



CHARTING A LEGACY

2022–2023 Sustainability Report

ABOUT THE REPORT

FCF Minerals Corporation (the Company) is pleased to share its fourth Sustainability Report (the Report) covering the Company's sustainability performance from January 1, 2022 to December 31, 2023. The Report covers two years of operations and presents the initiatives and programs that the Company implemented during the reporting period. The Report also details the Company's material topics, sustainability performance, and other operational highlights that provide all stakeholders with an account of the Company's milestones and challenges faced during the reporting period.

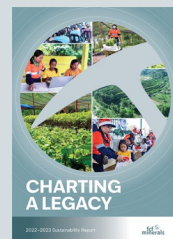
Reporting Frameworks

The Report, which covers the two-year period 2022-2023, was prepared in accordance with the GRI Sustainability Reporting Standards and the reporting of material topics is arranged according to the following:

- Sustaining Economic Growth and Local Development (Economic, Governance)
- Upholding Environmental Conservation (Environment)
- Championing Duty of Care (Social)

The Report also includes indicators developed by the Task Force on Climate-related Financial Disclosures (TCFD). As the United Kingdom, where the Company's ultimate parent company is located, is set to adopt the International Financial Reporting Standards (IFRS) S1 and S2 in the next reporting period, the Company has decided to prepare for its coverage in the Report under the Management of Climate-Related Risks and Opportunities section.

About the Cover and Title



In its fourth sustainability report, FCF details how it is strategically navigating the impacts of its operations in the Runruno Community and neighbouring areas. Focusing on sustainability to build a legacy of responsible stewardship, FCF is sustaining economic and local development, upholding the best practices in resource management and conservation, and championing the duty of care for its employees and their families.

The photo collage on the cover highlights the core of FCF's positive impacts on the environment and society. These contributions produce ripples of change beyond the area of operations, as represented by the round outlines emanating from the image, which is also the FCF logo.

Period Covered 2-3

January 1, 2022 to December 31, 2023 (2 years)

Coverage of the Most Recent Report

January 1, 2020 to December 31, 2021.

Please view our previous report at <https://metalsexploration.com/esg/esg-overview/>

Location of Headquarters 2-1

Philippines

Unit 1407, Pacific Star Building
Sen. Gil Puyat Avenue cor. Makati Avenue
Makati City, 1209
Metro Manila, Philippines
Tel: +63 (0) 2 8659 5662

United Kingdom

c/o Metals Exploration Plc
38 – 43 Lincoln's Inn Fields
London WC2A 3PE
Tel: +44 (0) 7899 249990

To request additional information or ask any questions, please email us at:
info@fcfminerals.com

Website: <https://metalsexploration.com/>

Sustainability Consulting, Editorial, and Design by:
Drink Sustainability Communications
www.drinkph.com

OUR COMPANY VALUES



Prevent harm



Care and Respect



Act honestly



Be accountable



Seek excellence



Innovate and create



Acknowledge success



Be fearless

Table of Contents

02

About the Report

04

Sustainability Performance Highlights

06

Our Company

14

Awards and Recognitions

16

Message from the President and CEO

20

Our Approach to Sustainability

24

Management of Climate-related Risks and Opportunities

30

Stakeholder Engagement and Materiality Assessment

36

Sustaining Economic Growth and Local Development

46

Upholding Environmental Conservation

60

Championing Care for Employees and the Community

84

Governance

86

GRI Index

Sustainability Performance Highlights



Sustaining Economic Growth and Local Development

Opening growth and development opportunities for the host and neighbouring communities, providing employment, and sharing our successes with our stakeholders



Upholding Environmental Conservation

Employing the best practices in resource management and conservation, biodiversity restoration of affected areas, and ensuring our processes reduce our environmental impact



Championing Duty of Care

Prioritising employee and their family's welfare and safety and ensuring good health and wellness of the community

Performance Summary (2022-2023)

Sustaining Economic Growth and Local Development

Economic contribution

PHP6.80B 2022 PHP9.30B 2023

Taxes remitted to the Government

PHP764.80M 2022 PHP1.00B 2023

Products and services sourced from host communities

PHP260.50M 2022 PHP222.10M 2023

Employee Wages and Benefits

PHP363.80M 2022 PHP423.90M 2023

Defined Benefit Plan 201-3

PHP20.40M 2022 PHP26.90M 2023

Projects Implemented

PHP50.70M 2022 PHP30.90M 2023

Upholding Environmental Conservation

Habitat areas restored

8.50 hectares 2022 5.20 hectares 2023

Habitat areas protected

871.30 hectares 2022 871.30 hectares 2023

Trees from FCF Nursery donated to the community

19,266 2022 12,809 2023

Championing Duty of Care

Safe-man hours

18.30M 2022 21.60M 2023

Total No. of Employees

780 2022 765 2023

Total employee training hours

10,613 2022 23,450 2023

Local Community Investments (LCI)

PHP109.20M 2022 PHP76.30M 2023

No. of barangays covered by LCI

17 2022 17 2023

No. of FCF scholars

52 2022 54 2023

No. of beneficiary schools

37 2022 36 2023



OUR COMPANY



- 07 About the Company
- 08 FCF Executives
- 10 Area of Operations
- 12 Runruno Timeline and Milestones

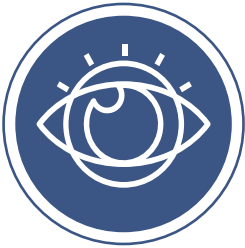
About the Company

2-1 2-2

Incorporated in 2001, FCF Minerals Corporation (FCF, the Company) is a natural resources Company engaged in the exploration, development, and commercial operation of mineral claims. The Company's principal undertaking is the Runruno Gold Project (RGP, the Project) located in Barangay Runruno, Municipality of Quezon, Province of Nueva Vizcaya, Philippines.

The Company's intermediate parent company is Metals Exploration Pte. Ltd., a company organised and incorporated under the laws of Singapore.

The Company's ultimate parent company is Metals Exploration Plc, a company organised and incorporated under the laws of England and Wales and a company listed on the London Stock Exchange Alternative Investment Market (AIM).



Vision

To be the most admired gold producer in the Philippines



Mission

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

To build a multi-project business and deliver performance that stakeholders are proud of



FCF Executives



Darren Bowden

President, FCF Minerals Corporation
Chief Executive Officer, Metals Exploration Plc

Darren Bowden joined the Board in January 2019 and is a mining executive with over 25 years of experience building and developing mining projects across Australia and North and South America. Darren has worked across all aspects of the mining business, from M&A to technical to operations and executive management. Darren is a civil engineer from the University of New South Wales, Australia, and is focused on driving strategic development and the successful optimisation of companies.



Lorne Harvey

General Manager - Operations,
FCF Minerals Corporation

Lorne Harvey is a finance professional with extensive experience working for large multinational global mining companies and small mining juniors. He started as FCF's General Manager for Commercial Development before transitioning into the Company's General Manager for Operations. His strengths lie in building and managing finance teams, strategic business planning, and risk management, and he has the proven ability to drive organizational change and arrange debt funding.



Michael Langoulant

Chief Financial Officer, Metals Exploration Plc
and FCF Minerals Corporation

Michael Langoulant has been the Chief Financial Officer of Metals Exploration Plc and FCF since April 2019. Mike is a Chartered Accountant with extensive public company finance, management, capital raising, major transaction negotiation and accounting experience. Before joining FCF, he acted as an Executive and Non-executive Director, CFO and Company Secretary for a number of public companies listed on the Australian Securities Exchange, UK AIM, and the Toronto Stock Exchange.

Area of Operations

2-1 2-6

The Company's principal undertaking is the RGP located in Barangay Runruno, Municipality of Quezon, in the Province of Nueva Vizcaya, Philippines. 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.

Metals Exploration Plc first became involved with the Project in 2005 and undertook extensive scientific and geological surveys. In May 2010, the Company announced the results of the Runruno Project Feasibility Study, which confirmed the viability of the Project. The Project is a surface mine operation using proven BIOX® and carbon-in-leach processes to recover gold. The gold deposit in Runruno is located within a large alkaline volcanic complex, approximately 3.50km in diameter.

In September 2009, the Company converted its Exploration Permit docketed as EP-II-000013 into a Financial or Technical Assistance Agreement (FTAA) with registration number 04-2009-II with the Philippine Government (the Government), pursuant to Republic Act 7942, otherwise known as the 'Philippine Mining Act of 1995' and its implementing rules and regulations, with an initial term of 25 years and renewable for another 25 years thereafter. Under the FTAA, the Company was granted the exclusive rights to explore, mine, utilize, process, refine, market, transport, export and dispose of minerals and mineral products and by-products that may be derived or produced from the contract area containing 3,093.51 hectares. The FTAA was registered with the Mines and Geosciences Bureau (MGB) on October 28, 2009.



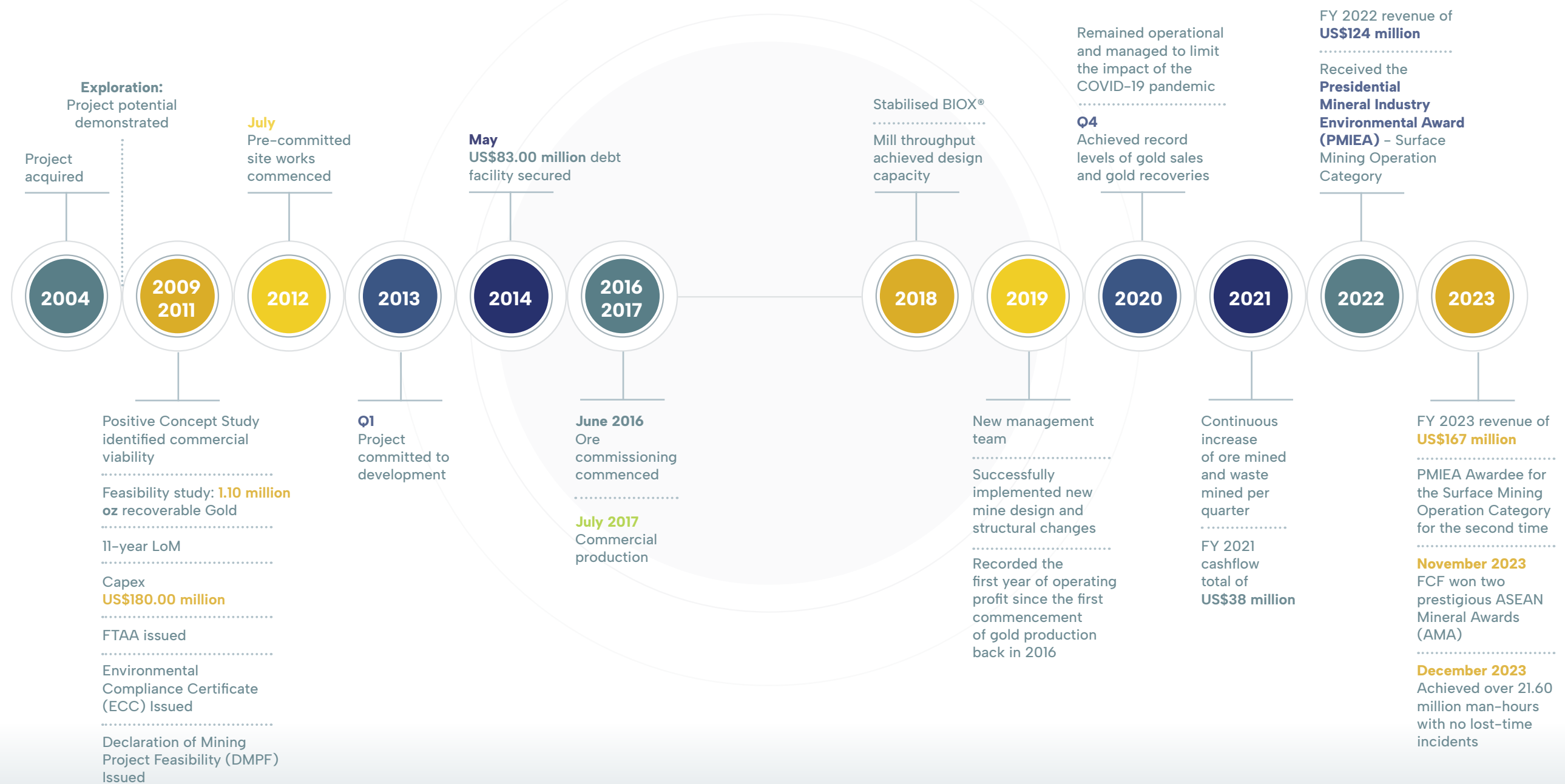
About Quezon, Nueva Vizcaya, and Brgy. Runruno

The town of Quezon in Nueva Vizcaya is a 4th class municipality classified 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). It is around 282 kilometres north of Manila and 14 kilometres 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 and Milestones

FCF started the commercial operations of the RGP in July 2017. Since then, the Company has achieved economic success and proved its resilience and adaptability to challenges during the COVID-19 pandemic. In 2022 and 2023, the Company received the Presidential Mineral Industry Environmental Award (PMIEA) for Surface Mining Operations and two ASEAN Mineral Awards (AMA) in Phnom Penh, Cambodia as follows: 1st Runner-Up in the Mineral Mining (Metallic) category and 2nd Runner-Up in the Mineral Processing (Metallic) category recognising the Company's contribution to sustainable mineral development in the Philippines.





AWARDS AND RECOGNITIONS



2023

International Awards	Venue & Date Awarded	Description
3 RD ASEAN MINERAL AWARDS (AMA)		
1 st Runner-Up Mineral Mining Metallic Category Best Practices in Sustainable Mineral Development	Phnom Penh, Cambodia November 23, 2023	The AMA recognise mining and mineral processing companies for their outstanding best practices in sustainable minerals development in the ASEAN region.
2 nd Runner-Up Mineral Processing Metallic Category Best Practices in Sustainable Mineral Development		
Local Awards		
PRESIDENTIAL MINERAL INDUSTRY ENVIRONMENTAL AWARDS (PMIEA)		
PMIEA Awardee Surface Mining Operation Category	CAP-John Hay Trade and Cultural Center, Camp John Hay, Baguio City, Philippines November 17, 2023	These awards were created to showcase exemplary practices and commitments of mining companies in the Philippines in contribution towards sustainable mineral development, protection of the environment and ecology, and contribution to economic growth and improvement in the quality of life of Filipinos.
3 rd Runner-Up Best Mining Forest Contest, PMIEA		
Best Safety Inspector Surface Mine Award		
The Outstanding Worker of the Republic (TOWER) Award People Management Association of the Philippines	Makati City May 25, 2023	Mr. Clyde Justine Cayaban of the Mobile Maintenance Department was honoured for the development of the Heavy Equipment Condition Monitoring system. The National TOWER Awards recognise the country's most outstanding employees for their exceptional innovations, which have significantly contributed to a department or a company's overall efficiency, productivity, and performance.

2022

Awards and Recognitions	Venue & Date Awarded	Description
PMIEA Awardee Surface Mining Operation Category	Camp-John Hay Trade and Cultural Center, Camp John Hay, Baguio City, Philippines November 18, 2022	The call for PMIEA, Safest Mines and Mines Best Personalities Awards, and Best Mining Forest Contest is in accordance with Executive Order No. 399, series of 1997 "Establishing the Presidential Mineral Industry Environmental Award" and DENR Administrative Order (DAO) No. 22, series of 1989, "Adopt-A-Tree Adopt-A Mining Forest Program."
3rd Runner-Up Best Mining Forest Contest		
Runner-Up Safest Surface Mining Operation Award		



MESSAGE FROM THE PRESIDENT AND CEO

2-22

Charting a Legacy: Sustainability Milestones in Preparation for Mine Life Transition

Dear Stakeholders,

I am pleased to present our fourth sustainability report, which details our economic, and social contributions, as well as our environmental performance for 2022–2023. It serves as a transparent account of our mining operations, efforts to rehabilitate the area where we conduct our work, and how the Company shares its success with employees and the wider community. It also details the milestones and achievements that we were able to accomplish with your support and partnership.

Focusing on growth strategies and consolidating business performance, the Company is proud to share that it hit record-breaking production and outstanding profitability for the reporting period. FCF is also at an all-time high in terms of employee safety, attaining over 21.60 million man-hours without a Lost Time Incident (LTI). We continued our social development programs and environmental restoration initiatives, with some initiatives transcending beyond our host communities and impact barangays.

As FCF nears the end of its operations in Brgy. Runruno, the Company is already preparing measures to sustain its operations and designing approaches with the host and neighbouring communities on how best to ensure the sustainability of our initiatives.

Our efforts to sustain growth and provide continued support to our employees and communities go far beyond compliance. Responsible operation and production that considers long-term economic and social development and employs innovative approaches for resource optimisation and environmental restoration are legacies we want to leave behind as the Company prepares for the rehabilitation phase of the project.

Going Beyond Our Targets and Vying for Growth

The steady recovery and re-opening of the Philippine economy after the COVID-19 pandemic characterised the year 2022. The threat of the pandemic was still present, with COVID-19 still being a health issue, but we saw the return to normal activities and the easing of COVID-related restrictions. Despite health threats and challenges in operations, such as power disruptions that affected our profits, 2022 was still a strong year for the Company operationally. We exceeded our gold production guidance, producing 72,537 ounces of gold and maintained a high average gold recovery of 85.70%. While in 2023, we produced 85,194 ounces of gold and maintained another high average gold recovery of 88.70%.



Gold Produced

72,537 oz
2022

85,194 oz
2023



Earnings before interest and taxes (EBIT)

US\$ 8.70M
2022

US\$ 56.20M
2023



Focusing on growth strategies and consolidating business performance, the Company is proud to share that it hit record-breaking production and outstanding profitability for the reporting period.

Our strong performance continued into 2023, with the Company surpassing many of its production targets. Our mining operations saw impressive year-over-year growth, with tonnes mined being 10% higher than our target of 11.20mt. With this, we were able to produce 20% more than our target of 70.90K oz. EBIT skyrocketed to US\$56.20M, representing a staggering 238% increase from our goal of US\$16.60M. Furthermore, we achieved an All-in Sustaining Cost (AISC) of US\$1,126/oz under our initial maximum-target AISC of \$US1,275/oz. These positive results demonstrate the effectiveness of our operational strategies and commitment to efficiency.

After a year of dedicated effort to bring our operations to peak performance, our focus has shifted to maintaining these metrics and sustaining our success. We have also started planning for future mine closure through exploration endeavours in different regions of the country.

Although we face challenges, we are committed to implementing strategic approaches, including the cultivation of strong relationships with both local communities and government entities. By fostering open and constructive dialogues, we aim to build understanding, trust, and collaboration that will help streamline the permit application process.



Sustaining our Social Commitments

Our community initiatives, or Social Development and Management Program (SDMP), spans education, health, livelihood, infrastructure development, and promoting preservation and respect for socio-cultural values. We prioritise community development initiatives that embrace inclusivity, equity, and sustainable development principles to foster resilient and improved mining communities. We allocate 1.50% of direct mining and processing costs for the continuity of our social development programs.

A combined total of US\$3.70M funded projects such as our scholarship program, early childhood education, and literacy promotion. For livelihood, we supported the work of weavers crafting indigenous textiles and farmers' banana chip and native furniture ventures. FCF was also instrumental in the construction of hanging bridges that provided a secure and stable means of crossing the river for schoolchildren and farmers. Additionally, we supported the acquisition of traditional indigenous attire and promoted cultural preservation through gong beating training.

FCF is also dedicated to promoting the health and safety of our employees in the workplace, where personal safety is embedded in every facet of the operation. In addition, ensuring the mental well-being of our employees is paramount, and providing support programs to assist those in need is considered our responsibility. We are glad to announce that FCF achieved over 18.30 million man-hours with no LTI in 2022. This achievement progressed further, whereby we attained 21.60 million man-hours with no LTI in 2023.

The safety of our communities and employees is a top priority and part of our commitment to upholding responsible mining practices. Our endeavours in safe mining practices were recognised when we were named runner-up for the Safest Surface Mining Operation Award in 2022 while our employee, Ronald Wayan, was awarded Best Safety Inspector.



We prioritise community development initiatives that embrace inclusivity, equity, and sustainable development principles to foster resilient and improved mining communities.

Exemplary Environmental Performance

FCF implements innovative technologies to enhance the efficiency and effectiveness of existing programs across all operational facets, including our environment-related projects. Most notable of these projects is our Sustainable Rehabilitation and Environmental Restoration Program, which uses technologies like low-cost hydroseeding technology, waste disposal program, zero waste initiative, and updating of the Closure Plan. The Company was also responsible for planting over two million endemic and cash crop trees and maintaining a tree nursery and a clonal tree nursery research facility, both of which are essential for the sustainability of our environmental restoration efforts.

Through our exemplary environment restoration program for our mined-out areas, FCF was named third runner-up in the Best Mining Forest Contest – Metallic Category for both 2022 and 2023.

Charting a Legacy

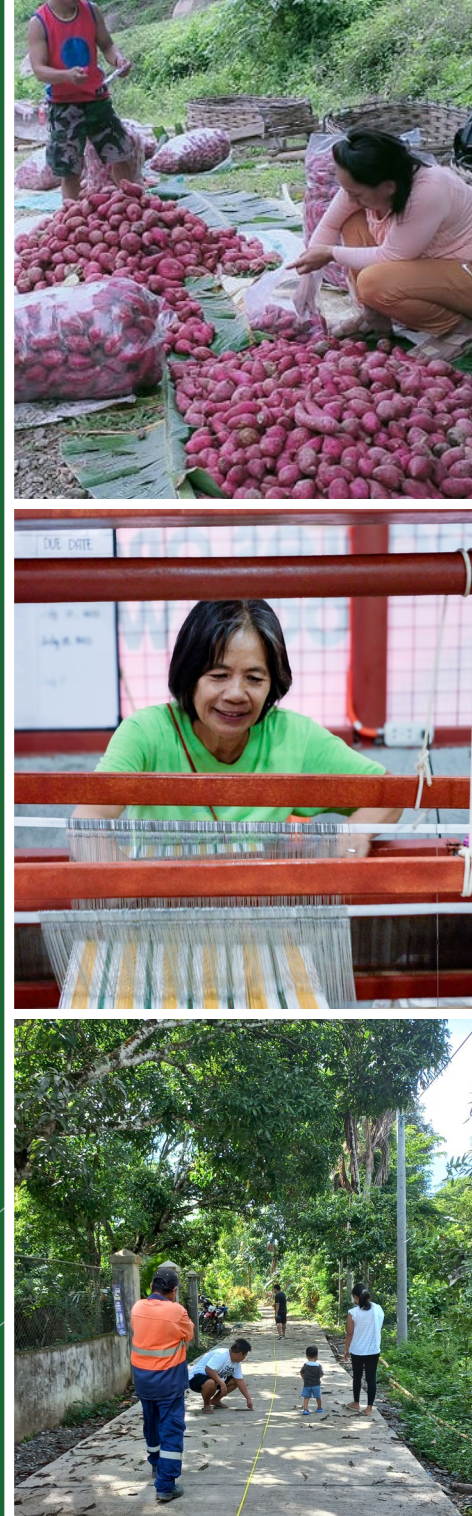
Our sustainability initiatives, detailed above, are our way of giving back to the partners and communities that welcomed us. It is our way of taking action towards our aspiration to become one of the most admired mining companies in the Philippines that exemplifies sustainable development to the best of its ability.

As we embark on a growth strategy centered on the Philippines, it's imperative that we proactively manage our path forward. This entails fostering solid relationships with the community, local government units (LGUs), and national-level agencies and regulatory bodies. As we work towards new frontiers, we aim to continue operations within the Philippines with the same sustainability standards, utilise our in-country team and expertise, and work with several other local communities to build a sustainable future around mining.

We thank all our stakeholders for their support and for their collaborative spirits, which also fueled our success. FCF is committed to undertaking the necessary hard work to forge a brighter future for both ourselves and our local communities, wherever we are. We are dedicated to ensuring that every endeavour is conducted with integrity, resulting in positive outcomes for all involved.

DARREN BOWDEN

President, FCF Minerals Corporation and
Chief Executive Officer, Metals Exploration Plc



OUR APPROACH TO SUSTAINABILITY

As a responsible mining Company, we ensure sustainability integration in everything 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 minimise 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 on 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 and restoration programs, highlighting our commitment to minimise the environmental and biodiversity-related impacts of resource extraction.

21
Our Sustainability
Framework

Our Sustainability Framework



PLANET

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



PROCESS

We use innovative and advanced technologies to ensure that our processes reduce our environmental impact. We employ the use of BIOX® and Activated Sludge Tailings Effluent Remediation (ASTER) combined with conventional technology for gold recovery.

BIOX® is the first pre-treatment process in the country that uses naturally occurring bacteria to liberate 95% of gold content. ASTER technologies encompass four pollution control devices to destroy all cyanide species from residuals before pumping to the Residual Storage Impoundment (RSI).

Strategic direction: Operational Growth and Preparation for Future Expansion

FCF focused on growth strategies and consolidating business performance during the reporting period. Guided by our values, we balanced our focus on the key areas of process, people, and planet to achieve our goals. Our output per focus area is detailed below.

FOCUS	STRATEGIC PRIORITIES	GOALS	STRATEGIES	KEY OUTPUTS
Process	Target 80, drive to 100	Optimised mine plan	Utilizing the latest technologies in mining and processing and proactively looking for cost-optimising processes to improve its operational and financial performance	<ul style="list-style-type: none"> New Blast Management Plan Use of an in-house, Android-based mobile application for mine production tracking and maintenance monitoring Development of Heavy Equipment Condition Monitoring System Construction of RSI Spillway and Spillway Waste Dump
		Optimised mill performance		<ul style="list-style-type: none"> Improvements in milling and flotation processes, resulting in increased overall gold recovery Centralisation of equipment isolation
People	Our people are gold	Behaviour-based safety culture	Prioritising 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	<ul style="list-style-type: none"> A personalised Safety and Health Engagement Program for the employees, promoting zero harm
		Developed and engaged competent workforce		<ul style="list-style-type: none"> Talent Management Plan
	Community Sustains our future	Proactive partnership with stakeholders for the safety of the community	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	Smart climate social infrastructures, strengthened capacity of human capital and institution-building of Community-based Organizations
		Progressive development of mining tenement		
Planet	Profit equals growth	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	Stabilised operations Resource extension exploration



From Framework to Action

With our sustainability framework underpinning our strategic direction, the Company implemented innovative technologies to enhance the efficiency and effectiveness of existing programs across all operational facets. It drove business growth through resource optimisation and strengthened environmental protection, conservation efforts, and planning and execution through rigorous science and evidence-based research and development. FCF also prioritised community development initiatives that embrace inclusivity, equity, and sustainable development principles to foster resilient and improved mining communities.

MANAGEMENT OF CLIMATE-RELATED RISKS AND OPPORTUNITIES

The TCFD framework was utilised in this report to briefly tackle and discuss our Company's climate-related disclosures. The inclusion of TCFD disclosures is also a move towards the adoption of the IFRS.



25
Governance

25
Strategy

28
Risk Management

29
Metrics and Targets

Governance

Board Oversight

FCF recognizes the threats and impacts posed by climate change. As a responsible mining Company, we recognize our crucial role in the transition to a low-carbon economy. The Company aims to align its efforts to contribute to global climate goals and targets. One of the ambitious goals of the Company is to become the first carbon neutral mining industry in the Philippines.



Strategy

FCF takes measures to address climate-related risks and opportunities, considering that its operations are located in an area vulnerable to typhoons. We have contingencies for potential extreme weather events and seismic activities as part of our operational design criteria. One of these contingencies is the establishment of the RSI, which acts as a buffer for both floods and droughts. Designed as a water-retaining dam, the RSI can hold significant inflow while the spillways steadily release and control water during heavy rainfall. It can also serve as a backup source, providing an adequate water supply during extended dry periods. As of 2023, the total cost of the RSI has amounted to US\$43.4M. FCF has a well-developed closure plan that covers the impacts on the environment, especially in relation to water resources and reforestation.

For its ground movement monitoring system, FCF is utilising both slope monitoring prisms and the IDS Radar unit on site. Slope monitoring prisms and its corresponding stations have been adequate to detect

Management Oversight

Management is involved in identifying and evaluating risks that may affect the operations. These risks are constantly being assessed to prevent potential negative environmental, economic and socio-cultural impacts to our stakeholders.

Within our operations, we support the use of renewable energy; hence, we purchase our power from a hydroelectric power company. In addition we have adopted methods and technologies that increase the efficiency of our operations minimising impact to the environment. We also acknowledge that the fight against climate change cannot be done by one entity alone. The Company initiates efforts to include stakeholders in its programs and initiatives in mitigating and addressing the impacts of climate change.

ground deformation by monitoring large numbers of points within the Surface Mine, RSI, and waste dumps areas. As for the IDS Radar unit, it allows real-time monitoring of slope deformation across a broad coverage area. The unit continuously measures mine wall/ slope movement with sub millimetre accuracy and operates in all weather conditions and temperature. The IDS Radar unit is deployed on site facing the pit's East Wall and Stage 5 areas. Data gathered from both slope monitoring prisms and the IDS Radar unit have aided FCF operations in managing geotechnical risks and hazards by alerting staffs to ground and wall movements exceeding established thresholds as indicated in the Trigger Action Response Plan, providing a safer environment for its employees.

As part of the Company's social and environmental responsibility, we align our efforts to contribute to the attainment of global climate change goals and targets, including net-zero emissions

by 2050. Policies are in place to minimise our greenhouse gas emissions, including purchasing energy from a hydroelectric company.

In addition, we participate in nationwide initiatives, such as the National Climate Change Consciousness Week, to raise awareness about the impacts of global warming and climate change. We have also engaged EconoServ Solutions International Inc., a Department of Energy (DOE) Certified Energy Service Company, for an Industrial Energy Audit Level 1 covering the entire processing plant, office buildings, and all energy-using systems. The audit created opportunities for our Company to identify and quantify low-cost energy performance improvements, a move towards meeting its net-zero ambition.

As of this reporting period however, our organization has not yet implemented a framework to assess the financial ramifications of climate change on our business operations.

Climate-Related Risks

The climate-related risks of FCF are primarily composed of extreme weather disturbances that have the potential to cause disasters. Climate hazards were identified through research, referencing publications such as the Philippine Atmospheric, Geophysical, and Astronomical Services Administration's (PAGASA) [Climate Change in the Philippines](#) study. In this publication, PAGASA details climate change scenarios in the Philippines, current and observed climate trends, and climate projections, among others.

Also used as a reference is the [Landslide and Flood Susceptibility Map](#) of Kasibu Quadrangle, Nueva Vizcaya Province. Developed by the MGB, the map shows the landslide and flood potential of the area, including Quezon, Nueva Vizcaya, where RGP is located. The University of the Philippines' Project Nationwide Operational Assessment of Hazards was used as a guide as well.

Hazards raised in the interviews during the Drink team's site visit and focus group discussions with Brgy. Runruno residents and neighbouring impact barangays were also considered in developing the list of climate hazards.

Physical Risks

CLIMATE HAZARD	EFFECTS	ADAPTATION PLANS AND ACTIONS
Strong Typhoons	<ul style="list-style-type: none"> • Interruption in operations and processing of materials • Potential damage to infrastructures • Threats to employee and community safety 	<ul style="list-style-type: none"> • Weather monitoring • Safety and emergency plans • Supporting the region's reforestation efforts by donating a total of 32,075 tree seedlings for 2022-2023
Landslides due to extreme rainfall		<ul style="list-style-type: none"> • Establishment of a ground movement monitoring system specifically near the RSI • Safety and emergency plans
Flooding due to extreme rainfall		<ul style="list-style-type: none"> • Designing the RSI as water impoundment that can effectively store inflow
Drought/El Niño	<ul style="list-style-type: none"> • Water scarcity 	<ul style="list-style-type: none"> • As a water impoundment structure, the RSI can help buffer the effects of droughts

Physical Risks

CLIMATE HAZARD	EFFECTS	ADAPTATION PLANS AND ACTIONS
Heat	<ul style="list-style-type: none"> • Community members from Brgy. Papaya that are situated near the mining site have reported experiencing higher temperatures, possibly due to the removal of forested areas for resource extraction. 	<ul style="list-style-type: none"> • Continuous rehabilitation activities/re-greening of affected areas • Establishment of protection forests • Establishment of a clonal nursery to propagate tree species removed by mining activities
Extreme temperatures and heat stress	<ul style="list-style-type: none"> • Inconvenience on personnel and communities • Heightened risk of heat-related illnesses 	<ul style="list-style-type: none"> • Health and safety plans and advisories • Continuous support of reforestation initiatives in provinces, even outside the scope of the Project
	<ul style="list-style-type: none"> • Increased cooling requirements due to the elevated temperatures 	<ul style="list-style-type: none"> • Efficient cooling systems • Use of energy from a hydroelectric power source
	<ul style="list-style-type: none"> • Decrease in water supply due to possible droughts 	

Climate-Related opportunities

OPPORTUNITY TYPE	CLIMATE-RELATED OPPORTUNITIES
Short-term to Medium-term	
GHG emissions reduction	<ul style="list-style-type: none"> • Maintain the commitment to use hydroelectric power as an energy source
Social Responsibility and Community Engagement	<ul style="list-style-type: none"> • Raise awareness about climate change among impacted stakeholders • Communicate the Company's mitigating measures to reduce its impacts on climate change
Long-term	
Products and Partnerships	<ul style="list-style-type: none"> • Development of partnerships with green technology companies that use gold to produce their products
Social and Environmental Responsibility	<ul style="list-style-type: none"> • Become recognised as an exemplary mining company in terms of its social and environmental commitments



Risk Management

2-25

The Company's Risk Management Plan is designed to identify, assess, and mitigate risks to minimise and control its potential impact.

To ensure that risks and hazards of the operations were minimised and controlled, the Company initiated these measures:

- Adoption of corporate safety policies and procedures incorporating environmental concerns in the entire operation, for strict adherence by all employees and with full support by top management.
- Manpower complement consists of professional, technical and competent employees who possess a high regard for health and safety and are environmentally conscious.
- A continuing training program to educate and inculcate safety and environmental consciousness among our employees is being instituted. Trained personnel are expected to be competent in the fulfilment of their tasks under both normal and abnormal or emergency conditions.
- Establishment of systems for reporting and investigating significant incidents in the project.

The Company has diligently identified key threats at RGP through a risk assessment, which includes potential emergencies such as earthquakes, floods, typhoons, dam breaks, and others. In response to these identified threats, the Company has developed an Emergency Control Plan (ECP) to ensure preparedness for these potential emergency situations that may arise at RGP. This plan has been prepared to facilitate an effective and timely response, aiming to mitigate threats and minimise consequences to life, environment, and property.

This ECP serves as a detailed guide for all individuals at RGP, outlining specific actions to be taken in the event of an emergency. All types of emergencies are categorised into Alert Levels (Yellow, Blue, and Red) based on their scope and extent. The Occupational Safety and Health (OSH) Department oversees the implementation of this plan, which is supported by the Company's established Emergency Response Team (ERT) and Incident Command System Structure.

To ensure appropriate implementation, the OSH Department incorporates the plan within the Mandatory Eight-Hour Safety and Health (MESH) Training modules, which all employees must complete on an annual basis. Likewise, ERT members play crucial roles in emergency situations, prompting the Company to maintain continuing collaboration with partners such as the Bureau of Fire Protection – Quezon Fire Station and the Philippine Red Cross – Nueva Vizcaya Chapter. This ensures that ERT members are regularly trained to improve their emergency response capabilities and that their knowledge is current, enabling a safe and efficient response when needed.

Furthermore, the OSH Department disseminates these emergency response skills to all employees through internal training sessions, equipping them to respond effectively in emergency situations. The Company also dedicates substantial resources to procuring the essential materials and equipment needed as support to emergency preparedness initiatives.

FCF also upholds its environmental responsibility and standards through Environmental Management System (EMS) certifications. In 2023, the Company was recommended for recertification for its ISO 14001:2015 or the EMS by SGS Services.

Metrics and Targets

The Company continues to improve its set targets towards meeting its net-zero ambition. The table below highlighted the targets and results for CY-2023.

OBJECTIVES	TARGET	RESULTS	REMARKS
Reduce monthly average water consumption by at least 1% based on last year's monthly average consumption.	8,408.73 m ³ /month	8,089.50 m ³ /month	✓ Achieved
Electricity consumption must not exceed 54 kWh/milled tonne based on last year's consumption. Electricity consumption includes all process plant operations equipment.	54.00 kWh/milled tonne	50.23 kWh/milled tonne	✓ Achieved
Diesel consumption must not exceed 0.60 L/mined tonne based on last year's consumption. Diesel consumption includes all mining operations equipment.	0.60 L/mined tonne	0.46 L/mined tonne	✓ Achieved
Reduce monthly average generation of residual waste by at least 1% based on last year's monthly average generation.	5,397.81 kg/month	1,057.96 kg/month	✓ Achieved
Reforestation and restoration of degraded areas	175.00 hectares	195.09 hectares	✓ Achieved



STAKEHOLDER ENGAGEMENT AND MATERIALITY ASSESSMENT

2-29

Stakeholder engagement is an activity designed to consider and understand the diverse interests of all individuals and groups impacted by a business or a company. The main goal of the activity, for the purpose of reporting, is to gather stakeholder concerns and challenges related to the organization. The results of the engagement are used to list the impacts of the reporting entity on the economy, environment, and society.

31
Materiality Process

32
Key Sustainability Issues

32
Stakeholder Engagement Results Summary

35
2022-2023 Material Topics

FCF engaged the services of Drink Sustainability Communications (Drink) for the conduct of stakeholder engagement and materiality assessment activities for our 2022-2023 Sustainability Report. As the first step for stakeholder engagement, Drink identified the stakeholder groups relevant to our Company through the review of our 2020-2021 Sustainability Report and consultations with various data owners from the Company.

Following this, Drink created a questionnaire that identified each stakeholder group's issues, challenges, and essential sustainability topics. Online engagement consisted of sending the questionnaire to stakeholder groups such as employees and regulatory bodies. A focus group discussion and face-to-face interviews were conducted to collect the responses of stakeholders from our host communities, neighbouring barangays, FCF scholars, and indigenous people's groups from our impact areas.

The online questionnaire and the questions presented during the stakeholder engagement sessions focused on capturing the primary concerns of each stakeholder group encountered in 2022-2023 pertaining to the operations of FCF. Additionally, this activity involved presenting stakeholders with a curated list of sustainability topics, drawn from both the Company's previous sustainability reports as well as industry-specific standards, to help them identify the most relevant topics and support the main concerns mentioned.

Through a combination of desktop research specifically referencing the recently published GRI 14: Mining Sector 2024, a thorough review of the previous material topics, and the previous sustainability reporting efforts of the Company, Drink identified FCF's both actual and potential positive and negative impacts on the economy, environment, and society. Together with the results of the Stakeholder Engagement, the assessment was used to inform the material topics for the creation of this report.

Subsequently, the Company's TWG conducted a review and finalisation of the initial topics and identified twenty-seven (27) material topics.

Materiality Process 3-1

1



Stakeholder Engagement

2



Stakeholder Engagement Results and Desktop Research using the GRI 14: Mining Sector Standard

3



Impact Identification

4



Material Topic Prioritisation

Key Sustainability Issues

2-25 413-2

The most common concern across all stakeholder groups is FCF’s sustainability action plan as the RGP approaches its end-of-mine life. For the host community and neighbouring barangays, which are composed of association members, residents, and LGU leaders, their specific concerns focus on the sustainability of projects under the SDMP and the continuity of various infrastructure initiatives that have not yet been completed. In connection with the end-of-mine life at the Runruno site, contractors and employees raised concerns about mine closure and security of tenure, respectively.

The RGP is set to cease its operations in three to four years. To discuss future plans, we conducted a workshop and planning session with our host and neighbouring communities in October and November 2023 to address concerns about the sustainability of projects and initiatives. The

activity was a collaborative undertaking that seeks to provide community-informed solutions to the Company’s sustainability action plan. In addition, we are also updating our Final Mine Rehabilitation and Decommissioning Plan (FMRDP), which details environmental and biodiversity protection and rehabilitation activities, community engagement, and other decommissioning plans.

Mine-related issues and disasters were also raised as a concern. These included noise and ground-shaking from the blasting activities that could potentially result in landslides, as well as RSI failure. We resolve these community concerns through continuous information sessions, advocacy campaigns, and mine site tours wherein the safety of mining operations and measures to prevent environment-related issues are discussed.

Stakeholder Engagement Results Summary

STAKEHOLDER GROUP	CONCERNS	FCF COMMUNITY ENGAGEMENT AND SOCIAL INVESTMENTS 203-1
PARTNER COMMUNITIES		
Host Community, Barangay Runruno	<ul style="list-style-type: none">Internal problems of the association include downsizing the group, removing one member due to dormancy, unsuccessful projects funded by the SDMP, and a lack of increase in start-up capital for the groupReduction of the fund and operational supplies that are dependent on the approved SDMP budget of the Barangay Local Government Units (BLGUs)Completion of the daycare buildings through the direction of the BLGU’s approval budgetConcerns regarding the Residual Storage ImpoundmentResiliency and sustainability of the community groups after FCF closure<ul style="list-style-type: none">Sustainability of livelihood projects	<ul style="list-style-type: none">Financial assistance through the SDMP fundFarm-to-Market RoadsIncrease in honorarium and incentives in 2023 for CDWsLivelihood Training via TESDARegistration of association/legal identityMining tours and advocacy campaign to resolve safety-related concernsStrategic and Sustainability Planning with Community-Based Organizations and Federation

STAKEHOLDER GROUP	CONCERNS	FCF COMMUNITY ENGAGEMENT AND SOCIAL INVESTMENTS 203-1
PARTNER COMMUNITIES		
Other neighbouring communities	Economic <ul style="list-style-type: none">Resiliency and sustainability of the community groups after FCF closure<ul style="list-style-type: none">Sustainability of livelihood projects	<ul style="list-style-type: none">Financial assistance through the SDMP fundLivelihood trainingProduct marketingMulti-purpose buildingFarm-to-Market roadsComputer LiteracySafeguarding Heritage ProjectsHealth benefits such as medical consultations, dental care, and circumcisionLinkage building with government and private institutionsInfrastructure projects
FCF Scholars	Social <ul style="list-style-type: none">Negative perceptions of communities regarding FCF due to lack of knowledge in mining operations	<ul style="list-style-type: none">ScholarshipCareer and employment opportunitiesTrainingsMoral supportInformation campaigns
REGULATORY BODIES		
Local Government Units (LGUs)	Economic <ul style="list-style-type: none">UnemploymentSustaining livelihood after FCF closure	
	Environment <ul style="list-style-type: none">Residual Storage Impoundment safetyMine blasting operations and potential landslides due to this activity	<ul style="list-style-type: none">Consultations during the construction of the RSIMonthly consultations with the BLGU to discuss problems and potential solutionsSupply of plant seedlings for community agroforestry projects, fulfilling requests based on the number of seedlings needed
	Social <ul style="list-style-type: none">Surface occupants refusal to leave the area, which is under the legal and land acquisition operations of the CompanyLand disputes<ul style="list-style-type: none">Unsettled land paymentUnjustified compensation to residents of Bit-angImplementation of sustainable programs and projects in anticipation to the FMRDP	

STAKEHOLDER GROUP	CONCERNS	FCF COMMUNITY ENGAGEMENT AND SOCIAL INVESTMENTS 2023-1
REGULATORY BODIES		
Government Agencies	Environment <ul style="list-style-type: none"> Erosions allegedly caused by the mining operation of FCF 	<ul style="list-style-type: none"> Consultations between government agencies, illegal mining occupants, and the Company Multi-Partite Monitoring Team (MMT)
	Social <ul style="list-style-type: none"> Proliferation of illegal small-scale mining activities within the FTAA Contract Area Land disputes <ul style="list-style-type: none"> Unsettled land payment Unjustified compensation to residents of Bit-ang Implementation of sustainable programs and projects in anticipation of the FMRDP 	<ul style="list-style-type: none"> MMT Field Validation Compensation packages were paid to relocated families
INTERNAL STAKEHOLDERS		
Employees	Environment <ul style="list-style-type: none"> Kalinga-Abra Project (New Projects) PPO equipment shutdowns 	
	Social <ul style="list-style-type: none"> Mental health issues High turnover rate of employees / Poor talent retention Eventual mine closure/end of mine life, security of tenure Safety and health incidents Dealing with small-scale miners Acquisition of land in Pasto and Bit-ang areas / Land disputes 	<ul style="list-style-type: none"> Personalised Safety and Health Engagement programs Enhancement of Employee Benefits Learning and Development programs Government intervention (for illegal mining activities)
Contractors	Economic <ul style="list-style-type: none"> Increase in operational costs 	
	Social <ul style="list-style-type: none"> Eventual mine closure Disputes about land acquisition Overcrowded rooms for contractors Operational safety Discrimination 	<ul style="list-style-type: none"> Personalised Safety and Health Engagement Programs FMRDP

2022-2023 Material Topics

3-2

ECONOMIC	SOCIAL
ECONOMIC PERFORMANCE	EMPLOYMENT
MARKET PRESENCE	LABOR/MANAGEMENT RELATIONS
INDIRECT ECONOMIC IMPACTS	OCCUPATIONAL HEALTH AND SAFETY
PROCUREMENT PRACTICES	TRAINING AND EDUCATION
TAX	DIVERSITY AND EQUAL OPPORTUNITY
ENVIRONMENTAL	CHILD LABOR
ENERGY MANAGEMENT	FORCED OR COMPULSARY LABOR
WATER AND WASTEWATER MANAGEMENT	SECURITY PRACTICES*
BIODIVERSITY CONSERVATION	HUMAN RIGHTS AND RIGHTS OF INDIGENOUS PEOPLES
GHG EMISSIONS AND AIR EMISSIONS	LOCAL COMMUNITIES
WASTE MANAGEMENT	SUPPLIER SOCIAL ASSESSMENT*
SUPPLIER ENVIRONMENTAL ASSESSMENT	CUSTOMER PRIVACY
TAILINGS MANAGEMENT*	LAND AND RESOURCE RIGHTS*
MINE CLOSURE AND REHABILITATION*	CRITICAL INCIDENT MANAGEMENT*

NOTE: Material topics marked with an asterisk (*) are new for the current reporting year and were not present in the previous year.





SUSTAINING ECONOMIC GROWTH AND LOCAL DEVELOPMENT

Sustainable Development Goals Supported



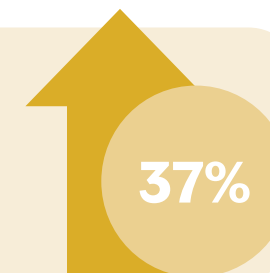
- 37
Economic Performance:
Sharing Our Success With
Stakeholders
- 38
FCF's Five-year
Economic Performance
- 41
Towards a Better Nation
and Stronger Communities
- 42
Economic Contribution to
the Locality and National
Development
- 45
Supporting the Nation
Through Tax Contributions

Economic Performance: Sharing Our Success With Stakeholders

3-3 201-1

PHP9.30B
Total revenue in 2023

PHP6.80B
Total revenue in 2022



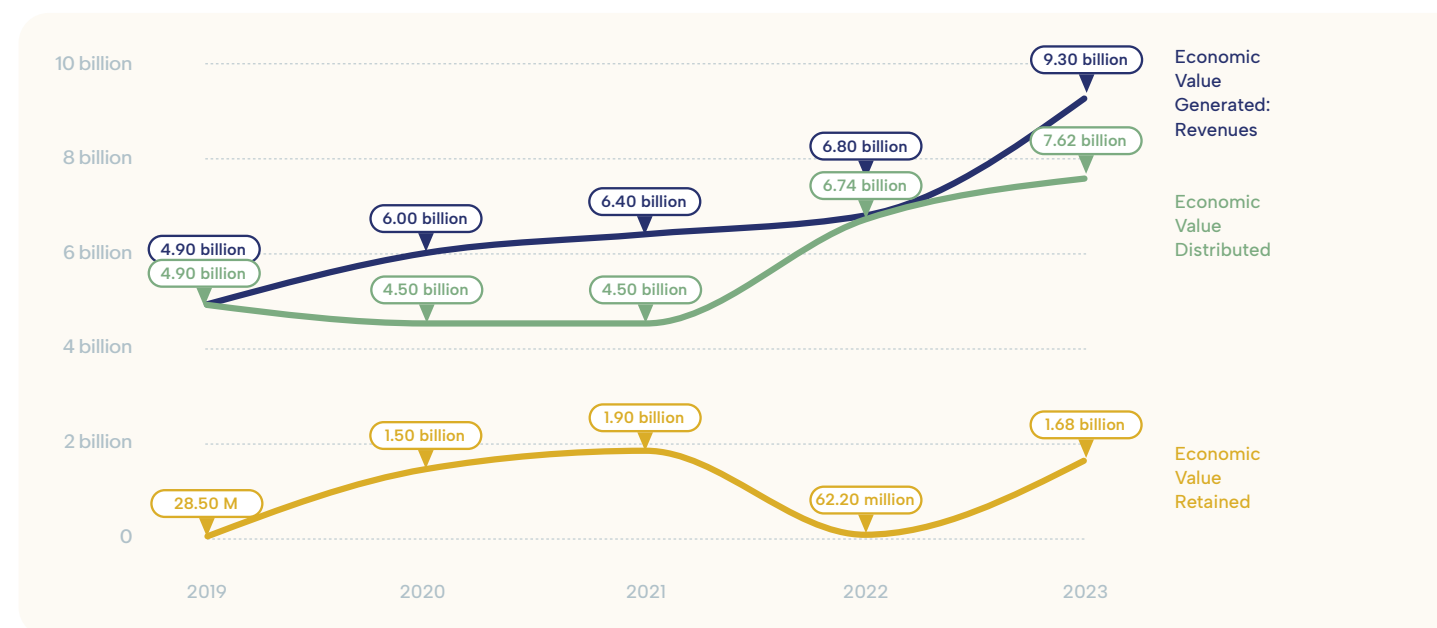
The implementation of innovative technologies to enhance the efficiency and effectiveness of existing programs across all operational facets, as well as resource optimisation schemes for mine and mill performance, ensured that our commitment to the prosperity of stakeholders and the economy was achieved.

Economic performance is an organization's or company's creation and distribution of economic value. It offers a foundational insight into how an entity generates wealth for its stakeholders. This is achieved by disclosing the direct economic value created, such as total revenue, and the economic value distributed, which encompasses payments and benefits extended to employees, contributions to governmental entities where the business operates, and investments made in the community.

Our economic performance over the years reflects positive growth. During the reporting period, our revenue increased from PHP 6.80 billion to PHP 9.30 billion, showing a 37% growth. This is our most significant revenue increase since 2019. Furthermore, our profits demonstrated unprecedented growth, soaring from PHP 62.20 million in 2022 to an impressive PHP 1.68 billion in 2023. This success is shared with our stakeholders, as evidenced by the increase in our distributed economic value, except in community investments. While we still support different initiatives in our host and neighbouring communities, we are also tapering down the funding of the projects to slowly prepare the communities and stakeholders for the eventual closure of the RGP.



FCF's Five-year Economic Performance (2019-2023)



	FY19	FY20	FY21	FY22	FY23
Economic value generated: revenues	4.90B	6.00B	6.40B	6.80B	9.30B
Economic value distributed^a	4.90B	4.50B	4.50B	6.74B	7.62B
Operating costs (mPHP)	4.10B	3.60B	3.60B	5.50B	6.10B
Employee wages and benefits (mPHP)	310.70M	384.70M	373.90M	363.80M	423.90M
Payments to government by country (mPHP)	367.70M	459.00M	505.00M	764.80M	1.00B
Community investments (mPHP)	49.50M	56.50M	52.20M	109.20M	76.30M
Economic value retained^b	28.50M	1.50B	1.90B	62.20M	1.68B

a. Includes operating costs, employee wages and benefits, payments to providers of capital, payments to government by country, and community investments

b. Economic value generated less economic value distributed

As stewards of the Company's financial well-being, the Finance and Accounting units within the Commercial Group are tasked with ensuring the optimal management of all financial resources. They provide expert leadership and direction across key areas like accounting, budget planning, forecasting, and cash management.

Beyond ensuring financial compliance, the Commercial Group holds regular monthly meetings and annual group planning sessions. These sessions leverage reportorial insights to gauge the effectiveness of implemented approaches, ensuring our organization stays resilient and adapts to evolving market conditions.

Potential Impacts of Mine Closure

2-25

As the RGP approaches its 'end of mine life,' the closure poses significant risks to the local economy. This includes the potential decrease in economic activity in the area, leading to several negative impacts on the local government and communities. These impacts may manifest as a rise in poverty, a decline in living standards, reduced tax revenue, and a decrease in employment opportunities, among others. FCF is working with its impacted communities, including local government authorities, in crafting a sustainability action plan to provide community-informed solutions on issues related to mine closure. FCF's FMDRP is also being updated.

Scale of the Organization

One hundred percent (100%) of our Company's gold production is contractually sold to a single customer located in Switzerland. Our Company also has a long-term relationship with various international and local suppliers.

ITEM/DESCRIPTION	2020	2021	2022	2023
Number of Operations	1	1	1	1
Net Sales (US\$)	122.10M	129.80M	124.40M	166.70M
Total Capitalization (US\$)	0	0	0	0
Quantity of Gold Produced (in oz)	67,552	73,206	72,537	85,194
Average Gold Recovery	72.2%	84.5%	85.7%	88.7%

In preparation for the end-of-mine life, we actively pursue the development of new projects in the Philippines. Our short-term goal is to commence similar operations within the Philippines, utilising our in-country team and expertise. Our long-term goals involve exploring mergers with like-minded companies and aligning efforts for sustained growth and success.

FEATURE STORY

Innovative Strategies Propelling Towards Excellence

With over 20 years of experience in the mining business, FCF is not only setting production records but also redefining standards for better mining techniques and advancing economic growth and sustainability. The notable strategies implemented during the 2022–2023 reporting year represent important turning points in the Company’s continuous development. An economic contribution of PHP 6.8 billion was recorded in 2022; in 2023, this amount increased to PHP 9.30 billion through innovative approaches that marked significant milestones for the Company.

Technological advancements aimed at optimising mine performance led to the implementation of improved Quality Assurance and Quality Control and a new Blast Management Plan, facilitated by Consolidated Explosives Group Corporation, FCF’s trusted service provider. This implementation resulted in minimising misfire incidents, leading to a surge in productivity across mining operations, and reducing dust and fumes produced from blasts.

FCF also spearheaded the development of in-house technology, which is expected to modernise data entry and reporting management processes in our mining operations. The GIS Database Team developed the in-house Android-based mobile application for tracking mining production and monitoring maintenance under the leadership of Armante Sabacajan, Senior System Project Specialist. This application offers a variety of features, including real-time data integration, secure storage, analytics, reporting tools, and safety features. This technological advancement also offers environmental benefits such as reduced paper usage, energy consumption, and waste while improving control, monitoring, and optimisation of mine production and fleet operations.



Additionally, FCF developed the Heavy Equipment Condition Monitoring System, which led to reduced maintenance costs and contributed to significant operational improvements by forecasting inspections and planning and scheduling maintenance activities. This system was developed by Mr. Clyde Justine Cayaban, who received the TOWER award in recognition of his efforts.

For optimal gold recovery and production, FCF ventured into process improvements. This includes modifications in the design of grinding mill liners and maximising mass pull control in the flotation circuit, which increased productivity, reduced operational costs, and contributed to responsible resource management. Notably, there was an increase in overall gold recovery from 50% before 2019 to the current level of 90%, with production jumping from 48,000 to 80,000 ounces per year (approximately 85,000 ounces of gold for the year 2023).

FCF’s innovative technological advancements not only underscore its commitment to responsible mining practices but also prioritises long-term economic and social development as the Company continues to establish a legacy in the mining industry.

Towards a Better Nation and Stronger Communities

3-3 203-1 203-2

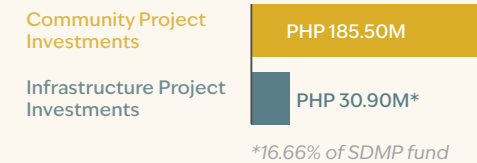
Our indirect economic impacts cover the benefits generated beyond the immediate effects of our operations. It encompasses our Company’s infrastructure investments and services towards the host and neighbouring communities, with benefits rippling outward to sustain the wider economy. These investments encompass transport links, utilities, community facilities, health and welfare centres, and sports venues.

As part of our commitment to enriching the lives of local communities, we allocate 1.50% of our direct mining and processing costs annually to our Social Development and Management Program (SDMP). Through the SDMP, FCF partners with local communities to identify and implement impactful socio-economic programs that drive sustainable development in our host and neighbouring areas.

The Community Relations Office is our community interface arm, which partners with various national agencies and local governments from both the barangay and the provincial levels for the implementation and management of programs under the SDMP.

Seventeen (17) barangays in Quezon, Nueva Vizcaya are covered by our local community investments for both the years 2022 and 2023. PHP 30.00 million was invested in infrastructure projects from 2022–2033, representing 16.66% of the total SDMP budget.

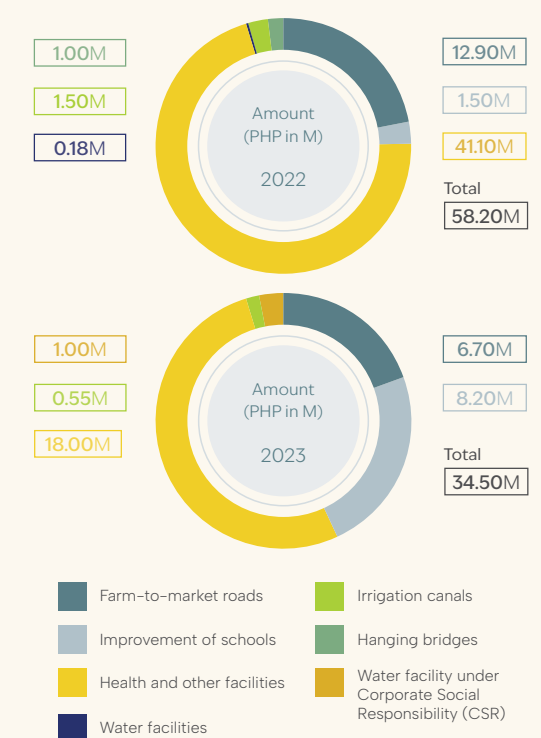
Community and Infrastructure Project Investments (2022-2023)



Community Project Investments: Breakdown from 2022 to 2023



Infrastructure Investments and Services Supported in PhP (2022-2023)



Infrastructure projects covered by the Company’s SDMP for 2022-2023:

- Multi-purpose building
- Barangay hall kitchen
- Stage and roof construction for a sports gymnasium
- Farm-to-market roads totalling 2.79 kms and covering 15 barangays
- 100 metre footbridge
- Installation of 34 units of solar lights along accident-prone road areas



The infrastructure projects of FCF have yielded positive impacts for neighbouring communities. The road access facilitated by the project has empowered farmers as it streamlines the delivery of produce to markets, contributing to improved economic activity and food security. Additionally, the construction of the 100-metre hanging bridge has enhanced the safety of and accessibility to educational opportunities for students in the area. Furthermore, the installation of solar-powered street lights in Barangay Aurora, Quezon, Nueva Vizcaya has improved the safety and security of road users and travellers, contributing to a more secure community.

Economic Contribution to the Locality and National Development

3-3 204-1

FCF adheres to responsible sourcing principles and timely compliance with Philippine tax regulations. Through these mechanisms, we ensure that our economic responsibilities towards our areas of operation are fulfilled and good local partnerships are maintained.

Resilient Supply Chains and Responsible Sourcing

308-2 414-2

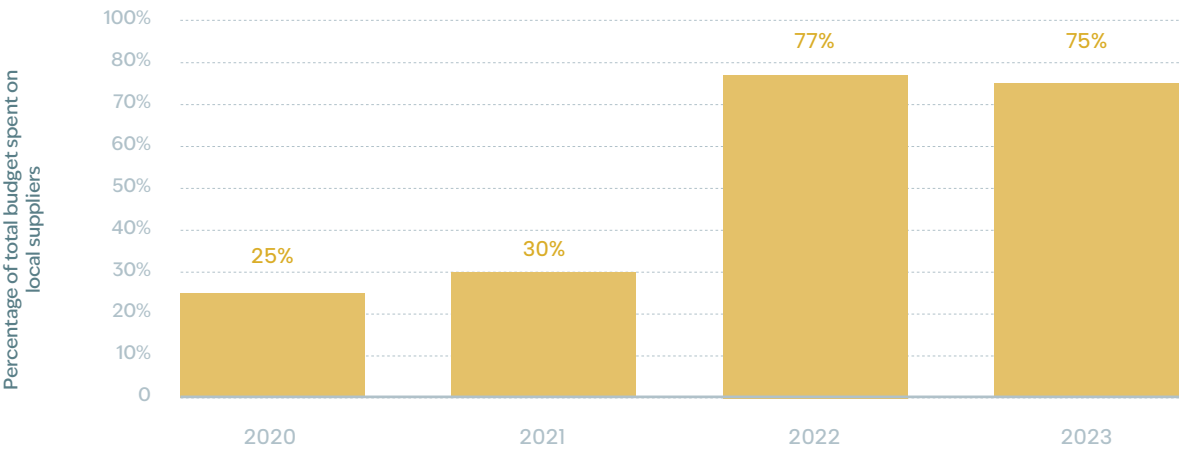
Responsible procurement practices refer to a business’s support for local suppliers or those owned by women or members of vulnerable groups. It also considers how the organization’s procurement practices, such as lead times and purchasing prices, may contribute to impacts on the supply chain.

There are no significant changes to our procurement practices for the years 2022-2023. As with the previous report, our procurement policy aims to develop excellent relationships and reinforce the Company’s purpose with the local community as well as national-based and overseas suppliers.

As we prioritise our commitment to the community and generate shared value, our Company recognises the connection between our business, the local stakeholders, and the supply chain. In striving for success, we actively seek to benefit the communities we impact through responsible sourcing, wherein the social and environmental responsibility of the supplier is assessed and local suppliers are supported.

We spent 75% of our procurement budget on local suppliers for 2023 and 77% in 2022. Our procurement choices remain strategic and competitive, and we aim to build strong partnerships with communities and broader stakeholders, ensuring both are valuable business partners and creators of positive change.

Proportion of Total Spending on Local Suppliers (2020-2023)



Proportion of Total Spending on Local Suppliers per Department (2022-2023)

	2022	2023
Site Services	16%	14%
Mining & Mobile	29%	31%
PPO & FPM	32%	30%



Our Company has a Green Procurement Policy that encourages our suppliers and contractors to ensure environmentally responsible practices. The same policy allows us to acquire materials, supplies, and services based on their impact on the environment and human health. Additionally, we implement supplier social assessment, wherein we evaluate the responsibility of our service providers in managing social issues within their supply chain.

New Suppliers Screening (2022-2023)

308-1 414-1

	2022	2023
ENVIRONMENTAL		
Number of new suppliers	61	10
Percentage of new suppliers that were screened using environmental criteria	44%	53%
SOCIAL		
Number of new suppliers	35	25
Number of new suppliers that were screened using social criteria	31	10
Percentage of new suppliers that were screened using social criteria	88%	40%

The year 2023 marked a significant step towards normalcy for our supply chains as we continued to recover from the disruptions caused by the COVID-19 pandemic. To achieve our supply chain milestones, we implemented the following strategies to sustain our progress:



Building Redundancy

FCF built redundancy mechanisms into its supply chains to minimise disruptions similar to the ones experienced during the pandemic. This allowed our Company to identify and manage identified issues in real-time.



Streamlining Supply Lines

FCF simplified its supplier portfolio in order to reduce the variability of our inventory and applied strategic scenario planning to account for anticipated changes in supply requirements.



Local Sourcing and Inventory Strengthening

FCF established a sustainable local supply base and strengthened our inventory strategies to have greater access to critical supplies and ensure optimum level is maintained to deliver high customer service at the minimum cost.



End-User Collaboration

FCF prioritised clear communication and close collaboration with end-users by gathering feedback through their purchase requisitions.

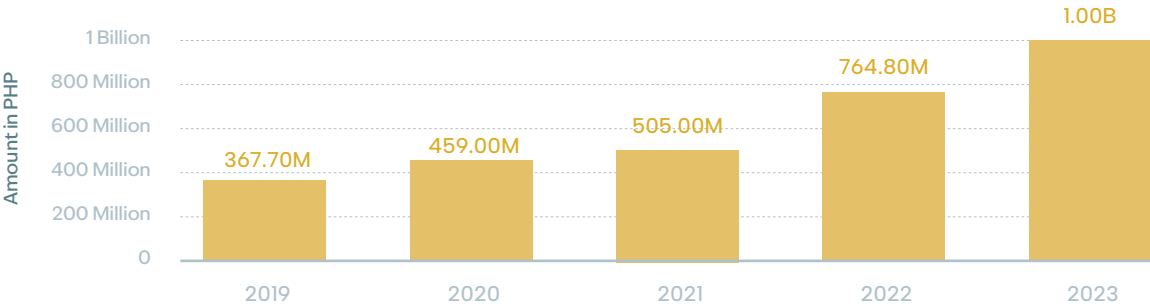
Supporting the Nation Through Tax Contributions

3-3 207-1 207-2 207-3

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 that aims to have prosperity and sustainable development as part of our legacy in the community and the country where we operate, our compliance with and adherence to local tax regulations remain unwavering.

Since 2019, our payments to the government have had an increasing trend year-on-year. While our tax processes and policies remained consistent this past year, increased production in 2022-2023 resulted in higher tax remittances.

Payments to government (PHP)



The Chief Financial Officer and Financial Comptroller are the governance bodies with executive-level positions within FCF that are accountable for compliance with our tax strategy. They ensure timely compliance with all applicable tax regulations, thereby avoiding penalties that could affect the profitability of our Company.

The Philippine government calls for mining companies to “publish what we pay.” FCF actively embraces this principle to provide stakeholders with a clear understanding of our total tax contributions. The call also aligns with our unwavering commitment to transparency and accountability.

Additionally, FCF adheres to all relevant tax laws and regulations established by the Philippine government, including those promulgated by the Bureau of

Internal Revenue, the Bureau of Customs, and the Board of Investments. We believe in responsible corporate citizenship and contributing our fair share to the development of the nation.

We diligently adhere to our tax obligations through rigorous monitoring by multiple individuals, a comprehensive review of tax returns, and the delegation of tax authority before payment. Notably, in 2022-2023, FCF remained a consistent taxpayer in Nueva Vizcaya, remitting a total of PHP 1.00 billion to the municipal local government of Quezon.



UPHOLDING ENVIRONMENTAL CONSERVATION

Sustainable Development Goals Supported



- 47 Stewardship in Responsible Energy Management
- 49 Building on our Water and Tailings Management Strategies
- 50 Water Withdrawal and Discharge
- 51 Tailings Management
- 53 Biodiversity Management Through Rehabilitation and Conservation
- 56 On-going Environmental Restoration Programs
- 57 Accountability in Managing Emissions
- 58 Promoting Effective Waste Management and Circularity

Stewardship in Responsible Energy Management

3-3

Our resource extraction operations rely heavily on energy, particularly in the processing plant, where equipment demands significant amounts of electricity. Considering this dependence on electricity supplied primarily by SN Aboitiz, FCF spearheads active efforts in energy conservation for the reduction of energy use as well as greenhouse gas emissions. FCF utilises hydroelectric power: the power consumption reflected in the energy data table came from electricity generated by Magat and Ambuklao Dam located in Ifugao/Isabela, and Benguet, respectively.

Our key strategies for responsible energy management include:

- Investing in energy-efficient equipment that requires less energy consumption but still functions up to standard.
- Implementation of proactive maintenance measures that ensure equipment is efficient and is performing in optimal condition.
- Review and optimisation of processes to identify opportunities for energy efficiency.

Adhering strictly to relevant environmental policies, FCF ensures that its operations and energy use do not cause any conflict with the surrounding community's electricity consumption and needs.

Our energy-related issues included power outages that pose threats to onsite operations. As a solution, FCF installed power generators on standby for a timely response to the issue.

Apart from using electricity, FCF also uses non-renewable fuels like diesel and liquified petroleum gas in its various operations.

Total Energy Consumption

667.22 Terajoules (TJ)

2023

674.70 TJ

2022

Energy Intensity

0.25 TJ/tons of gold

2023

0.30 TJ/tons of gold

2022



Energy consumption within the organization

302-1 302-3 302-4

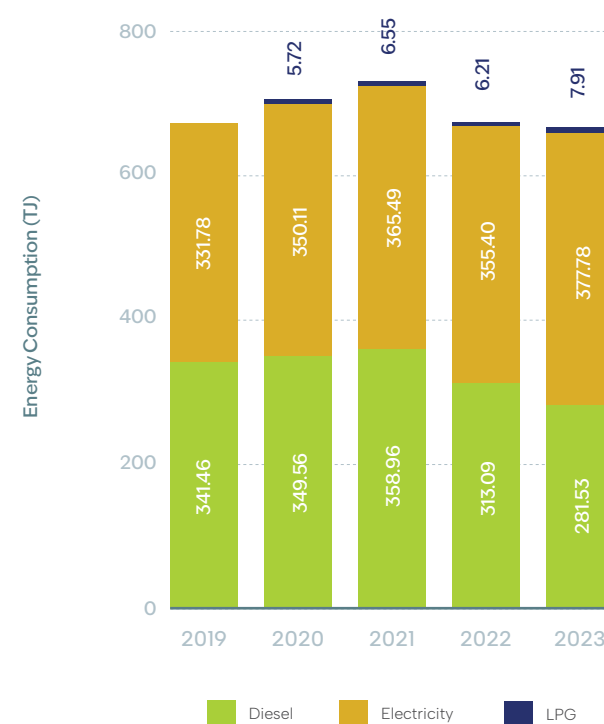
FCF's total energy consumption trend is increasing from 2019–2021, then took a significant dip in 2022 and continued to decline in 2023.

The slight increase in our electricity consumption in 2023 is due to the higher mill operation runtimes and increased tonnes milled compared to 2022. However, the overall decrease in energy consumption observed in 2022–2023 can be mainly attributed to our reduction in diesel use. This reduction was due to the shorter haulage distance for mine waste materials from the mine surface to the input dumps, which were previously transported to the Tulingan Dumpsite. The Mine operations team also established an interim ramp to further shorten the haulage distance.



Energy Consumption by Source (in TJ) (2019-2023)

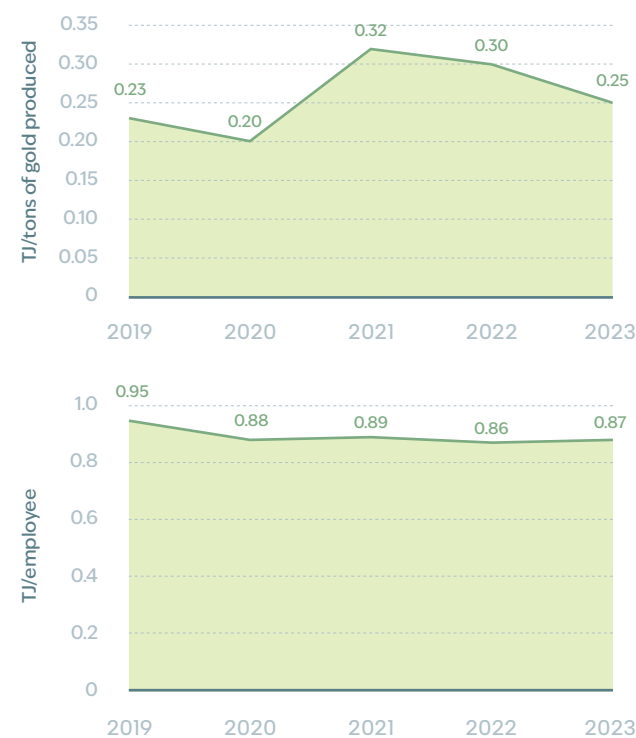
2-4



Note: 2019-2021 data are restated upon review.

Energy Intensity (2019-2023)

2-4



Note: 2019-2021 data are restated upon review.

FEATURE STORY

Sustaining Energy Efficiency

FCF's recent Industrial Energy Audit Level 1, conducted by certified energy auditors from EconoServ Solutions International Inc., highlighted crucial insights into energy consumption at the RGP. The audit covered the energy consumption within the entire processing plant, mining operations, office buildings, and all energy-using systems.

The audit aims to determine the energy-use profile and Energy Usage Intensity (EUI), identify low-cost and quantifiable energy optimisation, and ensure compliance with the DOE's reportorial requirements. In addition, the data used to analyse the audit included equipment lists with corresponding operating hours, mechanical and electrical drawings, process diagrams, and historical consumption patterns, as well as interviews with key and technical personnel.

As a result, FCF's energy consumption and EUI for CY 2021 were calculated based on the conducted Level 1 energy audit as a requirement of DOE. Since FCF uses the BIOX® process, which is a patented way to prepare certain types of gold ore, the auditors were unable to find comparable

EUI of a similar plant, indicating that the BIOX® process is an energy efficient process compared to other gold processing technologies, while the ore extraction resulted in little or no significant energy consumption. Moreover, the identified list of Energy Efficiency Measures (EEM) was classified in terms of no cost/low cost, medium cost, and high investment cost, along with their annual energy and cost savings. Beyond this operational and environmental improvement, FCF remains steadfast in its commitment to transparency and regulatory adherence by complying with DOE reportorial requirements.

As the Company continues its journey towards sustainable operations, the outcome of the Industrial Energy Audit Level 1 serves as a manifestation of FCF's position as a responsible steward in the realm of industry mining, reflecting its commitment to sustainability.

Building on our Water and Tailings Management Strategies

3-3 303-1 303-2

Water Consumed

5,819.48 megaliters
2022

7,858.81 megaliters
2023

Water Recycled and Reused

4,652.73 megaliters
2022

6,485.93 megaliters
2023

The RGP area is located in the Sulong catchment. Immediately downstream of the Project area is the town of Runruno, where the Lintungan River to the northwest, and the Kinalabasa River to the east joins the Sulong River. The Sulong River is the dominant catchment with an area of approximately 3,776 ha.

Water plays a critical role in FCF's operations and in neighbouring communities. Recognising that access to safe water is a fundamental human right, our Company is committed to reducing our water-related impacts and being responsible water stewards.

The sustainable water management principles of FCF begin with complying with all relevant local and international standards, laws and regulations. We also prioritise maximising water reclaim, minimising extraction and discharge, and protecting the downstream water system’s quantity, quality, and aquatic life.

All of our planned water discharges undergo wastewater treatment prior to final discharge to the nearby body of water, which is the Sulong River.

To ensure the effectiveness of our water and effluent management processes, we employ the following monitoring and control activities:

1. Water Quality Monitoring – sampling and analysis of the water quality and nearby bodies of water is performed weekly. A third-party environmental management and consulting services company is being contracted to conduct quarterly water quality monitoring activities.

Major river systems and their tributaries are sampled and analysed for various environmental parameters in compliance with DAO 2021-19: Updated Water Quality Guidelines and General Effluent Standards for Selected Parameters, the updated legislation on wastewater management of DENR Environmental Management Bureau (DENR-EMB).

Number of sample stations established:

- 19 (including Magat River) Surface water
- 1 Groundwater
- 13 Effluent

2. Aquatic Biota Monitoring – assessment of biological communities and aquatic biota in nearby bodies of water. This included regular gathering of fish samples, specifically those found in the RSI, to determine the levels of trace metals present in the organisms.

3. Ultrasonic Algae Control – a technology that uses ultrasonic wave signals to destroy algae cells. This helps control harmful algal blooms and biofouling in the RSI.

Water Withdrawal and Discharge

303-3 303-4 303-5

The net average estimated process water demand taken from the environment by the Project is 7.50 litres/second. Fluctuations due to peak water demands during process plant startup and shutdown can significantly increase this value. These requirements still fall below the 109 litres/second permitted by the Malibeg Creek Water Permit (No. 022719) which is determined by the amount of water recycled to the process plant from the RSI, less the water associated with the transport of process residue to the RSI.

Our average estimated potable water demand is 2.66 litres/second. It is sourced from the Lintungan River and used at the Camp, Mine Office, and Workshop and Process Plant. This is within the limits of the Lintungan River Water Permit (No. 022691). Potable water is drawn from the Lintungan River at an existing weir located approximately 2.60-km North West of the Process Plant. This location has been selected as it is in a different water catchment area from the project.

Water Accessibility: Continuous Services Improvement to Employees and Guests

Our commitment to providing clean and accessible water took a significant step forward in the first half of 2022 with the successful completion of our water refilling station project.

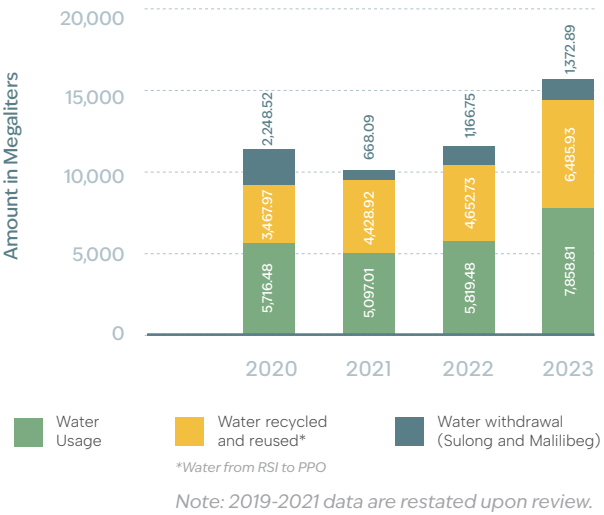
The heart of this project lies in the pristine waters of Lintungan Falls. Through a carefully designed and constructed water treatment plant, we harness the natural goodness of this source to provide safe and reliable drinking water.

The Company also provided additional shower and bath areas in its living quarters to sustain the daily needs of all personnel in a timely manner.

The projects were completed with the support of the Company Infrastructure and Permitting Section, as well as the Site Civil Work Department.

Water Management Data (in Megaliters) (2020-2023)

2-4



The RSI is used for the storage of residual solids and for the recycling of water from the process plant, with the make-up water required sourced from this location. Our Company employs the ASTER technology at the final segment of the processing operations that destroys all cyanide species from tailings before the tailings are pumped into the RSI. FCF also has its own sewage treatment facility inside the site to treat wastewater generated from the commissary and living quarters.

Water coming from the mine goes through siltation ponds to have the silt settled before it goes to the final siltation pond before its overflow water containing no silt or minimal silt goes to the Sulong River. The quality of the discharge is being monitored on its Total Suspended Solids.

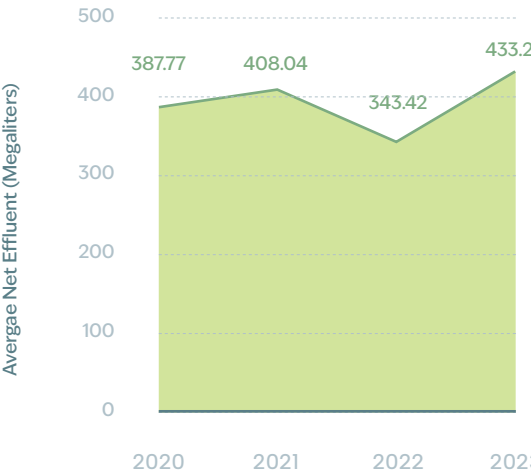
Tailings Management 3-3

FCF demonstrates efficient and safe management of its tailings through the RSI. This prevents any contamination or dispersion of potentially hazardous substances into surrounding soil, water, and air. In addition, this facility entails water management features that help the Company recycle water for mining processes and revegetation efforts.

The RSI is not classified as a treatment, storage, and disposal facility where hazardous wastes are stored, treated, recycled, reprocessed, or disposed of. Thus, RSI does not contain any hazardous waste. Wild ducks and fish are inhabiting the dam as proof that biodiversity exists in the dam. Furthermore, FCF conducts aquatic biota monitoring to assess the levels of trace metals

Water discharge, defined by the GRI Sustainability Reporting Standards as the sum of effluents, used water, and unused water released to surface water, is not included in our disclosures as it aligns differently with our operations. FCF’s operations involve open water systems, like our main discharge source, the RSI. Rain and evaporation significantly affect the water volume in open basins, making it difficult to accurately track the net effluent using the GRI Standards. However, the graph below presents the average net effluent at the RSI from 2020 to 2023.

Average Net Effluent in RSI (2020-2023)



present in the organisms in the RSI, as well as ultrasonic algae control to prevent harmful algal blooms and biofouling in the RSI.

On RSI safety, the embankment stability of the dam is being continuously monitored during the operation of the RGP. The RSI was designed based on the ANCOLD standard for a probable maximum flood (>1:10,000 year) event and to withstand a magnitude 8.60 earthquake, more than the historical data experienced in 1948 in the Panay Island vicinity with an 8.20 magnitude event. FCF is to continue the monitoring of the RSI after mine closure based on the FMRDP.

Biodiversity Management Through Rehabilitation and Conservation

3-3 101-1 101-2 101-6

min. **3.25**
biodiversity index target

3.51
Biodiversity Index for 2023

In the mining industry, landscapes often bear the scars of industrial activity, making restoration programs vital for ecosystem recovery. FCF is firm in its commitment to environmental preservation, championing a sustainable mine rehabilitation program with a holistic approach. This ensures that affected areas are stabilised and have thriving ecosystems capable of enduring for generations.

Upon the implementation of DENR-DAO (Department Administrative Order) 2022-04 (Enhancing Biodiversity Conservation and Protection in Mining Operations) in 2022, the Company had already crafted a Biodiversity Management Plan and Programs that aligned with the required provisions of the administrative order.

FCF set the target of the Biodiversity Index (H') of its rehabilitated and restored areas to not less than 3.25. To achieve the target, FCF employs the direct planting of endemic and indigenous Large Planting Materials (LPMs) in rehabilitation areas. Our Company's focus on LPMs expedites re-vegetation by collecting endemic species and acclimatising them in nurseries.

FCF's monitoring and evaluation procedures are detailed in its Biodiversity Monitoring in Rehabilitated Mine Disturbed Areas Plan. Through this, our Company is set to obtain the necessary information for the continual improvement of activities under mine rehabilitation.

Commonly used fast-growing indigenous pioneering species in rehabilitation areas:

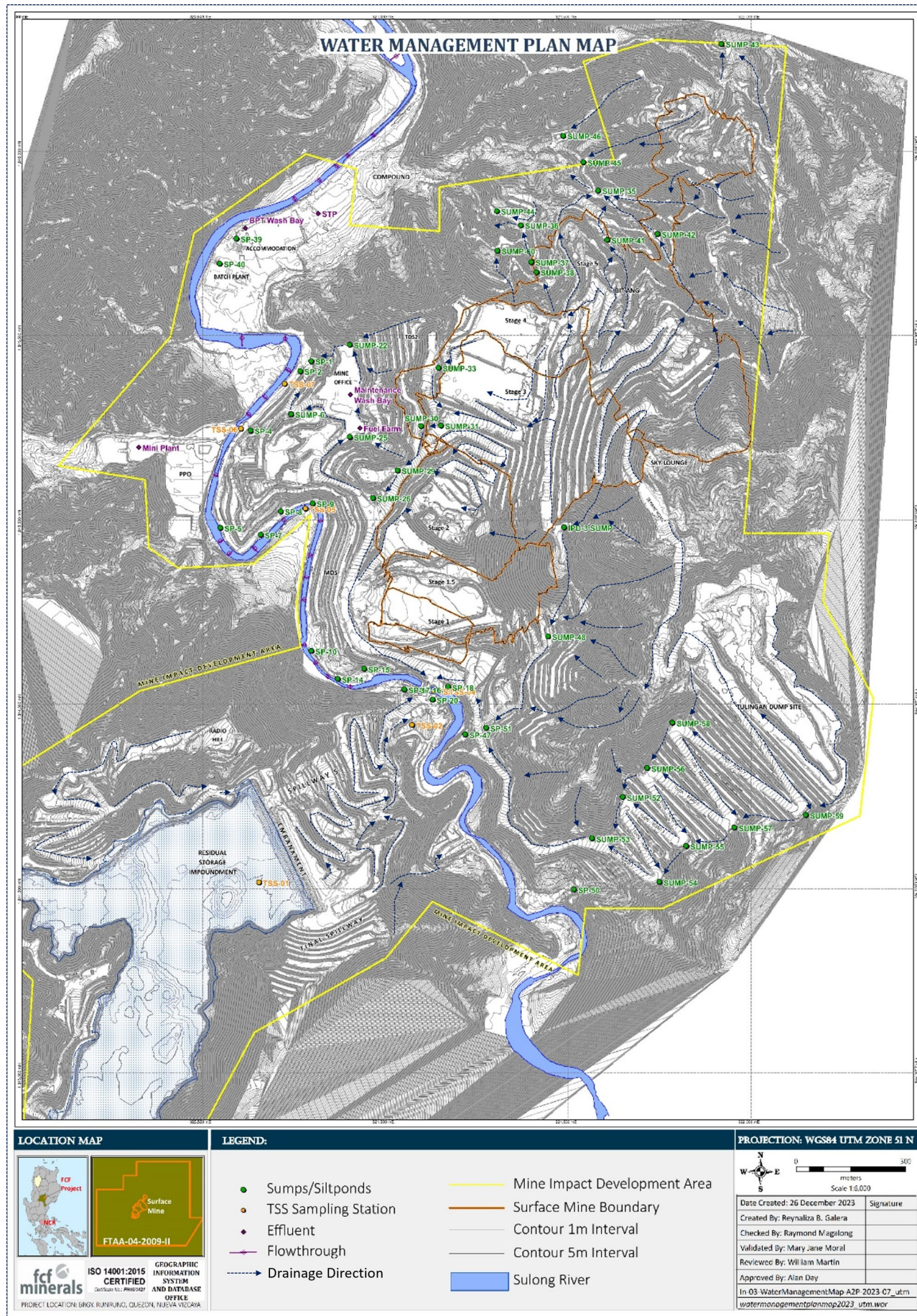
- Anabiong (*Trema orientalis*)
- Balanti (*Homalanthus populneus* var. *populneus*)
- Binunga (*Macaranga tanarius*)
- Hamindang (*Macaranga bicolor*)

Charting a Legacy together with Our Stakeholders

Through consultation with relevant stakeholders, FCF has developed a sustainable rehabilitation plan. This plan clearly defines post-closure land use, progressively rehabilitates all available areas, employs appropriate technologies to minimise negative environmental impacts, and enhances site rehabilitation techniques. Additionally, it monitors success criteria agreed upon with stakeholders.

The sustainable rehabilitation plan of FCF has three distinct parts. The program outlines clear stages for rehabilitation, starting with slope stabilisation and erosion control measures in Stage 1. This includes innovative practices such as the application of Dayami (rice straw) as a substitute for cocomats, providing cost-effective and organic soil conditioning benefits. The use of silt fences and hydroseeding techniques further contributes to erosion control and revegetation efforts.

In Stage 2, FCF focuses on planting fast-growing indigenous pioneering species that enhance soil stability and create a conducive microclimate for subsequent plantings. This approach not only accelerates the recovery of the ecosystem but also serves as a stepping stone for the reintroduction of climax species.



Stage 3 or the final phase of the rehabilitation program, involves planting climax species and establishing the intended land use. FCF prioritises endemic species that were present in the area prior to disturbance, promoting the restoration of the original ecological composition. The identified final land use, such as forest parks and protection forests, reflects the Company's commitment to preserving and enhancing natural habitats.

Since the start of mine development in 2011 until 2023, the total affected area, including offices, buildings, and amenities, has amounted to **272.96 hectares**. Of this, the Company has rehabilitated **49.34 hectares**.



Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas

101-5

FCF's FTAA covers a total area of 3,093.51 hectares. No portion of it was declared by any national law as protected areas or areas with high biodiversity value.

272.96 hectares

Total affected area since start of the project until end of 2023

49.34 hectares

Area restored and rehabilitated

223.62 hectares

Total Land Affected and Not Yet Rehabilitated

Significant impacts of activities, products and services on biodiversity

101-4 101-7

NEGATIVE IMPACTS	
Direct	<ul style="list-style-type: none">Habitat destructionReduction of species populationEcosystem imbalance, leading to biodiversity degradationReduction of genetic diversityDecline in population and species richnessDeath impairment, reduction of re-production capacityEndangerment of species
	<ul style="list-style-type: none">Anthropogenic noise may affect an animal's physiology, behaviour, reproduction, and long-term survivalPoor management of substances/ waste contributes significantly to water and soil pollution, impacting biodiversity and ecosystem health
Indirect	<ul style="list-style-type: none">Decreased diversity of native plants due to invasive plant pathogens may impact human health by disturbing environmental qualityGenetic isolation leads to fewer species and changes in population sizes in natural habitats over timeEffects on long-term survival capacity of species

POSITIVE IMPACTS

	Direct	Indirect
Species Affected	A total of 22.06 hectares of affected areas (previously a build-up, grassland, and agricultural areas before the start of mining operations) had been fully reforested with different endemic plant species to serve as a natural habitat for wildlife species in the area.	Increase in long-term survival of wildlife species
Extent of areas impacted	Increase diversity of flora and fauna	Increase the production capacity of flora and fauna due to more breeding grounds and dwelling areas
Duration of impacts	Increase endemic flora and fauna productivity	Low susceptibility to invasion of alien and invasive species
Reversibility or irreversibility of the impacts	Population increase	Genetic diversity

Habitats protected or restored

2-25 101-6 101-8

FCF, through the Mine Environmental Protection and Enhancement Office, continues its comprehensive Biodiversity Assessment of Flora and Fauna through the 5-year Research and Development Program on Landscape and Functional Analysis of Different Mine Rehabilitation Areas within FCF Tenement. Started in 2022, this research and development program aimed to assess, document, and monitor flora and fauna; measure the effectiveness of the Company's initiatives in rehabilitating affected ecosystems, and identify management gaps and interventions needed to effectively restore and sustain the biodiversity condition of the affected ecosystem.

FCF commissioned the Center for Environmental Law, and Policy Advocacy Inc. to conduct a study on the landscape function of its rehabilitation sites and to monitor the functionality of its landscapes through the use of the Landscape Function Analysis (LFA). LFA was conducted in order to track the progress of its rehabilitation

efforts, which started in 2015. Specifically, it aims to determine the self-sustainability of the restored sites using generated LFA indices on stability, infiltration, and nutrient cycling.

Based on the latest study conducted in the 1st semester of 2023, the average biodiversity index in all restoration areas is already high at H' = 3.51. Even though the restoration areas have already attained a very high biodiversity index, the Company will continuously improve these areas and offer active protection until the end of the implementation of the FMRDP.



Habitat areas with ongoing restoration/protection activities

	2019	2020	2021	2022	2023
LOCATION	Tayab Dump Site, Malibeg Dump Site, Cabarligan Dump Site Areas*	Tulingan Dump Site (Slope 1 to 24)*	Tulingan Dump Site (Slope 25 to 27)*	Tulingan Dump Site (Slope 28 to 32)*	In-pit Dump (Slope 1 and 2); Residual Storage Impoundment Riparian Areas*
SIZE	19.64	8.81	7.17	8.51	5.21

*On-going/Actively Protected

Habitat areas protected

LOCATION Hill 805 and Mt. Kabukbukan in Sitio Kinalabasa; Lintungan Area*

SIZE **871.34 hectares**

*Actively Protected

Biodiversity assessments for monitoring flora and fauna are also considered essential in mining areas. By evaluating vegetation and terrestrial fauna, valuable data on habitat complexity and ecosystem health for guiding ongoing conservation efforts is collected.

On-going Environmental Restoration Programs

Low-Cost Hydroseeding

The process of revegetating affected areas is both costly and labor-intensive. Commercial hydroseeding technology was estimated at PHP 2.20 million per hectare. However, with the adoption of low-cost hydroseeding technology developed by our Company that uses locally available materials such as shredded waste paper, cornstarch, and dried grass (dayami), full vegetation cover can be achieved within 3-4 months, effectively controlling soil erosion.

The Low-Cost hydroseeding innovation became one of the Best Practices of FCF for progressive mine rehabilitation. It serves as a showcase for mine tours and site visits and has become a benchmark for other mining companies for their progressive mine rehabilitation programs.

Grasses and creepers used in hydroseeding

- Carabao Grass (*Paspalum conjugatum*)
- Butterfly Pea (*Centrosema pubescens*)
- Calopo (*Calopogonium mucunoides*)
- Tiger Grass (*Thysanolaena maxima*)

Nursery Operation

FCF has two nursery operations on-site. The 100 sq.m. Central Nursery supports the seedling requirements for the rehabilitation and reforestation efforts of our Company. It can house 300,000 planting stocks of fast-growing native, endemic, and fruit-bearing trees. Our clonal nursery, on the other hand, is a research and development facility that aims to produce indigenous and endemic seedlings through macrosomatic clonal propagation technology.

Mining Forest Program

FCF established mining forest plantations outside of its FTAA, tended by community beneficiaries. This is pursuant to DENR Administrative Order No. 22 series of 1989, where the "Adopt a Tree, Adopt a Mining Forest" movement was started through the Mines and Geosciences Bureau.



Accountability in Managing Emissions

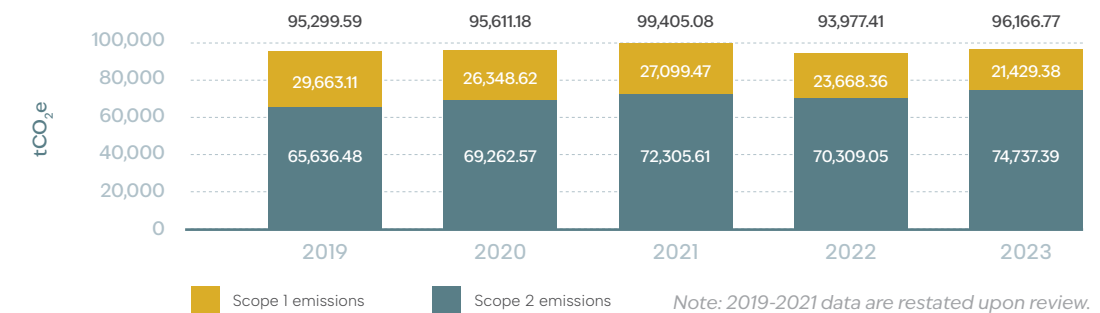
3-3 305-1 305-2 305-4

The daily operations of FCF are energy-intensive, contributing significantly to greenhouse gas (GHG) emissions. These emissions primarily stem from the fuel consumption of vehicles and equipment used in mining operations, all owned and managed by our Company, as well as electricity consumption. Recognising its impacts, FCF aligns its efforts to contribute to global climate change goals and targets, including net-zero emissions by 2050. Moreover, our emissions are calculated using prescribed methods, emission factors, and guidelines under the 2006 and 2019 IPCC Guidelines for National Greenhouse Gas Inventories.

As part of our net-zero efforts, FCF supports the use of electricity sourced from hydroelectric power and pursues energy-saving processes in our operations. On January 8 to March 28, 2023, FCF engaged EconoServ Solutions International Inc., a DOE Certified Energy Service Company, for an Industrial Energy Audit Level 1 covering the entire processing plant, office buildings, and all energy-using systems. Beyond compliance with Department of Energy reportorial requirements, the audit determined the energy-use profile and energy usage intensity of the Company. The audit also created opportunities for FCF to identify and quantify low-cost energy performance improvements.

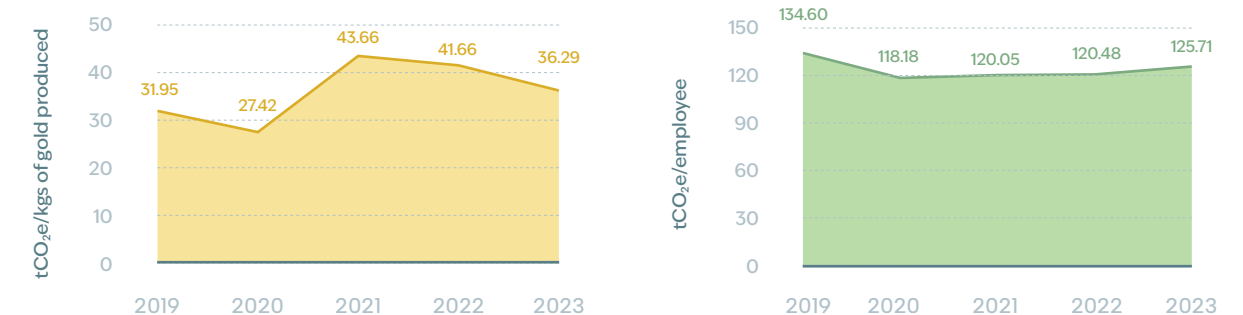
Our energy audit is a team effort between FCF's General Manager of Operations, energy manager, energy auditors, and other concerned departments. The project demonstrates that successful emissions management hinges on solid partnerships and collaboration between organizations and departments.

Scope 1 Emissions and Scope 2 Emissions (in tCO₂e) (2019-2023) 2-4



In 2023, we reduced our Scope 1 emissions, primarily through a significant decrease in diesel consumption, as detailed in the Energy section. The increase in Scope 2 emissions can be attributed to the increase in our electricity consumption in 2023 is due to the higher mill operation runtimes and increased tonnes milled compared to 2022.

Emissions Intensity (2019-2023)



Aside from GHG emissions from fuel and electricity consumption, FCF's mining activities contribute to other air emissions, including pollutants that have negative impacts on air quality and ecosystems. This stems from various daily activities, such as drilling, blasting, excavation, overburden removal, storage, mineral processing, and transportation.

In addition, fugitive emissions can occur from earthmoving, crushing, transportation, and pollutants from tailings facilities. These emissions mostly consist of dust and other particulate matter (PM). Previous FCF reports have disclosed other emissions such as sulfur dioxide (SO2), nitrogen oxide (NOx), and PM.

Nitrogen oxides (NOx) and Sulfur oxides (SOx), and Other Air Emissions (2022-2023)

305-7

	2022	2023
NOx (µg/m³)	737.58	892.25
SOx (µg/m³)	3.17	1.83
PM10 (µg/Ncm)*	27.16	16.37

*Annual average based on a 24-hour ambient air monitoring

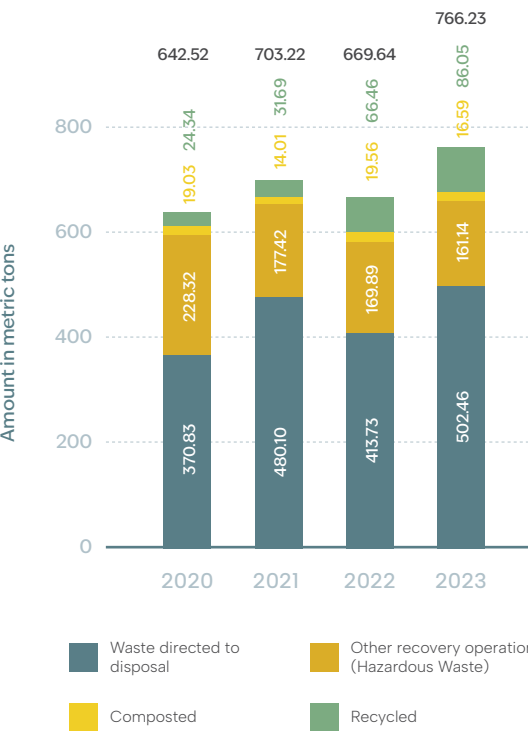
Promoting Effective Waste Management and Circularity

3-3 306-1 306-2 306-3 306-4 306-5

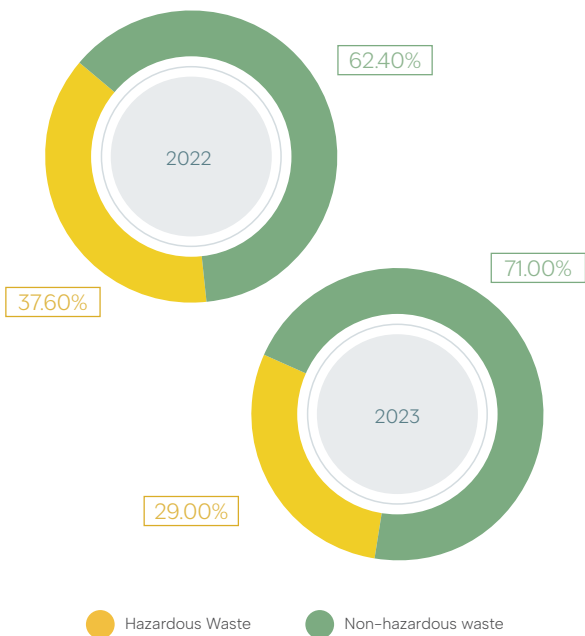
Our waste management system reflects FCF’s commitment to both environmental and social responsibility. Implementing effective waste management practices reduces the waste thrown into landfills, contributes to resource conservation efforts, and mitigates climate change, leaving a positive impact on the environment for future generations. Waste management systems also have the potential to benefit the community through the creation of jobs, and contribute to a healthy environment fit for growth and development.

FCF generates and manages three kinds of waste materials: non-hazardous wastes, hazardous and chemical wastes, and wastewater and effluents.

Waste Management Data (in metric tons) (2020-2023)



Waste Breakdown: Hazardous vs Non-hazardous Composition (in metric tons) (2022-2023)



FCF enforces Republic Act No. 9003 or the “Ecological Solid Waste Management Act” in all its premises to manage its non-hazardous waste. Mandatory waste segregation at source is required, and a “No Segregation, No Collection” policy is strictly implemented on our Company premises.

The Company’s programs on vermicomposting and eco-brick production support our waste management policies: food waste and other biodegradable materials are processed as vermicompost to create organic fertiliser for use in tree nurseries, while recyclable plastics and glass bottles from on-site waste are upcycled and turned into eco-bricks and eco-hollow blocks. Residual waste collected from the site is transported to a sanitary landfill. The collection and transportation of residual wastes are managed by the DENR- Environmental Management Bureau (DENR-EMB).

Hazardous and chemical wastes are temporarily stored in an established waste facility onsite. These wastes are then hauled, transported, and disposed of in a Transporter, Storage, and Disposal facility accredited by the DENR-EMB.

In 2023, a significant rise in hazardous waste disposal was the primary driver behind the overall increase in waste generation. This is mainly attributed to the



increase in hazardous waste generated, driven by the disposal of imported chemicals from process plant operations, amounting to 60 metric tons.

The wastewater and effluents generated at the Camp area, where onsite employees’ living quarters, offices, and canteen are located, are treated at the FCF-owned sewage treatment plant. Wastewater from the processing plant is treated with ASTER technology and goes through a series of siltation ponds.

FCF complies with Republic Act No. 9275, or the “Philippine Clean Water Act”, in its efforts to manage effluents. All wastewater discharges are also covered by discharge permits from the DENR-EMB.

FEATURE STORY

Balik Baterya Program Addresses Used Lead Acid Battery Threats

Lead batteries are valuable for their large energy storage capacity. However, improper management, especially during disposal, poses health and environmental threats such as lead-poisoning, exposure risks, and contamination of soil or water resources due to fumes, leaks, and spills.

Committed to implementing responsible hazardous waste disposal practices, FCF started the ‘Balik Baterya’ Project to tackle the rising waste problem. Through the project, Used Lead Acid Battery (ULABs) are returned to a recycler for safe and proper handling.



FCF was able to turnover 2.40 metric tonnes of ULABs through the ‘Balik Baterya’ Project in 2022. The continuous agreement with the recycler and the business sector has helped in funding projects for education, and socio-economic projects in their chosen communities, such as the building of classrooms and providing for school needs. Additionally, the battery recycling project has contributed to a safer work environment for onsite personnel through lessened exposure to toxic chemicals.



CHAMPIONING CARE FOR EMPLOYEES AND THE COMMUNITY

Sustainable Development Goals Supported



61 Investing in People's Potential

65 Safe and Inclusive Workplace for All

66 Creating a Thriving Workplace

66 Prioritising Safety and Health

69 Creating Space for Continuous Learning and Development

71 Zero Tolerance for Child, Forced, and Compulsory Labor

75 Respecting and Upholding Human Rights

76 Working With the Community To Create Transformative Opportunities

78 Strengthening Our Relationship With Indigenous Peoples

80 Committing To Responsible Security Practices

80 Laying the System for Ensuring Data Privacy and Protection

82 Upholding the Gold Standard in Regulatory Compliance

Investing in People's Potential

3-3

Employees are the lifeblood of our operations. Without their dedication to exemplary performance, and a work ethic that aligns with the values of our Company, the growth and development that FCF has achieved through the years would not have been attained. It is therefore crucial for our Company to invest in our people to be able to power the business and continue operations, as well as support them in their journey towards a rewarding career and achievement of success that ripples through their lives and communities.

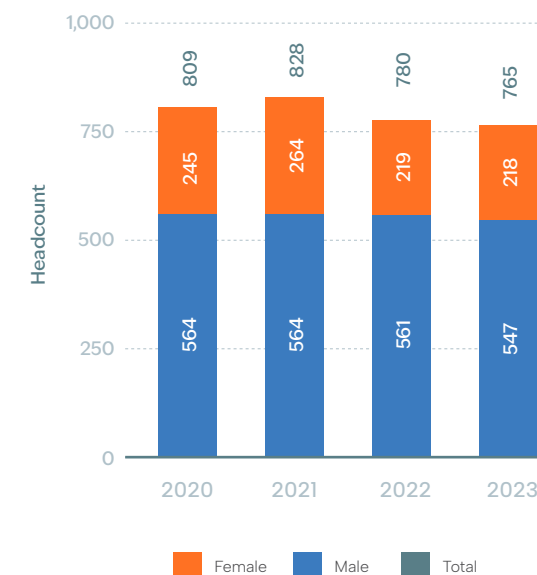
Through the Bull's Eye approach of the Company, vacant positions within FCF are filled. This approach targets the hiring of the most suitable and qualified persons first and foremost in the host community of Brgy. Runruno, extending outward to the Municipality of Quezon, the Province of Nueva Vizcaya, Region II, and finally areas outside of the region. Apart from being able to bring the right people to fill vacant positions within the Company, the Bull's Eye approach contributes to diversity in our workforce, with employees coming from different provinces of the Philippines.

FCF prioritises human resources through successful programs to cultivate a skilled and diverse workforce. These programs include:

- 1. Job Recruitment and Equal Opportunities:** FCF utilises various platforms and job fairs to attract qualified candidates. We uphold equal opportunities and diversity in our hiring practices. The Company also actively hires individuals with disabilities and prioritises local employment, ensuring the creation of a workforce that reflects the communities we operate in.
- 2. On-the-Job Training:** The Company offers practical training programs and collaborates with institutions offering industry-relevant skills and training opportunities to students.
- 3. Talent Retention and Development:** FCF provides developmental programs, training courses, and mentoring initiatives to enhance employee skills, support professional growth, and retain talent.
- 4. Employee Recognition:** The Company values employee dedication and recognises long-serving individuals through the Recognition Award and Service Award program.

Number of Employees by Gender (2020-2023)

2-7



Number of Employees by Type of Employment (2020-2023)

2-7



- ^a Employee with a contract for an indeterminate period (i.e., indefinite contract) for full-time or part-time work
- ^b Employee with a contract for a limited period (i.e., fixed term contract) that ends when the specific time period expires

Number of Contractors (2021-2023)

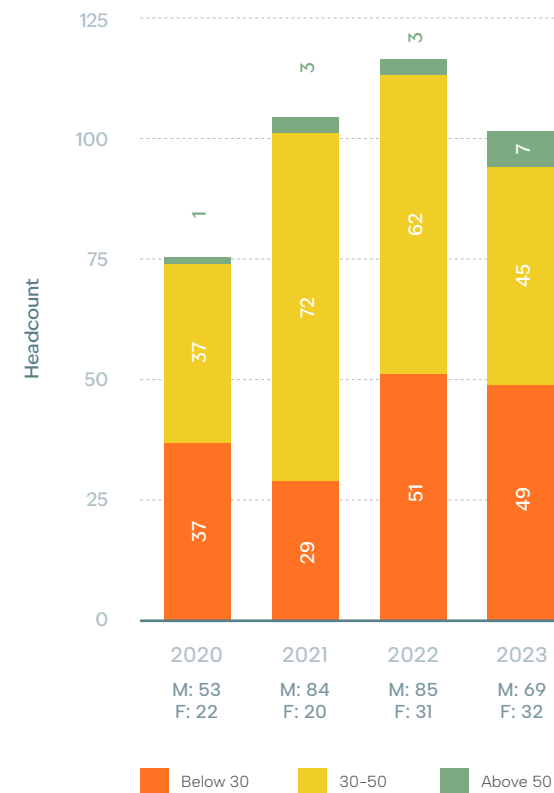
2-8

	2021	2022	2023
Male	379	367	394
Female	34	34	39
Total	413	401	433



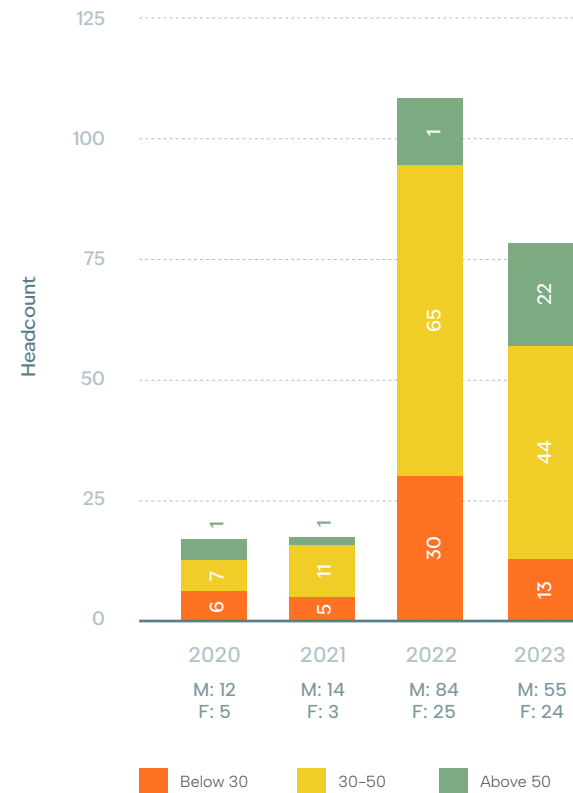
New Employee Hires by Gender and Age (2020-2023)

401-1



Employee Turnover by Gender and Age (2020-2023)

401-1



Rate of New Employee Hires and Employee Turnover (2020-2023)

401-1

	2020	2021	2022	2023
New Employee Hires	9.27%	13.92%	13.97%	13.07%
Employee Turnover	2.10%	1.80%	16.20%	11.41%

Providing Competitive Compensation and Benefits

202-1

FCF has consistently initiated the across-the-board annual salary increase of employees based on Consumer Price Index and Production. This is to provide competitive salary ranges consistent with the respective labor markets in which the Company operates, as well as to ensure that employees are fairly and competitively compensated for the duties and responsibilities of their positions.

FCF additionally has a salary structure to manage the compensation of all employee categories: Senior Management, Section Manager, Superintendent, Supervisory, Professional, Technical, Operator and Laborer. The salaries are based not only on the set minimum wage but also on the industry labor market.

We also provide the following benefits to sustain employee needs.



Employee Benefits and Participation Rates by Gender

401-2

BENEFITS	Percentage of male employees who availed		Percentage of female employees who availed	
	2022	2023	2022	2023
Life insurance	0.00%	0.18%	0.46%	0.00%
Health care (aside from Philhealth)	1.43%	14.26%	0.91%	19.72%
Disability and invalidity coverage	0.00%	0.00%	0.00%	0.00%
Parental leave	6.06%	6.03%	3.20%	6.42%
Retirement provision (aside from SSS)	1.78%	2.93%	1.37%	3.67%
SSS	46.70%	29.43%	57.53%	29.82%
PhilHealth	21.39%	7.50%	27.85%	7.34%
Pag-Ibig	25.13%	24.31%	22.37%	23.39%
Vacation leaves	0.00%	0.00%	0.00%	0.00%
Sick leaves	71.66%	57.59%	70.32%	50.00%
Monetization of sick leaves	23.17%	55.03%	24.66%	61.93%
Further education support	0.71%	0.00%	0.91%	2.29%
Telecommuting*	n/a	n/a	0.00%	0.00%
Flexible working hours*	n/a	n/a	0.00%	0.00%

*Employee benefit in 2022 only

BENEFITS	2019	2020	2021	2022	2023
Workers entitled to parental leave	722	486	471	496	506
Workers who took parental leave	55	53	44	41	47
% Return to work rate ^a	55.00	17.33	21.50	–	7.67
% Retention rate ^b	53.00	17.00	22.00	–	7.33

a. Calculated by dividing total number of employees that did return to work after parental leave by total number of employees due to return to work after taking parental leave multiplied by 100

b. Calculated by dividing total number of employees retained 12 months after returning to work following a period of parental leave by total number of employees returning from parental leave in the prior reporting period(s)] multiplied by 100

FEATURE STORY

Stronger Connections, Better Benefits

In a move to build stronger relationships and connections with our employees, FCF embarked on enhancing our employee benefits. In the field of health, up to three dependents (spouse & two children) of the Company’s regular employees are now covered by FCF’s Health Maintenance Organization (HMO) benefits. Qualified dependents are now entitled to the health services and other benefits of the HMO package, resulting in employees who feel assured of their family’s health and financial stability and are motivated to improve their job performance.

A total of 673 employees and 1,170 employees’ dependents were enrolled during the first year of the policy. Per the provider’s record, the utilisation percentage consists of 36% employees and 64% dependents.

FCF has also started the monetization of employees’ unused sick leaves. With this policy in place, unnecessary absenteeism, and employee turnover were reduced. The Company also noted an increase in operational productivity. Out of the 627 employees, 122 have received the sick leave cash conversion as a reward for maintaining 100% attendance throughout the year and without using a single sick leave day.

Also, an increased in benefits coverage across employee levels were implemented i.e. HMO coverage for Class 1, which includes rank and file employees, was increased to PHP 200 thousand from PHP 170 thousand. Class 2, which includes department heads and managers, was

increased to PHP 300 thousand from PHP 270 thousand. Furthermore, Group Life and Personal Accident coverage was increased to PHP 1 million from PHP 500 thousand for Class 1 employees and PHP 3 million from PHP 1 million for Class 2 employees.

Group Medical HMO Program	MBL From (2023)	MBL TO (2024)	Percentage Increase
Class 1	170,000	200,000	18%
Class 2	270,000	300,000	11%
Class 3	520,000	520,000	0%

Group Team Life Insurance	MBL From (2023)	MBL TO (2024)	Percentage Increase
Class 1 – Rank and File to Superintendent	250,000	500,000	100%
Class 2 – Department Heads/Managers	1,000,000	3,000,000	200%

Group Personal Accident Insurance	MBL From (2023)	MBL TO (2024)	Percentage Increase
Class 1 – Rank and File to Superintendent	500,000	1,000,000	100%
Class 2 – Department Heads/Managers	1,000,000	3,000,000	200%



Safe and Inclusive Workplace for All

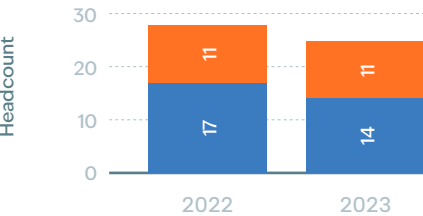
Our Company adheres to the non-discrimination principle and hires people based on qualifications, skills, and experience. In 2022 and 2023, 28% of our employees were women, with 11 women holding senior management positions.

The Company also employs persons with disabilities. Currently we have three (3) handicapped employees, and two (2) who have visual impairments.

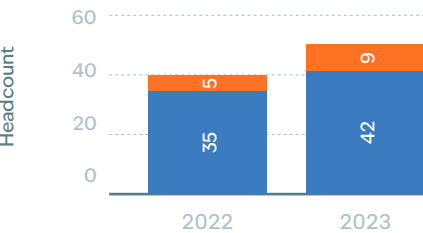
Employee Diversity by Gender (2022-2023)

405-1

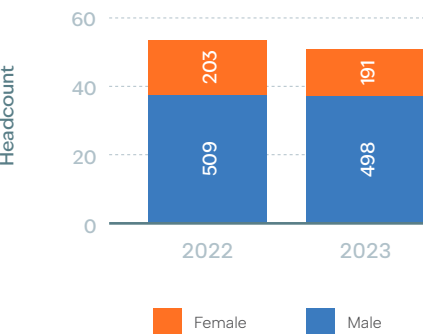
Senior Management Diversity



Middle Management Diversity

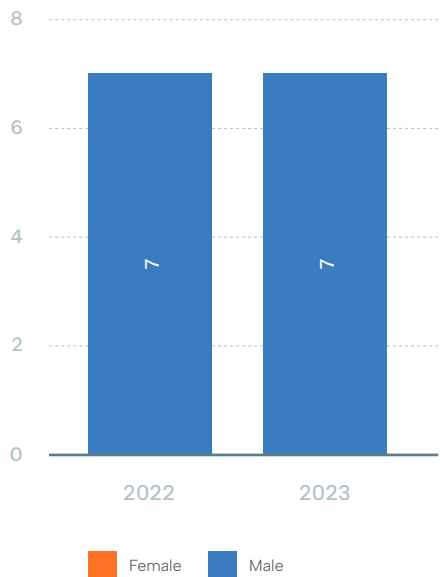


Rank and File Diversity



Diversity of Governance Bodies (2022-2023)

405-1



Creating a Thriving Workplace

3-3 2-30 402-1

Building strong relationships between management and employees starts with open communication and a shared understanding of the challenges they face, both inside and outside of work. By actively listening and offering support, a more empathetic and productive work environment can be created.

FCF respects the right of employees to have a collective bargaining unit. Our commitment to this process is incorporated into our Human Rights policy. We also embody the ideals of fair labor practices, treating people with dignity, care, and respect while providing a workplace that is conducive to our workforce’s wellbeing.

FCF aims to build a workplace where everyone feels heard and valued, minimising the risk of future conflict. In 2023, a total of 64.40%, or 493 members, of our workforce were counted as members of the labor union,

in comparison to the total of 63.90%, or 499 members, counted in 2022. We have fostered open communication with our employees and the union, which has resulted in no strikes or lockouts at FCF.

Financial assistance is given as well to the labor union for their activities during labor day. Furthermore, union officers can apply for union leave to attend to important activities in relation to their duties. In 2023, a labor management committee was formed for the purpose of communication and collaboration between members and management.

In communicating significant operational changes, FCF allots 15 days minimum notice periods regarding operational changes, as specified in the collective agreements notice periods.

Prioritising Safety and Health

3-3



2022 was a time of steady recovery from the pandemic. As our Company gradually returned to normal operations as restrictions relaxed, FCF’s safety and health precautions must also reflect the latest protocols issued by the Department of Health and the Inter-Agency Task Force for testing, quarantine, and vaccination. This ensures our policies remain effective and provide the best possible protection for everyone.

In 2023, the Golden Rules 8 (GR-8, “GREAT”) Umbrella Program was implemented to serve as a safety branding initiative. This program aims to associate the identity of the Occupational Safety and Health (OSH) Department with employees being safe and compliant using a tangible item at the same time, reinforcing the promotion of FCF Golden Rules.

Our 2023 OSH Programs, Targets, and Metrics were also updated and divided into three key elements:

1. FCF is strongly committed to fostering a safety culture centred around encouraging positive and safe behaviours among its employees. The outcomes of these efforts are directly monitored through safety statistics, allowing for continuous evaluation and improvement.
2. FCF’s tailored approach to safety advocacy and engagement programs was strengthened, ensuring that the programs meet current culture and on-site work requirements, with allocation of significant resources for promotion. This personalised approach ensures that the safety initiatives are relevant, effective, and impactful in addressing the unique needs and challenges of the RGP site.
3. FCF places strong emphasis on enhancing safety procedures through the revision of the risk evaluation matrix for all safety-related assessments. This update allows for a more comprehensive and accurate evaluation of risks, enabling better decision-making and the implementation of appropriate control measures.

FCF Safety and Health Program

3-3 403-1 403-2 403-3 403-7

A Safety and Health Program (SHP) is created each year to establish a robust foundation for the implementation of measures that prioritise the well-being and protection of workers. This ensures that workers are provided with a just, safe, and humane working environment. It is being updated annually to ensure that the program remains up-to-date and sufficiently addresses the evolving hazards and risks of the operations.

The 2023 update of the SHP entailed the creation of new initiatives as well as improvements to existing programs, all with the aim of further promoting and enhancing the safety culture within the organization. Below are the programs implemented in 2023.

Safety Leadership Walkthrough Program: Building upon the foundation of the existing safety walk program, the OSH Department has improved it by involving managers in conducting monthly inspections alongside safety personnel. This program aims to pinpoint potential hazards within designated areas, promptly address them, and uphold a safe working environment at RGP. Furthermore, it serves as an opportunity for management to actively engage with workers and show them their commitment to keeping RGP a safe place to work.

Brothers’ Keeper Program: This program involves safety personnel collaborating with invited personnel to conduct workplace inspections in different departments. By inviting individuals from various departments, the program aims to provide a fresh perspective and leverage diverse backgrounds during safety inspections to identify hazards and best practices effectively.

Employee Safety Spotlight Board: This program showcases photos of safety leaders who have made significant contributions to workplace safety. These information boards also feature question and answer sessions to highlight their achievements and promote a culture of safety. By familiarising workers with these safety role models, the initiative aims to inspire others to follow their example and prioritise safety practices in the workplace.

Program on Mental Health: The Company improved its mental health program by certifying all OSH personnel as Mental Health First Responders at the start of CY 2023. This initiative aims to bolster the 24/7 mental healthcare services provided at the Emergency Hospital. Additionally, the OSH Department incorporates Mental Health Awareness modules into its training sessions to increase employee understanding of pertinent mental health topics and cultivate a workplace culture that is supportive and empathetic towards mental health issues.

The SHP is formatted in accordance with the Safety and Health, Environment, and Social Development and Management Manual, MGB, 2021, which is aligned with DAO 2000-98 (Mine Safety and Health Standards). This also serves as our Company’s compliance with the Department of Labor and Employment (DOLE) DO 198 Series of 2018. In addition, the SHP also serves as a measure to address occupational hazards and risks in support of the ISO 14001:2015 implementation.

Occupational Safety and Health Management System Coverage among Workers (2020-2023)

403-8

BENEFITS	2020	2021	2022	2023
Percentage of employees and contractors covered by an occupational safety and health management system*	100%	100%	100%	100%

*The data also applies to occupational safety and health management system that is internally-audited and certified by an external organization, and covers workforce count of Expatriates.

Work-related Injuries

In 2023, FCF celebrated the milestone of attaining 21.60 million man-hours worked without a LTI since December 2016. This remarkable achievement is made possible by the timely implementation of programs as committed in the SHP each year.

Helping the OSH department track the effectiveness of its programs included keeping a close eye on leading indicators such as the percentage of training completions, the level of Visible Felt Leadership engagements, the frequency of hazard reports and near-miss reports, as well as the number of inspections carried out. On the other hand, lagging indicators, such as different incident rates, severity rates, and incident investigation closures, are also monitored to assess the overall impact and success of the implemented actions.

Work-related Injuries: Employees 403-9

EMPLOYEES	2020	2021	2022	2023
Total number of recordable injuries*	1	1	2	4
High-consequence injuries**	0	0	0	0
Fatalities	0	0	0	0

*In 2023, 2022, 2021, and 2020, the main types of work-related injuries recorded were as follows: laceration and embedded metallic foreign body, chemical burn and fracture, laceration, and sprain, respectively

**High-consequence injuries are injuries that result in a fatality or in an injury from which the worker cannot, does not, or is not expected to recover fully to pre-injury health status within six months. No high-consequence injuries were recorded from 2020 to 2023.

Additional Safety and Health Programs Implemented

HEALTH VACCINATION CAMPAIGN

FCF offered free vaccines through the OSH Department to all of its employees, including contractors, for the 2022-2023 period. The vaccines provided include flu, pneumococcal, hepatitis A, and hepatitis B vaccines, which are completely free of charge. In addition, the OSH Department actively collaborated with the Municipal Health Office of Quezon, Nueva Vizcaya to support the government's COVID-19 vaccination initiative.

Key Project Metrics

97.30%
RGP COVID-19 vaccination rate

1,032
No. of vaccines given (Flu, Pneumococcal, Hepatitis A, and Hepatitis B)

Work-related Injuries: Contractors 403-10

CONTRACTORS	2020	2021	2022	2023
Total number of recordable injuries	0	0	0	0
High-consequence injuries	0	0	0	0
Fatalities	0	0	0	0

Safe Man Hours and Safety Drills

	2020	2021	2022	2023
Safe man-hours*	3,099,133	3,011,551	3,133,608	3,302,155
No. of safety drills	4	4	6	8

*The data also covers safe-man hours of Expatriates



840 (81.40%)
Vaccines availed by FCF Employees

192 (18.60%)
Vaccines availed by Contractors

Procurement of Vaccines	Project Cost
2022	PHP 698,500.00
2023	PHP 424,005.00
Total	PHP 1,122,504.00

PERSONALISED SAFETY AND HEALTH ENGAGEMENT PROGRAM 403-4

To encourage employee participation in our safety and health initiatives and to effectively communicate relevant safety and health messages, our Company implemented the following initiatives:



TagOSH sa Puso

The Company conducted awareness campaigns on heart health and duty of care on Valentine's Day.



DyOSHa

This activity focuses on Women's Safety awareness during National Women's Month. The program also included promoting awareness of Fire Safety in preparation in anticipation of March, which is known for being the most fire-prone month in the Philippines.



World Safety Day Celebration

FCF participated in World Safety Day through the promotion of the FCF golden rules and behavioural-based safety.



National Disaster Resilience Month Celebration

The event highlights our involvement in the government initiative to achieve a disaster-resilient community.

THE GR-8 "GREAT" UMBRELLA PROGRAM

3-3

404-2

To encourage employee engagement in safety and health activities, a personalised umbrella featuring the 8 golden rules on each canopy was distributed to employees upon completion of the Mandatory Eight Hour Safety and Health Training. This initiative aims to create a safety branding that employees can easily associate with being safe and compliant. By just using these umbrellas, employees can also continuously promote and reinforce the Company's safety and its golden rules inside or outside the RGP.



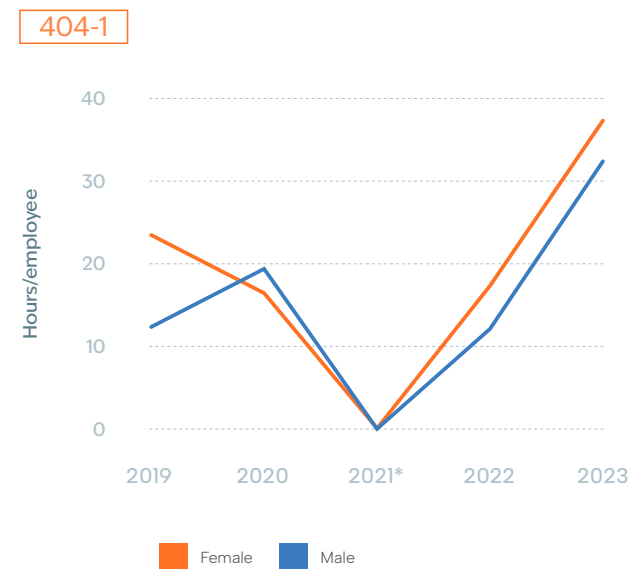
Creating Space for Continuous Learning and Development

FCF empowers its people to thrive in a constantly evolving business environment by investing in continuous learning and development. This not only bolsters their confidence in taking on current roles, but also equip them to highlight their potential outside the Company. By upskilling the workforce, the Company anticipates not only increased productivity but also reduced turnover and transfer rates.

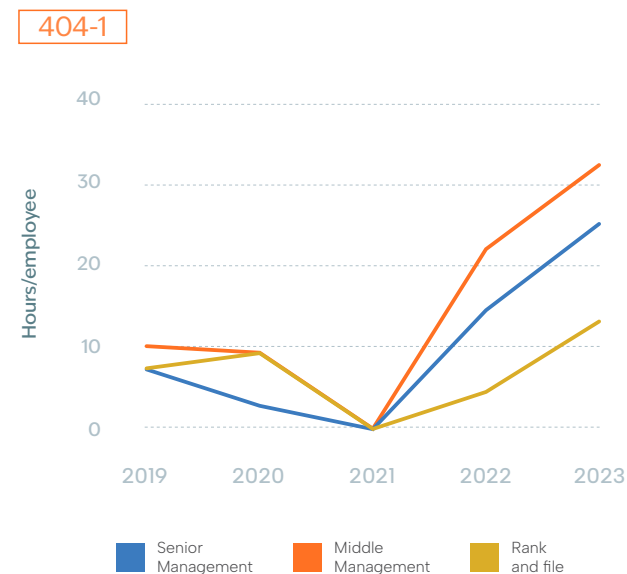
	Average training hours	Total training hours received
2022	13.61 hours/employee	10,613
2023	30.65 hours/employee	23,450

Employees at FCF received a total of 23,450 hours of training in 2023, a 12,837-hour increase from 2022, during which external training activities were hampered by the COVID-19 pandemic as in 2021. Despite the challenges that FCF faced in the previous years, we pursued our commitment to provide development and training opportunities to support employees in achieving their full capabilities.

Average Employee Training Hours by Gender (2019-2023)



Average Training Hours by Employee Category (2019-2023)



*No external training sessions were conducted in 2021 due to the pandemic.

Percentage of Employee Participation in Performance and Career Development Evaluations

	2020	2021	2022	2023
BY GENDER				
Male	61.19%	60.39%	63.85%	61.31%
Female	24.35%	22.46%	24.49%	23.92%
BY EMPLOYEE CATEGORY				
Senior Management	2.84%	0.00%	3.72%	3.79%
Middle Management	18.29%	0.00%	16.15%	18.56%
Rank and file	78.86%	0.00%	68.46%	68.24%

FEATURE STORY

Process Plant Operation team visits Masbate Province



Learning should never stop, even after completing school or earning a degree. It is a life-long process that needs to be cultivated for continuous growth and improvement. With this in mind, the Process Plant Operation team organised a learning visit to Masbate Province’s Masbate Gold Project (MGP) of Philippine Gold Processing & Refining Corp. The two-day site visit was conducted to learn about MGP’s metal recovery process, technologies, and operational challenges. Moreover, the Masbate-based mining company also shared to the participants

the company’s best and most sustainable practices in safety, environmental stewardship, and economic and social development.

With new ideas on mining innovations, the team can further contribute to improving FCF’s processing operations, developing strategies to overcome operational challenges, and leading to the development of sustainable practices for all the important aspects of operation, such as safety, environmental, economic, and social initiatives.

Zero Tolerance for Child, Forced, and Compulsory Labor

3-3

408-1

409-1

Child labor is defined as work that is harmful to children’s development, depriving them of their childhood, their potential, and their dignity, including by interfering with their education. It is a violation of human rights and can lead to lifelong negative impacts.

Forced labor is all work or service that is exacted from any person under the menace of penalty and for which a person has not offered themselves voluntarily. Freedom from forced labor is a human right and a fundamental right at work.

FCF understands that while incidents of child labor and compulsory labor are deemed impossible within its site and employment processes, there is a potential risk of occurrence within its supply chain and business relationships. In response to this, FCF is actively working on the development of a comprehensive Child

and Forced Labor Policy. This policy will serve to codify our existing practices and establish clear guidelines to prevent child and forced labor in all our operations and partnerships.

In connection with child labor, FCF does not employ any persons below the age of eighteen years old. There were no risks for incidents of child labor, as the Company adheres to local and international labor standards prohibiting the employment of children.

	2022	2023
No. of legal actions or employee grievances involving child labor	0	0

Policies on slavery and human trafficking

Our anti-slavery policy reflects our commitment to acting ethically and with integrity in all our business relationships and to implementing and enforcing effective systems and controls to ensure slavery and human trafficking are not taking place anywhere in our supply chains. FCF abides by various legislation and frameworks, including the UK Modern Slavery Act 2015, the Philippine Anti-discrimination Act of 2011, the Philippine Republic Act 7877 or the Philippine Anti-Sexual Harassment Act of 1995, and the United Nations Guiding Principles on Business and Human Rights.

FCF also has the following policies in place relevant to modern slavery:

CODE OF ETHICS AND BEHAVIOURS

The Code of Conduct sets the standards for our people to act ethically, responsibly, and lawfully. It is included as part of contractual agreements with employees, consultants, and contractors that undertake work on behalf of the Company or its subsidiaries/affiliates.

CODE OF CONDUCT TRAINING

The Code of Conduct is discussed in detail with all employees through a training program to ensure they have an in-depth understanding of the do’s and don’ts in the workplace including anti-discrimination. New hires are given this training as part of the on boarding process.

REPORTING BREACHES TO THE CODE OF CONDUCT

We encourage employees to report known or suspected breaches to the Code of Conduct and other policies and directives, and to raise any other concerns they may have. Any such report is responded to immediately and investigated accordingly. We have established open communication and transparency to ensure that the code is implemented fairly on all levels.

PROMOTING ADHERENCE TO THE CODE OF CONDUCT

The Code of Conduct and the practice and application of FCF values at work are included in the regular Performance Reviews. This is to make certain employees keep them in mind as this will affect their rating and remuneration. The Code of Conduct is regularly reviewed to ensure that it remains updated with DOLE standards.

Our Recruitment Policy

Anti-slavery and human trafficking is covered in our Recruitment Policy which is strictly in accordance with the Philippine Labor Code, DOLE regulations (refer to section 3.3.3) and RA 9231 (refer to section 3.3.9). The Company strongly opposes and has never been involved in human trafficking and slavery.

	2022	2023
Number of legal actions or employee grievances involving forced labor	0	0

Responsible sourcing / procurement policy

3-3 414-1

Our Company actively seeks to benefit the communities it impacts through responsible sourcing, wherein the social and environmental responsibility of the supplier is assessed, and local suppliers are supported. FCF has a supplier social assessment to evaluate the responsibility of service providers in managing social issues within its supply chain. For the reporting period, a total of 41 new suppliers were screened using the supplier social assessment criteria.

Supplier social assessment criteria of FCF

- 1. **Right Quality** – Complete specifications that complies and suitable on end-user requirements
- 2. **Right Price** – This determines the amount the buyer is willing to pay or the way in which the amount is to be determined.
- 3. **Right Quantity** – Determine the total volume to be ordered
- 4. **Right Time** – This determines the specific availability of goods and service for delivery schedule
- 5. **Right Support Services** – This determines the after sales technical support and warranty services.

Hiring Diversity and Equal Opportunity

3-3 407-1

Our Company promotes equality in the hiring process. We are committed to conducting fair employment practices without discrimination in all areas in which the Company operates. We also promote equal opportunities for women and people with disabilities.

FCF respects the right of employees to have a collective bargaining unit. This commitment is incorporated into the Company’s human rights policy. FCF also embodies the ideals of fair labor practices, treating our people with dignity, care, and respect while providing a workplace that is conducive to our workforce’s well-being. In 2023, a total of 64.40%, or 493 people, in our workforce were members of the labor union, compared to the total of 63.90%, or 499 members, in 2022. We have fostered open communication with our employees and union, which has resulted in no strikes or lockouts at FCF during these periods. We hope to address any concern our employees may have through open and productive dialogue as we continue to reduce any risk of a strike in the long-term.

Labor Union Members

64.40% (493)
2023

63.90% (499)
2022

Due Diligence Processes for Slavery and Human Trafficking

As part of the risk mitigation strategy of the Company, the following initiatives are conducted:

- Identify and assess potential risk areas in our supply chains.
- Mitigate the risk of slavery and human trafficking occurring in our supply chains.
- Monitor potential risk areas in our supply chains.
- Protect whistleblowers.

Supplier adherence to our values and ethics

2-23

Our Company has a clear and effective policy on the prohibition of all forms of modern compelled labor. It is consistent with the various International Labor Organization instruments and standards that complement Philippine national and local laws and policies governing forced labor. Additionally, FCF adheres to the rules and regulations stipulated under the United Kingdom Modern Slavery Act of 2015.

To ensure all those in the Company’s supply chain and contractors comply with our social policies and procedures, FCF has in place a rigorous supply chain compliance program wherein the following policies are upheld:

- Standard Purchasing on the basis of value recognizing and representing a combination of quality, service and price which assures greatest ultimate quality to the user.
- Purchasing is not allowed to become involved in any transaction with companies in which they, members of their family, or relatives have substantial financial interest or a community of interest
- Do not accept any kind of gift, invitations or entertainment from Contractors, Suppliers and third parties that might influence or be suspected of influencing purchasing decision activities.
- Handle confidential and proprietary information with due care and proper consideration of ethical and legal ramifications and governmental regulations.
- Promote positive supplier relationships through courtesy and impartiality

The compliance team of FCF involves the Legal, Audit and Compliance, Human Resources, Procurement, and Sales departments.

Training

To ensure a high level of understanding of the risks of modern slavery and human trafficking in our supply chains and our business, we provide regular training that empower work ethics and embraces the moral qualities of action or behaviour which avoids either the intent or appearance of impropriety or compromise FCF's Code of Conduct.



Effectiveness In Combating Slavery And Human Trafficking

FCF steadfastly upholds the highest standards of human rights and labor practices. As part of our commitment to ethical business conduct, we are constantly looking to improve the robustness of our policies to explicitly address and prevent human trafficking and slavery.

We work in close partnership with DOLE to ensure compliance with all labor regulations. For our foreign workforce, we take particular care to guarantee that each individual holds a valid work permit, in accordance with Philippine law. We are dedicated to providing all employees, regardless of nationality, with rightful work benefits and conditions that not only fulfil but surpass the minimum labor standards, fostering a safe and equitable workplace.

Furthermore, FCF actively cooperates with law enforcement agencies, including the Philippine National Police and the National Bureau of Investigation, to support the effective implementation of laws against human trafficking and slavery. Our engagement with these bodies helps to reinforce our internal safeguards and demonstrates our unwavering stance against any form of labor exploitation.

We are steadfast in our resolve to be a socially responsible Company, and we are dedicated to continuous improvement in all aspects of our corporate social responsibility, especially in the protection of human rights within our operations and supply chain.

Further steps

FCF intends to take the following steps outlined below to further improve its policies on abolishing slavery and human tracking in its supply chain.

Provide Training for Employees and Managers

It is important to provide training to procurement personnel and other relevant areas on how to identify and report any signs of modern slavery within FCF and its supply chain. The training should also emphasise FCF's code of conduct and ethical business practices, to reinforce the principles of honesty and integrity.

Identify Risks

Supply chain risks should be assessed throughout the entire process, including direct and indirect suppliers, contractors, and labor suppliers. This should systematically identify, analyse and deal with risks and ensure it continues to work as planned delivering a smooth and uninterrupted supply chain flow.

Perform Due Diligence

Conduct supply chain audits to ensure ethical practices. Engage local stakeholders to identify risks of worker exploitation.

Supplier Code of Conduct

Suppliers must adhere to ethical standards in labor, health and safety, and the environment. Written policies and a Code of Conduct can help, along with training on their contractual obligations.

Profit with Integrity

It is important to reward and motivate FCF personnel to help put an end to modern slavery as it is the morally right thing to do. Customers, investors, business partners, and regulators all expect a company and its entire supply chain to uphold ethical practices. When selecting supply chain partners, organizations should consider not only the quality and cost but also the ethical standards of the vendors.

Respecting and Upholding Human Rights

3-3

2-23

413-1

413-2



Mining facilities are frequently active over long periods and can, potentially, have a wide range of adverse effects on communities' rights and interests, including competition for access to local energy or water resources, air and water emissions, and waste from operations. In addition to community concerns about the direct impacts of projects, the presence of mining activities may give rise to associated socio-economic concerns, such as education, health, livelihoods, and food security for the community. Because of their potential impact, mining companies have the responsibility to uphold responsible business practices that protect the community and their right to live safe, healthy, and peaceful lives.

Committed to excellence and practices that respect its impact areas, our Company ensures that its operations empower, not hinder, community development opportunities. FCF practises resource efficiency and

conservation through research and improvement of its operational processes; our Company effectively manages its environmental impacts through the development of facilities such as the RSI, sewer treatment plant, and waste management protocols.

FCF's SDMP invests in community-related initiatives that address needs identified by the community. Projects under the SDMP aim to create transformative opportunities for the different members of the communities, safeguard indigenous culture, and ultimately become an avenue for the impact areas to attain sustainable development.



Working With the Community To Create Transformative Opportunities

Percentage of Operations with Engagement to Communities

413-1

	2020	2021	2022	2023
Percentage of operations with implemented local community engagement, impact assessments, and/or development programs	97%	97%	98%	95%

Recognising the importance of maintaining robust relationships with the community, FCF goes to great lengths to ensure that local communities and residents are empowered through various programs and support initiatives.

In areas, particularly in remote barangays affected by the operations of RGP, e-government initiatives aimed at enhancing public service delivery have been implemented. To expedite operations and improve efficiency, barangay officials, workers, and volunteers are equipped with computers, printers, and database systems, facilitating faster and more cost-efficient services to constituents and thereby increasing work efficiency and improving public trust.

PROGRAMS UNDER THE SDMP	2022-2023 PROJECTS
Health	<ul style="list-style-type: none"> Medical missions Dental check-up Circumcision drive Provision of health facilities and equipment
Education	<ul style="list-style-type: none"> College Scholarship Basic Learning Program teachers support Child Daycare Workers support Support to Alternative Learning System (ALS) Program Provision of school facilities and equipment
Capacity-building	<ul style="list-style-type: none"> Livelihood Training via TESDA Human Resources Training Computer Literacy Cross-visits/benchmarking
Enterprise development, improvement and networking	<ul style="list-style-type: none"> Registration of association/legal identity Product marketing Capitalization for micro-enterprises Establishment of Agro-forestry
Infrastructure development	<ul style="list-style-type: none"> Multi-purpose building Kitchen Gymnasium (stage and roof) Solar lights Farm-to-Market roads Footbridges Improvement of school and health facilities Irrigation canals
Preservation and respect of socio-cultural values	<ul style="list-style-type: none"> Gong Beating Training Purchase of native costumes Establishment of weaving industry

Budget Allocation for the development of host and neighbouring communities (in PHP)

	2022	%	2023	%
Human Resource Development and Institution Building	3,375,298.12	3.99	3,679,943.36	6.59
Enterprise Development and Networking	5,111,522.94	6.04	2,486,149.90	4.45
Assistance to Infrastructure Development and Support Services	58,082,459.88	68.65	29,804,315.92	53.38
Access to Education and Educational Support Program	8,373,000.00	9.90	13,553,755.40	24.27
Access to Health Service, Health Facilities and Health Professionals	4,658,278.68	5.51	3,050,819.08	5.46
Protection and Respect of Socio-Cultural Values	1,232,770.09	1.46	483,644.15	0.87
Common Fund	3,777,970.83	4.47	2,777,353.74	4.97
	84,611,300.54	100.00	55,835,981.55	100.00

FCF has also catalysed thriving opportunities for members of the Papaya Vegetable Growers Association through the establishment of the PaVeGAn Banana Chips Processing Venture. This endeavour includes capacity-building initiatives wherein association members are equipped with skills and provided with resources to produce high-quality banana chips. The BLGU of Papaya, through the SDMP, allocated funds for this initiative, enabling association members to establish a robust market presence in the nearby barangays of Papaya and MLGU-Kasibu and even expand into markets outside the province of Nueva Vizcaya.

Moreover, FCF has provided opportunities for 54 economically disadvantaged yet deserving students to receive educational support through full scholarships, nurturing their educational and career aspirations for a brighter future.

The scholarship program is funded by the SDMP, with a focus on mining technology, geosciences, and academic pursuits tailored to the needs of Runruno students. Scholars benefit from waived tuition fees, living allowances, and educational trips, ensuring they have the support necessary to thrive academically.

From pioneering e-government initiatives to exploring economic ventures and supporting education, FCF's efforts have not only improved the livelihoods of communities but also shown that transformative opportunities have yielded sustainable results, strengthening the Company's presence within their communities.

Strengthening Our Relationship With Indigenous Peoples

3-3 (411)

Our Safeguarding Heritage – Promoting Preservation and Respect for Socio-Cultural Values aims to provide unwavering support for the preservation of the rich heritage, traditions, and cultural identity of impacted barangays in RGP’s area to ensure the continued vitality and significance of socio-cultural values for the present and future generations.

In a dedicated effort to preserve and celebrate the indigenous cultural identity, the BLGU of Dagupan through the SDMP fund, embarked on a two-fold initiative:

Provision of Material Culture



The BLGU of Brgy. Dagupan secured different indigenous attires that resident indigenous groups can wear during special occasions and festivals. Handcrafted by weavers from Brgy. Runruno, the costumes are composed of the following:

- Ibaloi Attire: 15 sets for males and 15 sets for females
- Tawali Attire: 14 sets for males and 10 sets for females

Additional cultural instruments composed of four gongs and one solibao were also distributed as preparation for the gong beating training and for use during celebrations.

Training on Gong Beating

A training session on gong beating was conducted, engaging 20 high school students. This hands-on experience aimed to impart traditional skills, ensuring the transfer of cultural knowledge to the younger generation.

FCF, through the CRO, implemented the project with the support of the SDMP Technical Working Group and MGB Region II, which monitored the project’s implementation and provided recommendations for improvement.



FEATURE STORY

Indigenous Youth Perform at the 69th Community Relations Conference



Sixteen indigenous youth dancers from Brgy. Dagupan, Quezon Nueva Vizcaya were invited to perform their traditional dances and showcase their music during the 69th Annual National Mine Safety & Environment - Community Relations Conference at the CAP-John Hay Trade and Cultural Center on November 15, 2023.

The project, which is part of FCF’s ‘Protection and Respect of Socio-cultural Values’ under the SDMP, aims to foster and safeguard the cultural legacy of Brgy. Dagupan, one of the communities adjacent to the RGP, to the younger generation. The performance was conducted under the guidance of Mr. Saturnino Guinaob, a native of Nueva Vizcaya Province and a highly esteemed cultural guru.

The performance, executed under the “Lahi Ko, Yaman Ko” initiative, depicted the entire rice production cycle, from preparing the land, planting rice, and nurturing it through watering and harvesting, to facing disasters, undergoing healing, and culminating in a joyous thanksgiving celebration.

According to the youth performers, the opportunity to perform for a large audience has given them a boost of confidence and a renewed appreciation for their culture. The group hopes to be given the chance to perform other traditional dances in local and international events or competitions.

Land and Resource Rights

Our Company faced land conflict issues, specifically in the areas of the Bit-ang and Pasto communities in Brgy. Runruno, where developments were found to be constructed within state-owned forest land that the Company is set to develop.

In recognition of the claimants’ land use developments and our commitment to an equitable resolution, the Company has proposed compensation based on fair assessments conducted by a technical team, which included experts from the Municipal & Provincial Assessor’s Office, the Municipal Agriculture Office, and the MGB.

Approximately 400 settlers were identified within the affected area. As of 2023, the proposed compensation

package is still under consideration by 10-15 claimants.

Contrary to the assertions of the remaining claimants, our Company’s compensation offer is both fair and reflective of the value of their improvements, as determined by the comprehensive assessment conducted. Regrettably, these claimants have rejected the offer, demanding compensation amounts that far exceed the assessed value of their improvements. The Company remains committed to resolving this matter through dialogue and negotiation, aiming for a resolution that is equitable and in accordance with established legal and regulatory frameworks.

Committing To Responsible Security Practices

3-3 (410)

FCF upholds its commitment to respecting human rights and the rights of Indigenous Peoples by ensuring that its security practices align with these principles. This commitment is reflected in the development and strict adherence to its Security Management Plan. In addition, the security personnel employed by the organization receive comprehensive training to guarantee competence in a range of areas, such as gun safety protocols, civil disturbance, earning Red Cross first aid certification, and tactical training.

Laying the System for Ensuring Data Privacy and Protection

3-3 418-1 418-2

FCF adheres to the Data Privacy Act of 2012. Under this, data subjects have rights that our Company is duty bound to protect. These rights encompass being informed when data is collected, accessing personal data, requesting erasure or blocking of data, seeking damages, and filing a complaint in case of privacy violations.

FCF collects data to understand stakeholder needs and provide them with better service, as well as for reasons such as: compliance with legal and regulatory requirements, recruitment and hiring within our Company, responding to specific complaints and queries, internal record-keeping purposes, and the performance of other activities with stakeholders’ consent.

At FCF, we are committed to exercising due diligence to maintain the availability, integrity, and confidentiality of personal information provided to the Company. We also safeguard information given to us against natural dangers, such as accidental loss or destruction, and human dangers such as unlawful access, fraudulent misuse, unlawful destruction, alteration, contamination, and all other unlawful forms of processing of the data in our possession.

Appropriate security measures, including the designation of a physical security and privacy officer and the provision for storage facilities and surveillance, are undertaken to prevent any accidental or unlawful destruction, storage, or disclosure of collected personal information.

Substantiated complaints concerning breaches of customer privacy and losses of customer data

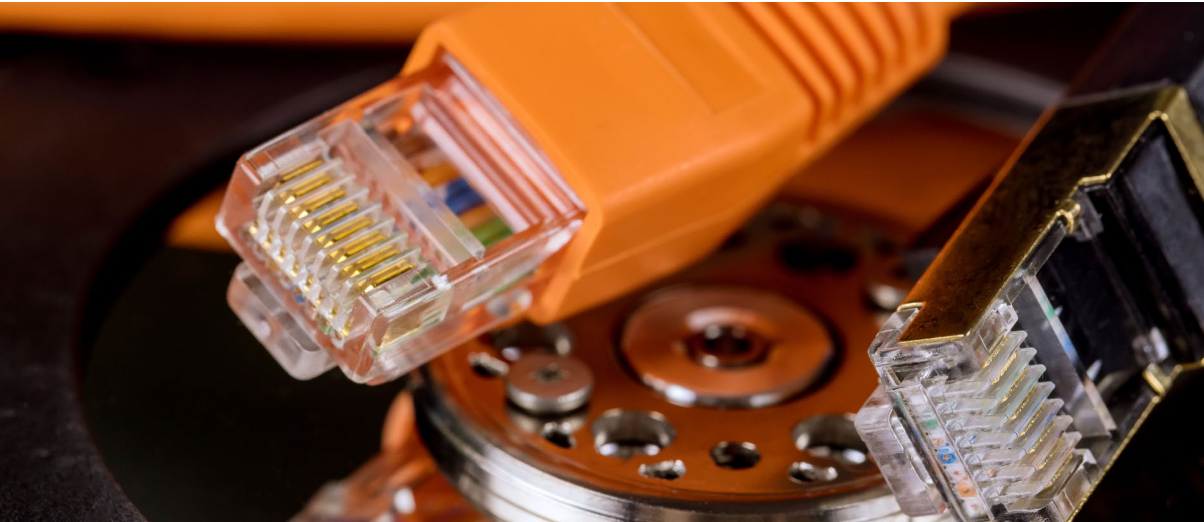
	2022	2023
Complaints received from outside parties and substantiated by the organization	0	0
Complaints from regulatory bodies	0	0
Customers, users and account holders whose information is used for secondary purposes	0	0

Computer Usage and Security Policy

FCF has a comprehensive Computer Usage and Security Policy geared at protecting its information technology investments, which include computer and network systems. Additionally, the policy aims to safeguard the information contained within the system, thereby reducing business and legal risks. The policy is administered by the Information Technology section and is effective for all FCF employees, contractors, and computer devices. Failure to comply with the Policy may result in disciplinary action.

The Computer Usage and Security Policy covers implementing guidelines on the responsible use of the

internet, email, computers, digital storage, and other digital devices using the FCF network, as well as the installation and maintenance of appropriate antivirus software to prevent malicious software. It also has sections covering network security of the Company’s Local Area Network, patch management, and the backup and recovery process for creating and storing copies of data that can be used in case of data loss. Furthermore, the policy promotes the practice of secure coding for protection against public domain leakage of important business data.



Cyber Security Response Plan

In the event of a cyber security and data breach incident, FCF implements its Cyber Security Incident Response Plan to be able to respond in a timely and effective manner. The Plan establishes a team of first responders to an incident with defined roles, responsibilities, and means of communication. It also serves as a framework for managing cyber security and data breach incidents, allowing the details of confirmation, containment, eradication, and communication to be tailored to fit the specific situation.

The Cyber Incident Response Plan includes the following processes: preparation, identification, containment, eradication, recovery, and post-incident activities. The Incidence Response Team conducts simulations or “table-top” exercises to practice responses on a periodic basis.

While the plan is primarily oriented around cyber-related incidents and breaches, it can also be utilized for data breaches that are not related to computer systems.



Upholding the Gold Standard in Regulatory Compliance

2-27

FCF is a Company guided by honesty, accountability, and safety. Environmental compliance being paramount to the Company, it ensures its adherence to all relevant laws and regulations. By following and complying with required mining permits and licences, we demonstrate our commitment to responsible practices and provide stakeholders with assurance of our commitment to follow the country's rules and regulations.

The Company's processes to strengthen its practice of compliance start with cultivating an organization-wide culture of awareness and compliance education through deployment of comprehensive compliance communication strategies that permeate every level of our Company. These strategies are manifested through meticulously crafted written policies, prominent signages, interactive trainings, and a variety of information, education and communications activities. Our approach to compliance communication is meticulously designed to align with the highest legal, regulatory, and ethical standards.

Procedures are also reviewed regularly and updated when needed. Regular and periodic monitoring and audits of standards and codes are performed to maintain compliance with applicable laws and regulations.

For example, in 2023, FCF completed the Industrial Energy Audit Level 1 to meet the DOE reportorial requirements and to determine opportunities for improving our energy efficiency. Also, the Company passed its ISO 14001:2015 "Environmental Management System" Recertification in 2022 and Surveillance Audit

in 2023, from SGS Philippines, Inc.. This confirms that the Company's environmental management system is effectively maintained in enhancing its environmental performance, fulfilling its compliance obligations and achieving its environmental objectives – demonstrating its sustained commitment to continual improvement and environmental responsibility.

Further, an annual Tenement, Safety and Health, Environmental Management, and Social Development and Management (TSHES) audit was conducted by the Mines and Geosciences Bureau Region – II. The TSHES audit checks and monitors the performance and compliance of the Company with mandatory TSHES requirements of Republic Act No. 7942 "Philippine Mining Act of 1995" and its Implementing Rules and Regulations, other pertinent laws, rules and regulations, terms and condition of issued FTAA contract, and implementation of its approved programs on the following components:

- Three-Year Development/Utilisation Management Program
- Annual Safety and Health Management Program
- Annual Environmental Protection and Enhancement Program
- Annual Social Development and Management Program

As a result, FCF achieved **2.82%** improvement of its TSHES performance rating from 95.42% in 2022 to 98.24% in 2023. This has determined FCF readiness and qualification for the PMIEA – highest award giving body in the mineral industry in the Philippines.

COMPLIANCE	2022	2023
Tenement	99.00%	99.75%
Safety & Health	88.01%	96.68%
Environmental Management	89.86%	96.30%
Social Development and Management	97.65%	97.21%
Total Rating	95.42%	98.24%

FCF did not incur major fines for violations during the reporting period. However, the Company was subjected to a total of PHP 114,000 in fines and penalties in both 2022 and 2023 combined. These fines and penalties included, but were not limited to:

- Improperly implemented housekeeping at the PPO and Mine Office Area.
- Administrative violation for non-registration under the Priority Chemical List of chemicals, namely phenol and formaldehyde.
- Failure to wear prescribed PPE while conducting welding work at the BIOX Area.

FCF has taken steps to address these issues, including sorting and implementing monitoring activities to prevent fines and penalties in the future.

Our proactive stance on compliance empowers us to preemptively identify and mitigate risks associated with any potential infractions. This vigilance is crucial, as it helps safeguard our Company against the myriad consequences of non-compliance, including, but not limited to, reputational harm, severe financial and legal penalties, and the threat of litigation. By holding ourselves to this 'gold standard' in regulatory compliance, we not only protect our corporate interests but also reinforce our unwavering dedication to corporate responsibility and ethical business practices.



GOVERNANCE



85

Governance Structure

Executive-level responsibility for economic, environmental, and social topics

Consulting stakeholders on economic, environmental and social topics

Highest governance body and its committees

Roles and responsibilities

Nominating and selecting the highest governance body

Conflicts of interest

Risk Management

Governance Structure

2-9

FCF is a 100% subsidiary of a UK publicly listed company. The ultimate parent company's Board of Directors are the responsible body for overseeing the Group's activities. The ultimate parent company has both an audit and remuneration committee charged for further governance of relevant Group matters.

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.

Consulting stakeholders on economic, environmental, and social topics

2-12

2-13

The stakeholder consultation is being delegated to the CRO, and the results are being reported to the highest governance body for recommendations on actions to be taken.

Highest governance body and its committees

2-17

All Board members 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. The Board conducts an internal review to evaluate the performance of the highest governing body.

Roles and responsibilities

Our ultimate 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.

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. 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. They are all experienced in public company governance and mining company operations/responsibilities.

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 every year.

Nominating and selecting the highest governance body

2-10

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.

Conflicts of interest

2-15

The detailed process on how to deal with possible conflicts is included in our ultimate parent company's Articles of Association.

Risk Management

2-12

2-24

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.

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.

On a monthly basis, our management reports to the Board matters relating to identified major risks. Quarterly reporting to regulatory bodies through onsite monitoring is also conducted.



GRI content index



For the Content Index –Advanced Service, GRI Services reviewed that the GRI content index has been presented in a way consistent with the requirements for reporting in accordance with the GRI Standards, and that the information in the index is clearly presented and accessible to the stakeholders.

Statement of Use FCF Minerals Corporation has reported in accordance with the GRI Standards for the period January 1, 2022 to December 31, 2023

GRI 1 used GRI 1: Foundation 2021

Applicable GRI Sector GRI 14: Mining Sector 2024

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
GRI 2: GENERAL DISCLOSURES 2021	2-1 Organizational details	2, 7, 10	A gray cell indicates that reasons for omission are not permitted for the disclosure or that a GRI Sector Standard reference number is not available.			
	2-2 Entities included in the organization's sustainability reporting	7				
	2-3 Reporting period, frequency and contact point	2				
	2-4 Restatements of information	48, 51, 57				
	2-5 External assurance	The report has not been externally assured.				
	2-6 Activities, value chain and other business relationships	10-11				
	2-7 Employees	61				
	2-8 Workers who are not employees	62				
	2-9 Governance structure and composition	85				
	2-10 Nomination and selection of the highest governance body	85				
	2-11 Chair of the highest governance body	The Chairman of our parent company's Board of Directors is independent and non-executive				
	2-12 Role of the highest governance body in overseeing the management of impacts	85				

GRI STANDARD/ OTHER SOURCE	WDISCLOSURE	LOCATION	REQUIREMENT(S) OMITTED	OMISSION		GRI SECTOR STANDARD REF. NO.
				REASON	EXPLANATION	
GRI 2: GENERAL DISCLOSURES 2021	2-13 Delegation of responsibility for managing impacts	85				
	2-14 Role of the highest governance body in sustainability reporting	Our Executive Committee (Chief Executive Officer (CEO), Chief Financial Officer (CFO), General Manager – Operations) are responsible for reviewing and approving the report.				
	2-15 Conflicts of interest	85				
	2-16 Communication of critical concerns	Our Company's Code of Conduct promotes reporting any concerns to senior management.				
	2-17 Collective knowledge of the highest governance body	85				
	2-18 Evaluation of the performance of the highest governance body	We conduct an internal review by the Board itself.				
	2-19 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.				
	2-20 Process to determine remuneration	The HR department's recommendations are followed by the manager and Board approval. Independent industry information accessed to ensure competitive packages are offered.				
	2-21 Annual total compensation ratio	2-21		Information unavailable	Our company has not yet gathered the required information, annual compensation ratio. It is important to clarify that this data is not currently part of our internal metrics. However, we are committed to transparency and will explore the possibility of disclosing it in future reports.	



GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
GRI 2: GENERAL DISCLOSURES 2021	2-22 Statement on sustainable development strategy	16-19				
	2-23 Policy commitments	73-75				
	2-24 Embedding policy commitments	73-75, 85				
	2-25 Processes to remediate negative impacts	28, 32-34, 39, 55-56				
	2-26 Mechanisms for seeking advice and raising concerns	Individuals can seek guidance on implementing the Company's policies and practices for responsible business conduct through the Human Resources department.				
	2-27 Compliance with laws and regulations	82-83				
	2-28 Membership associations	Chamber of Mines of the Philippines, ANZCHAM				
	2-29 Approach to stakeholder engagement	30-34				
	2-30 Collective bargaining agreements	66				
MATERIAL TOPICS						
GRI 3: MATERIAL TOPICS 2021	3-1 Process to determine material topics	30-34		A gray cell indicates that reasons for omission are not permitted for the disclosure or that a GRI Sector Standard reference number is not available.		
	3-2 List of material topics	35				
Economic performance						
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	37-38				14.23.1
GRI 201: ECONOMIC PERFORMANCE 2016	201-1 Direct economic value generated and distributed	37-38				14.23.2 14.9.2
	201-2 Financial implications and other risks and opportunities due to climate change	The Company does not have a system in place to calculate the financial implications or costs of climate change, the climate at project site is stable.				14.2.2

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
GRI 201: ECONOMIC PERFORMANCE 2016	201-3 Defined benefit plan obligations and other retirement plans	5				14.23.3
	201-4 Financial assistance received from government	Tax holiday				
Market presence						
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	63, 76-77				
GRI 202: MARKET PRESENCE 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	63				14.17.2
	202-2 Proportion of senior management hired from the local community	In 2022 and 2023, our Company has 1 senior management professional who is a member of the local community.				14.21.2
Indirect economic impacts						
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	41				14.9.1
GRI 203: INDIRECT ECONOMIC IMPACTS 2016	203-1 Infrastructure investments and services supported	32-34, 41-42				14.9.3
	203-2 Significant indirect economic impacts	41-42				14.9.4
Procurement practices						
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	42-43				
GRI 204: PROCUREMENT PRACTICES 2016	204-1 Proportion of spending on local suppliers	43				14.9.5



GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
Tax						
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	45				14.23.1
	207-1 Approach to tax	45				14.23.4
	207-2 Tax governance, control, and risk management	45				14.23.5
	207-3 Stakeholder engagement and management of concerns related to tax	45				14.23.6
GRI 207: TAX 2019	207-4 Country- by-country reporting	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).				14.23.7
Energy management						
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	47				
	302-1 Energy consumption within the organization	48				14.1.2
	302-2 Energy consumption outside of the organization		302-2 a-c	Information unavailable	Our company has not yet gathered data on energy consumption outside the organization. It is important to clarify that this data is not currently part of our internal metrics. However, we are committed to transparency and will explore the possibility of disclosing it in future reports.	14.1.3
	302-3 Energy intensity	48				14.1.4
	302-4 Reduction of energy consumption	48				
GRI 302: ENERGY 2016						

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
GRI 302: ENERGY 2016	302-5 Reductions in energy requirements of products and services		302-5 a-c	Information unavailable	Our company has not yet gathered the required information. It is important to note that this data is not currently part of our internal metrics. However, we are committed to transparency and will explore the possibility of disclosing it in future reports.	
Water and wastewater management						
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	49-52				14.7.1
GRI 303: WATER AND EFFLUENTS 2018	303-1 Interactions with water as a shared resource	49-52				14.7.2
	303-2 Management of water discharge- related impacts	49-52				14.7.3
	303-3 Water withdrawal	50-51				14.7.4
	303-4 Water discharge	50-51				14.7.5
	303-5 Water consumption	50-51				14.7.6
Biodiversity conservation						
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	53				14.4.1
GRI 101: BIODIVERSITY 2024	101-1 Policies to halt and reverse biodiversity loss	53				14.4.2
	101-2 Management of biodiversity impacts	53				14.4.3
	101-4 Identification of biodiversity impacts	54-55				14.4.4
	101-5 Locations with biodiversity impacts	54				14.4.5
	101-6 Direct drivers of biodiversity loss	53, 55-56				14.4.6
	101-7 Changes to the state of biodiversity	54-55				14.4.7



GRI STANDARD/ OTHER SOURCE	DISCLOSURE	OMISSION			GRI SECTOR STANDARD REF. NO.
		REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
GRI 101: BIODIVERSITY 2024	101-8 Ecosystem services	55-56			14.4.8
	IUCN Red List species and national conservation list species with habitats in areas affected by operations	Critically endangered – 0 Endangered – 8 Vulnerable – 14 Near threatened – 7 Least concern 127			
GHG emissions and air emissions					
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	57			14.1.1 14.3.1
GRI 305: EMISSIONS 2016	305-1 Direct (Scope 1) GHG emissions	57			14.1.5
	305-2 Energy indirect (Scope 2) GHG emissions	57			14.1.6
	305-3 Other indirect (Scope 3) GHG emissions		305-3 a-g	Information unavailable Our company has not yet gathered data on energy consumption outside the organization, as well as Scope 3 emissions. It is important to clarify that this data is not currently part of our internal metrics. However, we are committed to transparency and will explore the possibility of disclosing it in future reports.	14.1.7
	305-4 GHG emissions intensity	57			14.1.8
	305-5 Reduction of GHG emissions	57			14.1.9
	305-6 Emissions of ozone-depleting substances (ODS)		Not applicable	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.	

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
GRI 305: EMISSIONS 2016	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	58				14.3.2
Waste management						
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	58-59				14.5.1
GRI 306: WASTE 2020	306-1 Waste generation and significant waste-related impacts	58-59				14.5.2
	306-2 Management of significant waste-related impacts	58-59				14.5.3
	306-3 Waste generated	58				14.5.4
	306-4 Waste diverted from disposal	58				14.5.5
	306-5 Waste directed to disposal	58				14.5.6
	306-3 Significant spills	In 2023, our Company had no significant waste or chemical spills.				14.15.2
Supplier environmental assessment						
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	43				
GRI 308: SUPPLIER ENVIRONMENTAL ASSESSMENT 2016	308-1 New suppliers that were screened using environmental criteria	44				
GRI 308: SUPPLIER ENVIRONMENTAL ASSESSMENT 2016	308-2 Negative environmental impacts in the supply chain and actions taken	42-43 In 2023, our Company conducted environmental impact assessments on nine suppliers, and 27 were assessed in 2022.				



GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON EXPLANATION	
Tailings management					
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	49-51			14.6.1
					14.6.2
					14.6.3
Mine closure and rehabilitation					
GRI 14: MINING SECTOR 2024	3-3 Management of material topics	53-54			14.8.1
GRI 402: LABOR/ MANAGEMENT RELATIONS 2016	402-1 Minimum notice periods regarding operational changes	66			14.17.6
					14.8.2
GRI 404: TRAINING AND EDUCATION 2016	404-2 Programs for upgrading employee skills and transition assistance programs	69-70			14.17.82 14.8.3
Employment					
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	61			14.17.1
GRI 401: EMPLOYMENT 2016	401-1 New employee hires and employee turnover	62			14.17.3
	401-2 Benefits provided to full- time employees that are not provided to temporary or part- time employees	63			14.17.4
	401-3 Parental leave	64			14.17.5 14.21.3
Labor/management relations					
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	66			
GRI 402: LABOR/ MANAGEMENT RELATIONS 2016	402-1 Minimum notice periods regarding operational changes	66			14.17.6 14.8.2

GRI STANDARD/ OTHER SOURCE			OMISSION		
			REQUIREMENT(S) OMITTED	REASON	
Occupational health and safety					
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	67			14.16.1
GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018	403-1 Occupational health and safety management system	67			14.16.2
	403-2 Hazard identification, risk assessment, and incident investigation	67			14.16.3
	403-3 Occupational health services	67			14.16.4
	403-4 Worker participation, consultation, and communication on occupational health and safety	69			14.16.5
	403-5 Worker training on occupational health and safety	69			14.16.6
	403-6 Promotion of worker health	68-69			14.16.7
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	67			14.16.8
	403-8 Workers covered by an occupational health and safety management system	67			14.16.9
	403-9 Work-related injuries	68			14.16.10
	403-10 Work-related ill health	68			14.16.11



GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
Training and education						
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	69-70				
GRI 404: TRAINING AND EDUCATION 2016	404-1 Average hours of training per year per employee	70				14.17.7 14.21.4
	404-2 Programs for upgrading employee skills and transition assistance programs	69-70				14.17.8 14.8.3
	404-3 Percentage of employees receiving regular performance and career development reviews	70				
Diversity and equal opportunity						
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	65				14.21.1
GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016	405-1 Diversity of governance bodies and employees	65				14.21.5
	405-2 Ratio of basic salary and remuneration of women to men		405-2 a-b	Information unavailable	Our Company has not yet gathered this information as it is currently not part of our internal metrics. However, we are committed to transparency and will explore the possibility of disclosing it in future reports.	14.21.6
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	In 2023, our Company had zero incidents of discrimination. However, we are actively working on establishing a robust evaluation process to ensure accurate reporting in the future.				
GRI 406: NON-DISCRIMINATION 2016	406-1 Incidents of discrimination and corrective actions taken					14.21.7
Child labor						
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	71-72				14.18.1

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
GRI 408: CHILD LABOR 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	71-72				14.18.2
Forced or compulsory labor						
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	71-72				14.19.1
GRI 409: FORCED OR COMPULSORY LABOR 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	71-72				14.19.2
Security practices						
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	80				14.14.1
GRI 410: SECURITY PRACTICES 2016	410-1 Security personnel trained in human rights policies or procedures		410-1 a-b	Information unavailable	Our Company has not yet gathered this information as it is currently not part of our internal metrics. However, we are committed to transparency and will explore the possibility of disclosing it in future reports.	14.14.2
Human rights and rights of indigenous peoples						
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	78				14.11.1
GRI 411: RIGHTS OF INDIGENOUS PEOPLES 2016	411-1 Incidents of violations involving rights of indigenous peoples	There are no incidents of violations involving the rights of indigenous peoples during the reporting period 2022-2023.				14.11.2
Local communities						
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	75				14.10.1
GRI 413: LOCAL COMMUNITIES 2016	413-1 Operations with local community engagement, impact assessments, and development programs	75-77				14.10.2



GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
GRI 413: LOCAL COMMUNITIES 2016	413-2 Operations with significant actual and potential negative impacts on local communities	32-34, 75-77				14.10.3
Supplier social assessment						
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	42-43				
GRI 414: SUPPLIER SOCIAL ASSESSMENT 2016	414-1 New suppliers that were screened using social criteria	44, 72				14.17.9 14.18.3 14.19.3
	414-2 Negative social impacts in the supply chain and actions taken	42-44				14.17.10
Customer privacy						
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	80-81				
GRI 418: CUSTOMER PRIVACY 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	80-81				
Land and resource rights						
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	79				14.12.1
GRI 411: RIGHTS OF INDIGENOUS PEOPLES 2016	411-1 Incidents of violations involving rights of indigenous peoples	There are no d incidents of violations involving the rights of indigenous peoples during the reporting period 2022- 2023.				14.11.2
Critical incident management						
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	68-67				14.15.1
GRI 306: EFFLUENTS AND WASTE 2016	306-3 Significant spills	In 2023, our Company had no significant waste or chemical spills.				14.15.2
GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018	403-10 Work- related ill health	68				14.16.11

TOPICS IN THE APPLICABLE GRI SECTOR STANDARDS DETERMINED AS NOT MATERIAL	
TOPIC	EXPLANATION
GRI 14: MINING SECTOR 2024	
TOPIC 14.2 CLIMATE ADAPTAION ANDW RESILIENCE	The topic of climate adaptation and resilience may not be deemed material at present due to factors such as our current operational priorities. In addition, our Company is looking into partnering with an organization to assess the resilience of our organization's strategy, including a well-below 2°C, preferably 1.5°C, scenario.
TOPIC 14.22 ANTI- CORRUPTION	The topic of anti-corruption may not be deemed a material concern for our Company at present due to the absence of significant operational or regulatory risks related to corruption within our operations.
TOPIC 14.24 PUBLIC POLICY	The topic of public policy may not be considered material for our Company at present as the Company has not engaged in activities such as lobbying, making financial contributions to political parties, politicians, or causes, nor has it participated directly or indirectly in public policy development initiatives.
TOPIC 14.20 FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING	At present, there are no significant labor-related issues or constraints impacting our Company's operations or stakeholders. Furthermore, while the topic of Freedom of Association and Collective Bargaining was not initially included in this report's material topic list, the Company has provided information regarding its unions on page 66.
TOPIC 14.13 ARTISANAL AND SMALL-SCALE MINING	In 2022 and 2023, our Company has not been involved in situations related to operating in or sourcing from conflict-affected and high-risk areas. Similarly, artisanal and small-scale mining (ASM) has not been a material topic for the Company during this period. Our business operations have not directly impacted ASM operators, nor have we been involved in any business relationships or interactions that could affect ASM communities. However, in 2023, FCF sought the assistance of the Mines and Geosciences Bureau (MGB) in combating illegal mining activities to be able to secure the project site. FCF detected the presence of illegal tunnels and ball mills in the project site which is an indication of proliferation of illegal mining activities.
TOPIC 14.25 CONFLICT- AFFECTED AND HIGH RISK AREAS	The MGB with the assistance of the National Bureau of Investigation and FCF visited the project site and confiscated illegal ball mills and ore materials processed by illegal miners. Operations for the closure of tunnels were also made by MGB and FCF. The illegal miners filed several complaints in different government agencies alleging violations of human rights. The complaints were taken by the Company and MGB as an opportunity to clarify true facts to the concerned agencies making clear that the complainants are conducting illegal mining activities to the detriment of the government, Company and community. Thus, these complaints were denied by these agencies.

Technical Working Group

We extend our sincerest gratitude to the Technical Working Group members for their invaluable contributions. Their meticulous analysis, insightful responses, and commitment to upholding national and international standards in the mining sector were instrumental in enriching our fourth Sustainability Report.

Their insightful contributions and data provided the foundation for this Sustainability Report, making it a valuable resource we're proud to share.

SUSTAINABILITY CHAIR

Lorne Harvey

TECHNICAL WORKING GROUP OVERALL LEAD

Cherry Joy Ferrer
Agnes Rosales

CORPORATE SUPPORT

Tommy Alfonso

LEAD FOR FINANCE

Roel Bahiwag
Gerald Pugan

LEGAL AND COMPLIANCE

Atty. Rowena Marcos
Alexis Lapresca

LEAD FOR PROCUREMENT

Martina Walis
Bernard Salvo

LEAD FOR MEPEO

Leopoldo Castro
Sylvi Dianne Guico
Jomar Bravo

LEAD FOR COMMUNITY RELATIONS

Agnes Rosales
Judy Ann Romero

LEAD FOR CIVIL WORKS/SECURITY

Diosdado Dimalanta

LEAD FOR SITE SERVICES

Gay Marie Balallo
Kathlyn Morie

LEAD FOR HUMAN RESOURCES

Vicente Sapinit Jr
Imelda Malasaga

LEAD FOR OSH

Ma. Rica Xtra Arguel
Alex Lagbas

LEAD FOR PROCESS PLANT

Sakara Flores
Jamie Jane Apolonio

LEAD FOR MINING

Alan Day
Mary Jane Moral

LEAD FOR CORPORATE PERMITTING

Cherry Joy Ferrer
Berna Vallejos

