responsible Consumption and Production
	306-5	Waste directed to disposal	p. 43	SDG 3: Good Health and Well-being SDG 6: Clean Water and Sanitation SDG 11: Sustainable Cities and Communities SDG 12: Responsible Consumption and Production SDG 15: Life on Land
	MM3	Total amounts of overburden, rock, tailings and sludges and their associated risks	p. 44	
<b>Environmental Compliance</b>				
<b>GRI 103: Management Approach 2016</b>	103-1	Explanation of the material topic and its Boundary	p. 44	
	103-2	The management approach and its components	p. 44	
	103-3	Evaluation of the management approach	p. 44	
<b>GRI 307: Environmental Compliance 2016</b>	307-1	Non-compliance with environmental laws and regulations.	p. 44	SDG 16: Peace, Justice and Strong Institutions
<b>Supplier Environmental Assessment</b>				
<b>GRI 103: Management Approach 2016</b>	103-1	Explanation of the material topic and its Boundary	p. 28	
	103-2	The management approach and its components	p. 28	
	103-3	Evaluation of the management approach	p. 28	
<b>GRI 308: Supplier Environmental Assessment 2016</b>	308-1	New suppliers that were screened using environmental criteria	p. 29	
	308-2	Negative environmental impacts in the supply chain and actions taken	p. 29	
<b>Social Category</b>				
<b>Employment</b>				
<b>GRI 103: Management Approach 2016</b>	103-1	Explanation of the material topic and its Boundary	p. 47	
	103-2	The management approach and its components	p. 47	
	103-3	Evaluation of the management approach	p. 47	
<b>GRI 401: Employment 2016</b>	401-1	New employee hires and employee turnover	p. 48	SDG 5: Gender Equality SDG 8: Decent Work and Economic Growth SDG 10: Reduced Inequalities
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	p. 50	SDG 3: Good Health and Well-being SDG 5: Gender Equality SDG 8: Decent Work and Economic Growth
	401-3	Parental leave	p. 51	SDG 5: Gender Equality SDG 8: Decent Work and Economic Growth



GRI Standard	Disclosure		Page Number(s), Direct Answer, or Reason for Omission	SDG Linkage to Disclosure
<b>Labor/Management Relations</b>				
<b>GRI 103: Management Approach 2016</b>	103-1	Explanation of the material topic and its Boundary	p. 52	
	103-2	The management approach and its components	p. 52	
	103-3	Evaluation of the management approach	p. 52	
<b>GRI 402: Labor/Management Relations 2016</b>	402-1	Minimum notice periods regarding operational changes	p. 52	SDG 8: Decent Work and Economic Growth
<b>Occupational Health and Safety</b>				
<b>GRI 103: Management Approach 2016</b>	103-1	Explanation of the material topic and its Boundary	p. 52	
	103-2	The management approach and its components	p. 52	
	103-3	Evaluation of the management approach	p. 52	
<b>GRI 403: Occupational Health and Safety 2018</b>	403-1	Occupational health and safety management system	p. 52	SDG 3: Good Health and Well-being SDG 8: Decent Work and Economic Growth SDG 16: Peace, Justice and Strong Institutions
	403-2	Hazard identification, risk assessment, and incident investigation	p. 52	SDG 8: Decent Work and Economic Growth
	403-3	Occupational health services	p. 52	SDG 8: Decent Work and Economic Growth
	403-4	Worker participation, consultation, and communication on occupational health and safety	p. 52	SDG 8: Decent Work and Economic Growth SDG 16: Peace, Justice and Strong Institutions
	403-5	Worker training on occupational health and safety	p. 52	SDG 8: Decent Work and Economic Growth
	403-6	Promotion of worker health	p. 52	SDG 3: Good Health and Well-being
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	All workers are covered by an OHS management system that has been internally audited and has been certified by an external body.	SDG 8: Decent Work and Economic Growth
	403-8	Workers covered by an OHS management system	p. 52	SDG 8: Decent Work and Economic Growth
	403-9	Work-related injuries	p. 53	SDG 3: Good Health and Well-being SDG 8: Decent Work and Economic Growth SDG 16: Peace, Justice and Strong Institutions
	403-10	Work-related ill health	There are no significant recordable work-related ill health cases by employees and workers in 2020 and 2021.	SDG 3: Good Health and Well-being SDG 8: Decent Work and Economic Growth SDG 16: Peace, Justice and Strong Institutions
<b>Training and Education</b>				
<b>GRI 103: Management Approach 2016</b>	103-1	Explanation of the material topic and its Boundary	p. 55	
	103-2	The management approach and its components	p. 55	
	103-3	Evaluation of the management approach	p. 55	

GRI Standard	Disclosure		Page Number(s), Direct Answer, or Reason for Omission	SDG Linkage to Disclosure
<b>GRI 404: Training and Education 2016</b>	404-1	Average hours of training per year per employee	p. 56	SDG 4: Quality Education SDG 5: Gender Equality SDG 8: Decent Work and Economic Growth SDG 10: Reduced Inequalities
	404-2	Programs for upgrading employee skills and transition assistance programs	p. 56	SDG 8: Decent Work and Economic Growth
	404-3	Percentage of employees receiving regular performance and career development reviews	p. 57	SDG 5: Gender Equality SDG 8: Decent Work and Economic Growth SDG 10: Reduced Inequalities
<b>Diversity and Equal Opportunity</b>				
<b>GRI 103: Management Approach 2016</b>	103-1	Explanation of the material topic and its Boundary	p. 57	
	103-2	The management approach and its components	p. 57	
	103-3	Evaluation of the management approach	p. 57	
<b>GRI 405: Diversity and Equal Opportunity 2016</b>	405-1	Diversity of governance bodies and employees	p. 58	SDG 5: Gender Equality SDG 8: Decent Work and Economic Growth
	405-2	Ratio of basic salary and remuneration of women to men	The ratio is 1:1.	SDG 5: Gender Equality SDG 8: Decent Work and Economic Growth SDG 10: Reduced Inequalities
<b>Non-Discrimination</b>				
<b>GRI 103: Management Approach 2016</b>	103-1	Explanation of the material topic and its Boundary	p. 57	
	103-2	The management approach and its components	p. 57	
	103-3	Evaluation of the management approach	p. 57	
<b>GRI 406: Non-Discrimination 2016</b>	406-1	Incidents of discrimination and corrective actions taken	There are no incidents of discrimination in FCF.	SDG 5: Gender Equality SDG 8: Decent Work and Economic Growth
<b>Child Labor</b>				
<b>GRI 103: Management Approach 2016</b>	103-1	Explanation of the material topic and its Boundary	p. 60	
	103-2	The management approach and its components	p. 60	
	103-3	Evaluation of the management approach	p. 60	
<b>GRI 408: Child Labor 2016</b>	408-1	Operations and suppliers at significant risk for incidents of child labor	p. 60	SDG 5: Gender Equality SDG 8: Decent Work and Economic Growth SDG 16: Peace, Justice and Strong Institutions
<b>Forced or Compulsory Labor</b>				
<b>GRI 103: Management Approach 2016</b>	103-1	Explanation of the material topic and its Boundary	p. 60	
	103-2	The management approach and its components	p. 60	
	103-3	Evaluation of the management approach	p. 60	
<b>GRI 409: Forced or Compulsory Labor 2016</b>	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	p. 60	SDG 5: Gender Equality SDG 8: Decent Work and Economic Growth
<b>Security Practices</b>				
<b>GRI 103: Management Approach 2016</b>	103-1	Explanation of the material topic and its Boundary	p. 61	
	103-2	The management approach and its components	p. 61	
	103-3	Evaluation of the management approach	p. 61	

GRI Standard	Disclosure		Page Number(s), Direct Answer, or Reason for Omission	SDG Linkage to Disclosure
<b>GRI 410: Security Practices 2016</b>	410-1	Security personnel trained in human rights policies or procedures	p. 61	SDG 16: Peace, Justice and Strong Institutions
<b>Rights of Indigenous Peoples</b>				
<b>GRI 103: Management Approach 2016</b>	103-1	Explanation of the material topic and its Boundary	p. 62	
	103-2	The management approach and its components	p. 62	
	103-3	Evaluation of the management approach	p. 62	
<b>GRI 411: Rights of Indigenous Peoples 2016</b>	411-1	Incidents of violations involving rights of IPs	p. 62	SDG 2: Zero Hunger
	MM5	Total number of operations taking place in or adjacent to IPs' territories and number and percentage of operations or sites where there are formal agreements with IP communities	There are no operations taking place in or adjacent to IPs' territories.	
	MM6	Number and description of significant disputes relating to land use, customary rights of local communities and IPs	There are no significant disputes during the reporting period except for households that did not accept the negotiation package which were referred to DENR PENRO.	
	MM7	The extent to which grievance mechanisms were used to resolve disputes relating to land use, customary rights of local communities and indigenous peoples and the outcomes	A household did not want to negotiate and refused our Company's offer of compensation. This was referred to MGB and PENRO. Any complaints from the community are being facilitated by the CRO in close coordination with the management and department owners of the complaints for resolution. Negotiations are being conducted to resolve the issues. However, in cases where agreement is not attained, a third-party intervention primarily from the government agency is being tapped to further facilitate the resolution of complaints.	
<b>Human Rights Assessment</b>				
<b>GRI 103: Management Approach 2016</b>	103-1	Explanation of the material topic and its Boundary	p. 63	
	103-2	The management approach and its components	p. 63	
	103-3	Evaluation of the management approach	p. 63	
<b>GRI 412: Human Rights Assessment 2016</b>	412-1	Operations that have been subject to human rights reviews or impact assessments	None.	
	412-2	Employee training on human rights policies or procedures	p. 64	
	412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	None for this reporting period.	
<b>Local Communities</b>				
<b>GRI 103: Management Approach 2016</b>	103-1	Explanation of the material topic and its Boundary	p. 65	
	103-2	The management approach and its components	p. 65	
	103-3	Evaluation of the management approach	p. 65	

GRI Standard	Disclosure		Page Number(s), Direct Answer, or Reason for Omission	SDG Linkage to Disclosure
<b>GRI 413: Local Communities 2016</b>	413-1	Operations with local community engagement, impact assessments, and development programs	In terms of the implementation of the SDMP, engagement with the host and neighboring communities under the SDMP is 100% as they are our partners in the actual implementation of the identified priority programs/projects/activities. Fund release for the budgetary requirement of a particular development project is an FCF function, while actual implementation is spearheaded by the proponent community.	
	413-2	Operations with significant actual and potential negative impacts on local communities	p. 65	SDG 1: No Poverty SDG 2: Zero Hunger
	MM8	Number (and percentage) of company operating sites where artisanal and small-scale mining (ASM) takes place on, or adjacent to, the site; the associated risks and the actions taken to manage and mitigate these risks	There were ASM areas located within the mine operations, however our Company, through the Land Acquisition Department in accordance with the mandates of the law, negotiated with them, and compensations were extended for them to peacefully vacate the area to avoid risks. This ASM increased drastically when we started its activity in the area.  Moreover, we do not operate within their areas unless cleared.	
	MM9	Sites where resettlements took place, the number of households resettled in each, and how their livelihoods were affected in the process	There is no program for resettlement as a compensation package has been offered to households.	
	MM10	Number and percentage of operations with closure plans	Our Company's closure plan or the Final Mine Rehabilitation and/or Decommissioning Plan (FMRDP) had already been approved last September 12, 2011. It will be immediately implemented once we declare closure and decommission of our operation. The FMRDP of our Company covers all of our operations and project components (five project components/operations namely: Mine Pit, Processing Plant, Residual Storage Impoundment, Onsite Infrastructures, and Off-site Infrastructures.)  A total of PHP21.5 million (USD429,600) budget was already allocated for the implementation of our Company's FRMDP.	
<b>Customer Privacy</b>				
<b>GRI 103: Management Approach 2016</b>	103-1	Explanation of the material topic and its Boundary	p. 69	
	103-2	The management approach and its components	p. 69	
	103-3	Evaluation of the management approach	p. 69	
<b>GRI 418: Customer Privacy 2016</b>	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	p. 69	SDG 16: Peace, Justice and Strong Institutions
<b>Socioeconomic Compliance</b>				
<b>GRI 103: Management Approach 2016</b>	103-1	Explanation of the material topic and its Boundary	p. 70	
	103-2	The management approach and its components	p. 70	
	103-3	Evaluation of the management approach	p. 70	
<b>GRI 419: Socioeconomic Compliance 2016</b>	419-1	Non-compliance with laws and regulations in the social and economic area	p. 70	SDG 16: Peace, Justice and Strong Institutions



## Technical Working Group

It is with genuine appreciation that we express our deep sense of gratitude to the members of the Technical Working Group members for their meticulous analysis and scholarly responses to the areas of investigations in the conduct of this study that ultimately led to the enrichment and completion of our third Sustainability Report.

Their prompt responses and keen interest and sincerity to demonstrate adherence to national and international standards of performances especially in the mining sector beset with negativism is a constant challenge where everyone's contribution to level up the standards is a sure fire to negate its impact and overturn perceptions to the important contributions of this sector.

Their valuable inputs and information provided in this endeavor served as solid facts to beef up data, worthy to share openly, and without their efforts, this Sustainability Report would not mean as much.

**Sustainability Chair**  
James Carmichael

### Technical Working Group

#### Overall Lead

Agnes Rosales  
Leopoldo Castro

#### Lead for Economic Data

Roel Bahiwag  
Joebert Palaguayan

#### Finance

Joebert Palaguayan  
Gerald Pugan

#### Legal and Compliance

Atty. Rowena Marcos

#### Procurement

Martina Walis  
Bernard Salvo

#### Lead for Environmental Data

Sylvi Guico  
Jomar Bravo

### Mine Environmental Protection and Enhancement

Alan Day  
Jomar Bravo  
Paola Tuyor  
Ana Marie Buada

#### Process Plant

Ersyl Arendela  
Jomar Antuerpia

#### Permitting

Cherry Joy Ferrer

#### Site Services

Gay Marie Balallo

#### Mining

Paola Tuyor  
Diane Flores

#### Lead for Social Data

Jesusa Jose  
Joan Padua

#### Human Resources

Vicente Sapinit  
Imelda Malasaga

### Security

Fredo Mina  
Lachlan McConnel

### Community Relations

Joan Padua  
Benilyn Calilit

### Occupational Safety and Health

Maria Rica Xtra Arguel  
Neil Mercado



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FCF Minerals Corporation |  
Runruno Gold-Molybdenum Project  
Unit 1407, Pacific Star Building Sen. Gil Puyat Ave.  
cor. Makati Ave. Makati City, Metro Manila, Philippines  
[www.fcfminerals.com](http://www.fcfminerals.com)