



Global Ferronickel Holdings, Inc.

2024 ANNUAL REPORT



ABOUT THE REPORT

HOW TO READ THE REPORT

This report has been prepared in accordance with the UN Sustainable Development Goals (SDGs), GRI Standards, SASB Standards for the Mining sector, TCFD recommendations, and IFRS S1 and S2.

To guide readers:

- Color-coded tags identify disclosures by framework:
 SDGs ● GRI ● SASB ● TCFD ● IFRS
- Each section includes relevant indicators for easy reference.
- A Consolidated Content Index at the end maps all disclosures to their respective standards.

ABOUT THE THEME [2-22, 2-23](#)

Responsible Mining for a Better Tomorrow reflects the Group's commitment to operating with integrity, accountability, and care for the environment, our communities, and future generations. As a mining Company, we recognize our role in contributing to national development while minimizing our impact on the ecosystems and people around us.

This theme underscores our belief that mining can, and must be done responsibly. It speaks to our efforts to embed sustainability into every stage of our operations: from environmental stewardship and ethical labor practices to safety, community development, and transparent governance.

REPORTING PERIOD AND BOUNDARIES [2-1, 2-2, 2-3](#)

This Sustainability Report presents the environmental, social, governance, and financial performance of FNI (the "Company" or "Organization") for the period of January 1 to December 31, 2024. The report covers the Company's Head Office ("HO"), as well as its key operating subsidiaries: *Platinum Group Metals Corporation (PGMC)* and *Ipilan Nickel Corporation (INC)*. It also includes limited disclosures from Mariveles Harbor Corporation ("MHC"), which is at an earlier stage of developing its sustainability reporting capabilities.

Efforts are currently underway to strengthen MHC's data collection systems and align them with organizational practices. As such, we remain committed to expanding the scope and depth of disclosures across all operations in future reporting cycles.



REPORTING PROCESS AND METHODOLOGY

ABOUT THE REPORT



STANDARDS AND FRAMEWORKS 2-27

This report has been prepared in accordance with the GRI Reporting Standards, along with regulatory requirements and other globally recognized frameworks.



SUSTAINABILITY CONTACT PERSON 2-27

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COMPANY PROFILE

VISION

In all businesses we engage in, our vision is to be a world class group of companies with a broad range of pioneering development options, enabling shared values and prosperity to all its stakeholders and contributing to sustainable national development.

MISSION

We are a world class mining Company providing metals and minerals that are essential ingredients for greener, more sustainable products required in almost every aspect of everyday life. We carry out our activities in an environmentally, socially, & financially responsible manner for the benefit of the nation, the communities where we operate, our employees, customers, and other stakeholders.

VALUES

INTEGRITY

We believe in doing things right the first time. We walk our talk, build trust and provide open and transparent communication with fairness and respect.

SUSTAINABILITY AND SOCIAL RESPONSIBILITY

We care about a sustainable future for generations to come. We are responsible stewards to the economic, social, and environmental development of the places we operate in. Our decision-making process integrates prudent use of our assets while safeguarding the natural environment at every stage of our operations to provide optimal return and benefits for all stakeholders.

EXCELLENCE

Great is not enough. We strive for outstanding performance through innovation and a commitment to continuous quality improvement and best business practice to achieve efficiency and productivity.

MALASAKIT

We look after the interests and the welfare of the Company and our stakeholders. We anticipate the needs of all stakeholders and take action for the greater good. We take responsibility for each other and foster a culture of caring in our workplace and encourage the value of strong collaboration so that as a group we can achieve our shared goals.

MERITOCRACY

Tangible achievements serve as the basis of rewards. We believe in recognizing excellent and demonstrated individual and team performance at the right time and ensuring equal opportunity for growth and development.

AWARDS AND RECOGNITION

2024

Presidential Mineral Industry Environmental Award (PMIEA)

Platinum Achievement Award – Surface Mining Operation Category

1st Runner-Up for Best Mining Forest – Metallic Category

Asian Legal Business – Philippine Law Awards

Construction and Real Estate In-House Team of the Year – Winner

In-House Lawyer of the Year – Atty. Noel B. Lazaro, Top 5 Finalist

Philippine In-House Team of the Year – Finalist

Innovative In-House Team of the Year – Finalist

In-House Community Counsel of the Year Award

Best Practice Management Award – Corporate Social Responsibility – Winner

Energy and Natural Resources – Finalist

Asia's Pinnacle Awards

Best Nickel Mining Resource Management

PAST AWARDS

2023

Presidential Mineral Industry Environmental Award

Best Mining Forest Contest, Metallic Category – 1st Runner-up (PGMC)

2022

Presidential Mineral Industry Environmental Award

Presidential Awardee for Surface Mining Operation (PGMC)

2021

Presidential Mineral Industry Environmental Award

Presidential Awardee for Surface Mining Operation (PGMC)

Best Mining Forest Contest, Metallic Category – 2nd Runner-up (PGMC)

Mine's Best Personalities, Surface Miner Category – Sammy D. Pacoma (PGMC)

2020

Platinum Achievement Award

Best Surface Miner

2019

Presidential Mineral Industry Environmental Award

Platinum Achievement Award (PGMC)

Department of Trade and Industry (DTI)

Top Exporter Award, Minerals Sector (PGMC)

2014

Presidential Mineral Industry Environmental Award

Most Improved Safety Performance Award (PGMC)



LIST OF INDUSTRY ASSOCIATIONS 2-28

1. Chamber of Mines of the Philippines (PGMC, Ipilan)
2. Philippine Nickel Industry Association (PGMC, Ipilan)
3. Philippine Chamber of Commerce and Industry (PGMC, Ipilan, FNI)
4. Caraga Chamber of Mines (PGMC)
5. Employers Confederation of the Philippines (PGMC)
6. Philippine Mines Safety and Environment Association, Inc. (PGMC, Ipilan)
7. Philippine Exporters Confederation, Inc. (Ipilan)

ORGANIZATIONAL STRUCTURE & SUBSIDIARIES

2-1, 2-6



¹A publicly listed company in the Philippine Stock Exchange



Global Ferronickel Holdings, Inc.

OUR BUSINESSES AND POINT OF OPERATIONS

FNI Head Office
Paranaque, Metro Manila

The Head Office is primarily responsible for the activities of entities focused on nickel ore mining and logistics. It also oversees port operations and manages investments in ferronickel smelting plants. The office is instrumental in driving the company's growth and sustainability initiatives, facilitating the expansion into strategic markets, especially in the ASEAN region and China.



Platinum Group Metals Corporation (PGMC)

Claver, Surigao del Norte

Platinum Group Metals Corporation (PGMC) spans approximately 5,220 hectares under Mineral Production Sharing Agreement No. 007-92-X. This mine boasts over 110 million WMT of nickel resources, with an average nickel grade of 1.2%, and anticipates an additional 40 million WMT in untapped areas. It operates four distinct deposit sites—CAGA 1 through CAGA 4—and supports a diverse range of nickel ore grades from low to high quality. Annually, the mine has a shipping capacity of up to 7.6 million WMT, primarily during the dry season from April to October, pausing operations in the rainy months. As a key player in the national nickel industry, Platinum Group Metals Corp contributes significantly to both the volume and value of the Philippines' nickel exports.



Ipilan Nickel Corporation (INC)

Brooke's Point, Palawan

Ipilan Nickel Corporation (INC) in Palawan operates under Mineral Production Sharing Agreement No. 017-93-IV and spans approximately 2,835 hectares. It has an estimated resource base of 80 million WMT with a potential for an additional 50 million WMT. Currently, the mine has a shipment capacity of 1.5 million WMT annually, with its initial shipments beginning in September 2022, totaling 500,000 WMT of high-grade ore (above 1.5% Ni) by the end of that year. Ipilan aims to maintain its shipment target of 1.5 million WMT of high-grade ores and plans to expand its production to 3 million WMT per mining cycle within the next two years, significantly boosting its financial contributions to the company and its shareholders. The mine operates from November to July, complementing PGMC's mining season and ensuring a consistent year-round supply.



Mariveles Harbor Corporation (MHC)

Mariveles, Bataan

The Multi-purpose Terminal of Mariveles Harbor Corporation (MHC), located within the Freeport Area of Bataan, spans 16 hectares and is strategically positioned within a 2- to 4-hour drive from Manila. Benefitting from duty-free status, tax incentives, and modern infrastructure, it enables year-round operations with minimal disruptions and can handle up to 3 million MT per annum of various cargo types. Currently, MHC is capable of accepting vessels up to 247 meters in length with a natural draft of less than 13.5 meters and can accommodate Supramax vessels of up to 60,000 deadweight tons. Purpose-built to support diverse logistics needs, MHC also has plans to expand into container terminal services to cater to growing logistics demand.



Guangdong Century Tsingshan Nickel Industry Co., Ltd (GCTN)

China

From a 22.22% share through GHGC, the company holds a 20% investment interest in Guangdong Century Tsingshan Nickel Industry Co., Ltd (GCTN), a leading ferronickel smelter in China, using state-of-the-art rotary kiln electric arc furnace technology to produce an average of 300,000 tons of ferronickel annually. GCTN is exploring an expansion of its processing capabilities to include the production of nickel matte, a high-grade nickel product used in batteries, aiming to enter and capitalize on the battery sector. This initiative aligns with plans to replicate the technology in the Philippines, leveraging cheaper local production costs.

GENERAL INFORMATION



ECONOMIC CONTRIBUTION 201-1, 201-2, 201-3

FNI's 2024 economic performance supports our dedication to creating value for all stakeholders. By sustaining operational efficiency and navigating external challenges, we continue to drive economic growth that benefits not only our shareholders but also the communities and partners that form the foundation of our operations.

Economic Performance

A strong financial performance is a fundamental element of our commitment to value creation, supporting not only our operational growth but also the broader economic development of the communities and industries we engage with. In 2024, FNI continued to deliver stable revenue generation across its core businesses in nickel ore mining despite a challenging operating environment marked by shifting market conditions, regulatory developments, and weather-related disruptions.

During the year, we generated ₱7.61 billion in direct economic value. This was strategically distributed across our operations and stakeholder network, demonstrating our key role as a responsible and value-driven organization. These efforts supported local economies and supply chain partnerships, and contributed to national development priorities.

FNI remains committed to fiscal integrity and inclusive progress, ensuring compliance with all regulatory obligations while extending meaningful support to indigenous communities and socio-economic programs in our host areas. Our investments in sustainability continue to be integral to our operations. Environmental protection and rehabilitation initiatives advanced steadily across our mine sites, while collaborations with government and community partners further supported our shared focus towards ecological resilience.

By practicing sound financial management and purposefully investing in people, communities, and the environment, FNI continues to strengthen its role as a catalyst for shared economic growth and sustainable national development.

Disclosure (In million Php)	2024	2023	2022
Direct economic value generated (revenue)	7,611	8,785	6,731
Direct economic value distributed:			
a. Operating costs (cost of sales & operating expenses)	4,647	5,988	4,759
b. Employee wages and benefits	754	671	519
c. Payments to suppliers, other operating costs	5,558	6,437	4,427
d. Dividends given to stockholders and interest payments to loan providers	15	584	1,221
e. Taxes given to government	1,860	2,185	1,524
f. Investments to community (SDMP, donations, CSR etc.)	113	94	62



EMPLOYMENT

2-7, 203-2, 2-23

As of year-end 2024, FNI continues to maintain a strong workforce of skilled Filipino professionals and technical personnel deployed across our corporate office, mining operations in Surigao and Palawan, and port facilities. This diverse and capable team ensures efficiency and alignment with our strategic goals. Our workforce is bolstered by service contractors and logistics personnel, reflecting the scale and complexity of our operations. These partnerships enable seamless logistics and high productivity across all sites.

Our recognition of the vitality of people to our success is carried out by nurturing a competent, motivated, and safety-conscious workforce through our prioritization of local employment and skills development. This approach not only supports household incomes but also promotes inclusive growth within our host communities.

FNI upholds fair labor practices aligned with the international standards and fosters a workplace culture rooted in respect, transparency, and accountability. Though non-unionized, we maintain open communication and promote equitable employment practices. We have not encountered significant labor disruptions and continue to prepare for future growth by investing in key talent across all functions.

We put utmost regard to inclusivity, ensuring that all employees - regardless of gender, background, or belief - are valued and empowered. We implement policies that foster equal opportunity in recruitment, career advancement, and leadership development. By fostering a culture of belonging, we drive collaboration, innovation, and employee well-being. This inclusive ethos also shapes our engagement with communities, supporting programs that promote social equity and uplift underrepresented groups.

ENVIRONMENTAL PROTECTION & REHABILITATION

2-22, 2-23, 304-1

As a responsible mining company, FNI prioritizes comprehensive environmental management throughout the entire mining life cycle - from exploration to rehabilitation - ensuring ecological balance and community well-being. Our operations strictly comply with the Philippine Mining Act and its Implementing Rules and Regulations, which mandate the allocation of a portion of direct mining costs to our Environmental Protection and Enhancement Program (EPEP). This program covers land rehabilitation, reforestation, erosion control, water and air quality management, and participation in national efforts such as the National Greening Program.

Environmental performance is rigorously monitored through regular audits by a Multipartite Monitoring Team (MMT), composed of government, community, and civil society representatives. Our Surigao and Palawan sites demonstrate best practices in progressive rehabilitation, including land restoration and sediment control through engineered siltation ponds. These initiatives have earned national recognition for environmental excellence.



SOCIAL DEVELOPMENT & MANAGEMENT

2-22, 2-23, 2-24, 2-25

FNI integrates Environmental, Social, and Governance (ESG) principles into its core operations, recognizing that long-term business success is tied to the well-being of host communities. Guided by national regulations and global sustainability goals, we invest in programs focused on education, health, livelihoods, and inclusive growth.

In line with the Philippine Mining Act and DENR guidelines, we allocate at least 1.5% of annual operating costs to Social Development and Management Programs (SDMP), designed in consultation with local stakeholders and aligned with the UN Sustainable Development Goals (SDGs).

Education and Capacity Building

Education remains a key priority. In 2024, FNI supported hundreds of scholars, including Indigenous Peoples (IPs), built and upgraded school infrastructure, and provided teachers with ample support. Partnerships with institutions like Surigao del Norte State University and scholarship programs at INC further enhanced local capacity-building.

Healthcare and Well-being

FNI provides regular medical outreach, dental and optical missions, and preventive health campaigns. Collaborations with medical professionals have expanded access to specialized care in underserved areas. Community ambulances and volunteer health worker support further improved local health systems.

Livelihood and Economic Empowerment

We foster sustainable livelihoods through cooperatives, agricultural and aquaculture projects, TESDA-accredited training, and partnerships with agencies like DTI. Projects such as the Hapag Katutubo initiative benefited hundreds of IP workers, exceeding employment requirements under the SDMP.

Infrastructure and Basic Services

We invest in roads, water systems, classrooms, electrification, and public facilities. In 2024, major projects included a Tribal Hall, CADT processing support, and solar-powered street lighting and sanitation facilities at INC.

Crisis Response and Resilience

FNI quickly responds to natural disasters, such as providing financial support during Tropical Storm Kristine. Our Food Security Project now includes communal gardens and poultry enterprises to support long-term resilience.

Governance and Participation

Transparency and community representation is promoted through the Representative of Host and Neighboring Communities (RHNC), composed of LGUs, civil society, and other stakeholders. Regular IEC campaigns and open community dialogue promote responsible mining and stakeholder trust.

OUR MINING PROCESS

2-1, 2-6



FNI's vision of sustainability is anchored in a forward-looking exploration and development strategy. Through our subsidiaries, PGMC and INC, we strengthened our mineral resource base and operational continuity via data-driven exploration,

The 2025 exploration program aims to upgrade resources, delineate new mineral zones, and conduct confirmatory drilling. These efforts support PGMC's long-term plan and are expected to extend its current 10-year mine life. Mining is conducted approximately 230 days annually. Ore is hauled 3 to 12 km to the stockyard, sorted, sun-dried, and shipped via Supramax vessels, while progressive rehabilitation is undertaken throughout the mining cycle.

At INC's Palawan operations, spanning 2,835 hectares, measured and indicated resources reached 79.1 million WMT as of December 31, 2024, with an average grade of 1.2% nickel and 25.1% iron. Reserves totaled 33.5 million WMT at 1.33% nickel and 23.18% iron, supporting an estimated 10-year mine life. Exploration since 2022 has focused on the m1 deposit, with a phased infill drilling program underway. A 2025 drilling plan, endorsed by a Philippine Mineral Resources Committee Accredited Competent Person (PMRC ACP), aims to increase reserves, enhance resource confidence, and potentially extend the mine's life beyond 10 years.

efficient mining practices, and targeted expansion. Supported by modern equipment and in-house geoscientific expertise, we continue to secure the long-term viability of our nickel operations.

INC operates for at least 215 days per year. Ore is hauled 6 to 10 km for sorting, blending, drying, and port loading. As with PGMC, rehabilitation is integrated throughout operations.

Across both sites, FNI's exploration and mining strategies display our vision of a resource-secure future - driven by sound geology, disciplined execution, and environmental responsibility.



At PGMC's Cagdianao Mine, covering 5,220 hectares under an MPSA, measured and indicated resources as of October 15, 2024, totaled 99.2 million WMT with an average grade of 1.1% nickel and 30.5% iron. Proven and probable reserves stood at 49.6 million WMT at 1.13% nickel and 29.98% iron.





MESSAGE FROM OUR LEADERS



JOSEPH C. SY
Chairman, FNI

DANTE R. BRAVO
President, FNI

“We take seriously our role not only as a resource company but as a long-term partner in nation-building. Our efforts in infrastructure, employment, and community programs reflect our broader social license to operate.”

REFLECTING ON 2024: REAFFIRMING CORE PRIORITIES

To Our Stakeholders,

As we reflect on the year 2024, the defining theme for Global Ferronickel Holdings, Inc. (FNI) was clarity of purpose. In a landscape shaped by global economic headwinds, soft commodity pricing, and shifting geopolitical dynamics, our focus on operational resilience, strategic discipline, and value creation has never been more

critical. We confronted difficult decisions and made deliberate choices that underscore our long-term commitment to sustainable, profitable growth.

STRATEGIC RECALIBRATION AND REFOCUSING

Foremost among these decisions was our Board’s resolution to terminate the planned FNI Rebar Steel Project. Originally envisioned in 2019 as a forward-looking diversification initiative, the steel venture ultimately did not meet our evolving risk-return expectations. Market dynamics, capital allocation concerns, and lack of tangible fiscal incentives prompted this pivot. Yet, this decision is not a step backward - it is a recommitment to our core: nickel mining, ferronickel processing, and port operations, sectors where we hold demonstrable competitive advantage.

SUSTAINING CORE STRENGTHS IN MINING AND LOGISTICS

Our nickel mining operations in Surigao del Norte and Palawan remain our cornerstone. In 2024, we delivered record shipment volumes despite industry-wide pricing challenges. Our combined measured and indicated mineral resources of over 178 million wet metric ton (WMT) and proven and

probable ore reserves in excess of 83 million WMT solidify our stature as one of the Philippines’ most dependable nickel producers. With this foundation, we are enhancing mine infrastructure, advancing infill and extension drilling programs, and strengthening our operational continuity year-round, particularly through the Palawan mine.

STRENGTHENING STRATEGIC PARTNERSHIPS

We also deepened our engagement in strategic downstream partnerships. Our 20% equity interest in Guangdong Century Tsingshan Nickel (GCTN) continues to provide us with exposure to processing capabilities in China, while offering valuable insights into value chain integration. This relationship supports our long-term vision of developing value-added processing facilities within the Philippines, including the feasibility of ferronickel and battery-grade nickel plants.

CAPITAL ALLOCATION PHILOSOPHY

Throughout the year, our Board and management prioritized capital discipline and stakeholder returns. We allocate resources to strengthen our operations and preserve capacity for shareholder returns, ensuring both growth and income. In 2024, FNI upheld its strong financial footing with a year-end cash balance of ₱1.66 billion, demonstrating disciplined stewardship amid a volatile nickel market. Reliability and strategic expansion - through investments in vessels, port facilities, and mine development - demonstrate our focus on building a strong foundation for long-term growth and delivering lasting value to our shareholders.

GOVERNANCE AND OVERSIGHT

We have also observed with pride our leadership's deepening commitment to governance, transparency, and stakeholder engagement. While previous letters have addressed this briefly - such as in 2023: "With strategic oversight from our Board and a clear governance framework, we ensure that all major capital and operational decisions align with our corporate objectives" - this year, we strengthened our enterprise risk management practices, regulatory compliance, and board accountability across key decisions. Notably, FNI and all operating subsidiaries, including PGMC, Ipilan, and Mariveles Harbor, reported zero non-compliance with environmental laws and regulations throughout 2024, reflecting our commitment to disciplined oversight and operational integrity. PGMC also maintained its ISO certification under an integrated Management System covering ISO 14001:2015 (Environmental Management), ISO 45001:2018 (Occupational Health & Safety), and ISO 9001:2015 (Quality Management) - a strong testament to our adherence to global standards. We take seriously our role not only as a resource company but as a long-term partner in nation-building.

The work we do in developing local infrastructure, enabling job creation, and supporting communities is part of our broader license to operate.

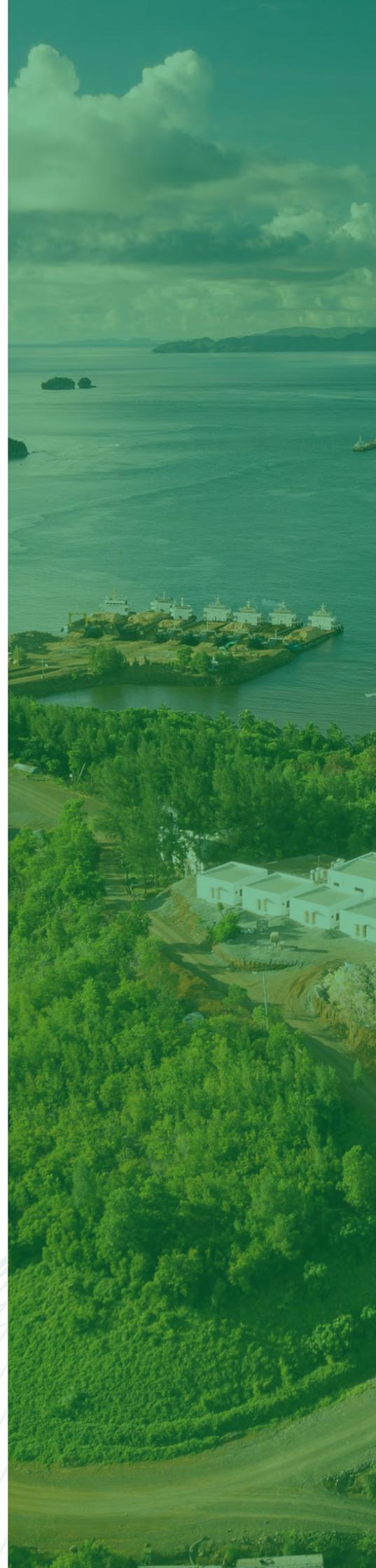
MARKET OUTLOOK AND STRATEGIC PREPAREDNESS

Looking ahead, we remain cautiously optimistic. The long-term outlook for nickel remains strong, underpinned by the energy transition and the rise of electric vehicles. According to the International Energy Agency (IEA), demand for nickel could more than double by 2040, with over 55% of that growth driven by battery applications. However, we recognize the non-linear nature of this path - policy changes, oversupply risks, and technological substitution all play a role in shaping the trajectory. Our job is to stay grounded in our strategy while being flexible in execution. With experienced leadership, strong assets, and the trust of our stakeholders, we are confident that we are positioned not just to endure, but to lead.

On behalf of the Board of Directors, we thank our shareholders, employees, business partners, and host communities. Your continued confidence in FNI enables us to rise to every challenge and seize every opportunity.

Joseph C. Sy
Chairman, FNI

Dante R. Bravo
President, FNI



PRESIDENT'S REPORT

To Our Valued Stakeholders,

In 2024, Global Ferronickel Holdings, Inc. demonstrated strategic agility and operational focus in navigating a challenging market environment. Despite a sustained decline in global nickel prices and increased competition from regional producers, FNI continued to expand volumes, optimize costs, and invest in future growth.

FINANCIAL PERFORMANCE: DELIVERING RESULTS IN A VOLATILE MARKET

“Despite a sustained decline in global nickel prices and increased competition from regional producers, FNI continued to expand volumes, optimize costs, and invest in future growth.”

Nickel ore prices fell significantly in 2024, with our average realized price decreasing by 27.1% to US\$24.26 per wet metric ton. This price compression stemmed largely from continued nickel supply surges from Indonesia, sluggish demand from China, and weaker-than-expected recovery in stainless steel and NPI markets. Nonetheless, we recorded a 15.5% increase in shipment volumes, totaling 5.45 million WMT, up from 4.72 million WMT in 2023.

The Surigao mine was the primary driver of this growth, delivering 3.99 million WMT in shipments, up 21.1% year-on-year. This achievement reflects favorable weather in early 2024, timely availability of chartered landing craft tanks (LCTs), and enhanced operational readiness across key sites. In Palawan, we

shipped 1.46 million WMT, a 2.6% improvement, supported by expanded causeways, port facilities, and productivity enhancements in logistics and workforce deployment.

We remained disciplined in managing our costs. The average cash operating cost went down to ₱1,094.77, equivalent to a 4.8% decrease from the previous year, despite inflationary headwinds. Several targeted initiatives contributed to this outcome. We reinforced our fleet maintenance planning to support extraction continuity and reduce unplanned downtime, particularly in Surigao where consistent equipment availability supported a 21.1% increase in shipment volumes. In logistics, the synchronization of barge scheduling with stockpile management reduced vessel idle time and improved turnaround efficiency. We expanded workforce deployment and logistical coordination at both mine sites, contributing to improved consistency in loading and shipment cycles. These operational gains enabled us to partially offset margin erosion and maintain throughput stability amid volatile pricing.



FINANCIAL PERFORMANCE AND CASH PRESERVATION

On the financial front, FNI posted consolidated revenues of ₱7.61 billion, down 13.4% from the previous year. Net income attributable to equity holders was ₱743.9 million, a 51.8% decline from 2023. While these figures reflect the global pricing environment, they also highlight our strong cost controls and operating leverage. While no dividend was declared in 2024 due to market and pricing headwinds, we maintained a cash position of ₱1.662 billion and remain committed to returning value to shareholders when conditions are supportive

To reinforce our liquidity position, we implemented a series of cash optimization measures. We implemented tighter procurement coordination across mine sites, aligning purchasing timelines and vendor engagement to reduce operational overhead. Additionally, our treasury group refined cash flow forecasting to improve capital deployment timing, helping to minimize idle balances. Throughout the year, we actively engaged institutional investors to foster

transparency and alignment with expectations. We also participated in the Investor Day organized by the Philippine Stock Exchange to share our operating results, strategic initiatives, and growth prospects to a wider audience.

Capital expenditure for the year amounted to ₱1.0 billion, with investments channeled into critical equipment, port infrastructure, and vessel acquisitions. Our long-term goal remains to enhance operational resilience and maximize resource extraction. Concurrently, we invested ₱26.5 million in mine exploration activities, which contributed to updated mineral resource estimates of 99.2 million WMT in Surigao as of October 15, 2024, and 79.1 million WMT in Palawan as of December 31, 2024

STRATEGIC REALIGNMENT AND FUTURE INVESTMENTS

In terms of strategy, we took decisive action to realign our portfolio. The Board's decision to discontinue the steel project enables us to sharpen our focus and deploy capital more effectively. This redirection has allowed us to accelerate internal feasibility studies

for the potential development of a value-added processing facility aligned with future demand trends.

Meanwhile, Mariveles Harbor Corporation remains a strategic priority, with planned berth upgrades to expand operations and other businesses such as containerized cargo and warehousing. Our collaboration with GCTN continues to inform our processing roadmap, supporting our goal of vertical integration within the domestic nickel value chain.

Over the next two years, we are targeting the doubling of annual production capacity in Palawan from 1.5 million WMT to 3.0 million WMT. This growth will be anchored on infrastructure readiness, workforce development, and efficiency programs across mine planning and fleet operations.



SUBSIDIARY OPERATIONS: ADVANCING SUSTAINABILITY, OPERATIONAL INTEGRITY, AND SHARED PROSPERITY

"We reaffirmed that operational excellence and environmental stewardship are not parallel pursuits, but mutually reinforcing priorities."

In an increasingly volatile industry, mining faces an unprecedented imperative: to create value responsibly, operate sustainably, and contribute meaningfully to society. At FNI, we embrace this challenge with conviction, recognizing that our license to operate rests not only on

performance, but on the trust we build with all our stakeholders – our employees, communities, partners, regulators, and shareholders.

We reaffirmed that operational excellence and environmental stewardship are not parallel pursuits, but mutually reinforcing priorities. Across our subsidiaries, we demonstrated the strength of this integrated approach: achieving milestones in production and financial performance, while embedding deeper commitments to environmental protection, social development, and good governance.

We moved beyond compliance, investing in initiatives that leave enduring, positive impacts. We forged stronger partnerships with our host communities. We advanced resilient, low-carbon operations that future-proof our business. And through it all, we maintained discipline, agility, and purpose – ensuring that every step we take today builds a more sustainable tomorrow.

Our journey is far from over, but the foundation we have laid positions us for stronger, more inclusive growth. Together with our subsidiaries, PGM and INC, we are transforming mining into a platform for lasting prosperity – for people, planet, and progress.

ENVIRONMENTAL RESPONSIBILITY: BALANCING GROWTH WITH ECOLOGICAL INTEGRITY

At the heart of our operations lies a steadfast respect for the environment. We recognize that responsible resource development must protect and restore the natural ecosystems that sustain life and livelihoods.

In 2024, we elevated our environment stewardship across all sites. Our comprehensive Environmental Management Systems (EMS), aligned with ISO 14001:2015 standards, continued to govern our practices, ensuring that sustainability is embedded from exploration to rehabilitation. Zero non-compliance was our starting point - not our benchmark.

LAND BIODIVERSITY MANAGEMENT

Progressive rehabilitation remained a strategic priority. PGMC and INC expanded reforestation and land restoration programs, reintroducing native species and rebuilding ecological integrity across impacted areas. Our botanical gardens serve as living laboratories for conservation, education, and community engagement.

Watershed restoration projects and partnerships with the Caraga Region Wildlife Rescue Center highlighted our leadership in biodiversity protection. The adoption of community-led mangrove rehabilitation and coral planting initiatives exemplified how we are restoring both terrestrial and marine ecosystems.

Our scientific approach – including third-party biodiversity assessments – ensures that our efforts are data-driven, measurable, and aligned with national and global environmental targets.

WATER RESOURCE PROTECTION AND QUALITY ASSURANCE

Water stewardship is integral to our environment and operational resilience. Throughout the year, we optimized rainwater harvesting systems, enhanced the efficiency of our siltation ponds, and implemented bio-indicator programs that use sensitive species to monitor aquatic health.

Our investments in real-time monitoring and early intervention frameworks enabled us to maintain water quality across all discharge points, consistently meeting regulatory standards. In addition

to protecting aquatic ecosystems, these efforts also reduced operational water consumption and strengthened our climate adaptation strategies.

AIR AND WASTE MANAGEMENT

We strengthened dust control and air quality initiatives by deploying permanent sprinkler systems, mechanical sweepers, and intensified road maintenance programs. Quarterly ambient air monitoring confirmed that all sites remained well within regulatory thresholds.

Our waste management programs evolved to embrace circular economy principles. Hazardous waste was responsibly managed through DENR-accredited facilities, while plastic minimization, reuse initiatives, and expanded recycling programs significantly reduced our waste footprint. Strategic investments in Materials Recovery Facilities further enhanced waste segregation, treatment, and disposal.

ENVIRONMENTAL RESEARCH AND RENEWABLE ENERGY

We believe that innovation is key to sustainable mining. Our partnerships with universities such as Caraga State University advanced critical research on terrestrial biodiversity, carbon stock assessments, and restoration strategies for ultramafic landscapes.

In parallel, we expanded renewable energy use across our operations – from solar-powered streetlights to micro-hydro energy systems. These initiatives exemplify our commitment to energy transition and climate leadership.





SOCIAL DEVELOPMENT: EMPOWERING COMMUNITIES AS PARTNERS IN PROGRESS

We promoted inclusive progress by collaborating with communities not merely as external stakeholders, but as active participants in shaping shared growth – empowering them through scholarships and employment opportunities. In 2024, we intensified our investments in education, healthcare, livelihoods, and infrastructure, ensuring that prosperity generated by our operations cascades into tangible, lasting improvements in quality of life.

EDUCATION INITIATIVES

Education remained a cornerstone of our social programs. Across our areas of operation, we supported hundreds of scholars, constructed new classrooms, funded public school teachers, and supplied vital educational resources.

Our partnerships with local universities fostered mining-related research and skill development, preparing a new generation of Filipino professionals to lead in an increasingly knowledge-driven economy.

Beyond formal education, we delivered community-based skills training, nurturing entrepreneurship, technical proficiency, and self-reliance among local residents.



Iplan Nickel at Mambalot Elementary School for Brigada Eskwela 2024

HEALTHCARE AND SANITATION SUPPORT

Access to quality healthcare is a fundamental human right – one that we strive to uphold across our host communities. Through mobile medical missions, health facility upgrades, and the provision of ambulances and medicines, we strengthened primary healthcare delivery. Mental hygiene programs, hygiene campaigns, and nutrition support initiatives further expanded our health footprint, safeguarding vulnerable groups and enhancing community resilience.



PGMC's barangay health services

LIVELIHOOD AND ENTERPRISE DEVELOPMENT

Economic empowerment drives inclusive growth. Our livelihood programs revitalized community cooperatives, supported women-led enterprises, and facilitated agricultural and aquacultural ventures. From farming to handicrafts, we enabled local enterprises to regain post-pandemic momentum, ensuring sustainable income sources while aligning with our environmental objectives through projects such as seedling nurseries. Our enterprise development framework emphasizes skills transfer, financial literacy, and access to markets – building pathways for long-term economic independence.



Calamansi benchmarking for Agusan del Sur farmers

PUBLIC ENGAGEMENT AND INDIGENOUS PEOPLES' RIGHTS

True partnership is built on trust, dialogue, and respect. We maintained robust Free, Prior, and Informed Consent (FPIC) processes, ensuring that indigenous communities are active decision-makers in projects affecting their lands and lives.

Zero grievances from IP communities in 2024 reflect our enduring commitment to culturally respectful, transparent engagement. Information campaigns, mine tours, grievance redress systems, and inclusive governance bodies ensured that community voices remained central to decision-making.



IPDO-BICAMM ceremonial groundbreaking for IP Tribal Hall project



GOOD CORPORATE GOVERNANCE: LEADING WITH ACCOUNTABILITY, DELIVERING SUSTAINABLE GROWTH

Strong governance is not merely a framework – it is a living practice that shapes every decision we make. Throughout 2024, we fortified our governance structures, integrated enterprise risk management with climate resilience planning, and maintained unwavering compliance with regulatory standards. Our Board of Directors continues to oversee a rigorous governance framework that prioritizes ethical conduct, strategic foresight, and stakeholder trust.

PRODUCTION AND OPERATIONAL PERFORMANCE

Our subsidiaries navigated logistical bottlenecks, extreme weather events, and global market shifts with resilience and agility. Operational excellence

initiatives enhanced inventory controls, improved mine planning accuracy, and sustained shipment momentum even under challenging conditions.

CAPITAL INVESTMENTS AND EXPLORATION

We advanced critical capital projects, strengthening infrastructure, upgrading mining equipment, and expanding exploration activities. Resource modeling and drilling programs secured substantial mineral reserves, extending mine lives and enhancing future revenues streams. Our exploration successes reaffirm our strategic resource management philosophy: disciplined, data-driven, and future-focused.

SAFETY AND RISK MANAGEMENT

Safety is non-negotiable. ISO 45001:2018-certified systems, intensive training programs, and proactive risk assessments ensured a workplace culture where safety is embedded in every action and decision. Our Emergency Response Teams distinguished themselves in competitions and real-world incidents, demonstrating operational readiness, leadership, and life-saving capabilities.

COMPLIANCE AND ECONOMIC DISTRIBUTION

Beyond financial performance, our contribution to the economy remained profound. Through taxes, royalties, procurement, and social investments, we enabled national development priorities and fueled regional growth. Supplier ESG training initiatives and expanded local sourcing further deepened our value chain sustainability, reinforcing our economic multiplier effect.

CLIMATE RISK AND ENTERPRISE RISK MANAGEMENT

We continued to align with the Task Force on Climate-related Financial Disclosures (TCFD), embedding climate risk metrics into strategic planning. Infrastructure investments, renewable energy transitions and operational adaptations positioned us to mitigate the risks of extreme weather, energy volatility, and resource scarcity.

CULTURE OF LEADERSHIP AND SHARED VALUES

At the heart of our resilience is our culture—one that values operational integrity, technical excellence, and stakeholder collaboration. Our leadership team fosters a spirit of accountability and strategic curiosity, encouraging site-level managers and staff to contribute ideas that improve outcomes. From mine planning to logistics coordination, our teams are empowered to act with ownership and professionalism. These shared values enable us to perform not only as an efficient enterprise but as a trusted partner to our communities and customers.

OUTLOOK FORGING AHEAD: A FUTURE BUILT ON PURPOSE AND PERFORMANCE

“Our strategic priorities are clear: expanding production scale, advancing infrastructure, intensifying exploration, and pursuing value-added mineral processing.”

As we look ahead, we are filled with a profound sense of responsibility – and opportunity.

We are entering a new era where

mining is not merely about extraction but about enabling sustainable development, powering the green transition, and uplifting communities. FNI will continue to lead in this transformation. Our strategic priorities are clear: expanding production scale, advancing infrastructure, intensifying exploration, and pursuing value-added mineral processing. At the same time, we are deepening our investments in renewable energy, building stronger communities, and restoring ecosystems at scale.

Major initiatives such as the development of a container terminal in Bataan, will strengthen our logistics capabilities and enhance our competitiveness on the global stage.

Throughout this journey, we will remain guided by the values that define us: integrity, a growth mindset, innovation, malasakit, and shared prosperity. We will continue to deliver returns not only to our shareholders but to every stakeholder whose aspirations are intertwined with our success. Mining, when done responsibly, can be a profound force for good. At FNI, we are proving that every day – through our actions, our impact, and our unwavering belief that true prosperity is sustainable, inclusive, and enduring.

Finally, I would like to thank the men and women of FNI – our teams on the ground, our management group, and our Board – for their unwavering commitment. I also extend my appreciation to our investors, customers, and community stakeholders whose trust propels us forward.

We move forward – not just with ambition, but with purpose.





SOCIAL

FNI remains steadfast in its commitment to inclusive and sustainable development through socially responsive programs that uplift communities and contribute to long-term progress. Our social welfare initiatives spanned education, healthcare, livelihood, infrastructure, and environmental awareness - each rooted in collaboration, impact and shared growth.

In the education sector, we expanded access to learning opportunities by supporting scholars, enhancing school facilities, and providing essential learning materials. Our support extended to both formal and alternative learning systems, ensuring that students at all levels receive the resources they need to thrive.

Healthcare initiatives remained a core focus, with targeted programs enhancing the delivery of medical services across our host communities. Through strategic

support for health workers, medical missions, equipment provision, and health infrastructure improvements, we contributed to the well-being and resilience of thousands of residents.

FNI's livelihood programs empowered individuals through skills development, entrepreneurship support, and inclusive training, particularly for women and IPs. By working alongside local organizations and government agencies, we advanced income-generating opportunities while fostering economic self-sufficiency in our partner communities.

Infrastructure investments addressed vital needs such as energy access, road rehabilitation, water systems, and coastal protection. These projects not only elevated living conditions but also strengthened climate resilience and community safety. Cultural preservation efforts were also supported through community

events and the rehabilitation of shared spaces. Stakeholder engagement remained central to our social performance. We conducted community consultations, capacity-building workshops, and information campaigns, fostering trust and transparency while promoting environmental responsibility. Our partnership with indigenous communities was further deepened through collaborative development efforts, educational and health support, and the successful implementation of Free, Prior, and Informed Consent (FPIC) protocols.

These programs push forward FNI's broader vision of responsible mining - where economic advancement goes hand in hand with social equity, environmental stewardship, and enduring partnerships. By investing in people and places, we continue to build a legacy of shared value for all stakeholders.



Focus group discussions for SDMP formulation with impact and non-impact barangays

ENVIRONMENT

Both PGMC and INC demonstrated their firm focus on responsible and sustainable mining by integrating land rehabilitation, resource protection, biodiversity conservation, and stakeholder engagement into their operational frameworks, as well as through the comprehensive implementation of their respective EPEPs.

At PGMC, environmental efforts were guided by a holistic approach that prioritized progressive land rehabilitation, restoration of non-mined areas, and the enhancement of green spaces through large-scale seedling propagation. Measures to preserve water quality were implemented through active sediment control and consistent compliance with effluent standards, while air and noise management systems ensured continued adherence to regulatory thresholds.

Waste management practices were promoted with infrastructure upgrades and refined hazardous waste handling protocols, aligning with FNI's goal of achieving operational integrity and environmental compliance. Biodiversity initiatives included

coastal ecosystem restoration, mangrove rehabilitation, and ongoing research partnerships aimed at augmenting ecological resilience. These programs were complemented by targeted environmental education campaigns and capacity-building efforts within host communities, fostering a culture of sustainability and shared responsibility.

Meanwhile, in Palawan, INC pushed its environmental objectives through systematic air, water, and noise quality monitoring, along with expanded terrestrial and coastal reforestation initiatives. These efforts were anchored in national greening objectives and further maximized by inclusive community participation and science-based conservation strategies.

Through these coordinated programs, FNI continues to set the benchmark for ecosystem-based mining. By embedding environmental safeguards into every phase of operations and fostering transparent engagement with regulatory bodies and local stakeholders, FNI not only fulfills its statutory obligations but also champions environmental well-being in the regions where it operates.





INFORMATION AND EDUCATION CAMPAIGN

Our Information, Education, and Communication (IEC) programs work extensively to promote transparency, raise environmental awareness, and empower communities around our operations.

At PGMC, we conducted 15 community consultations to foster open dialogue and align our initiatives with local needs. Through local media partnerships, on-site visuals, and social media outreach, we engaged stakeholders with timely updates on our activities and community programs. We also delivered targeted training to barangay councils on solid waste management and disaster preparedness, equipping

local leaders with practical tools to address key challenges and drive sustainable change.

INC's IEC efforts centered on protecting the environment, with educational sessions and demonstrations on reforestation, biodiversity conservation, and sustainable land management. Communities were actively engaged in discussions on water protection, air quality, waste disposal, and soil conservation - enhancing their role in shared environmental responsibility.





BEYOND COMPLIANCE

True success in mining is defined not only by operational efficiency or profitability, but by the long-term, positive impact on communities and the environment. We embed sustainability in every aspect of our operations - moving beyond regulatory compliance to create lasting value for all stakeholders.

Best mining Forest contest - affirming its leadership in environmental management and community engagement.

Sustainability efforts in Palawan were intensified through INC's partnership with the Provincial Environment and Natural Resources Office and local barangays. Through reforestation programs under the National Greening Program, the initiative not only supported ecological restoration but also empowered local families through livelihood opportunities. These initiatives provide a holistic approach to responsible mining - one that balances economic development with environmental protection and social inclusion.



Tuberculosis mobile clinic deployed in the CARAGA region

In 2024, swift action during Tropical Storm Kristine exemplified this commitment, as support was extended to government-led relief efforts to aid affected communities. Programs like the Food Security Project, initially launched in response to the pandemic, continued to drive inclusive development by promoting sustainable food production and alternative livelihoods in host areas.

FNI's environmental and social performance also earned notable industry recognition. PGMC received the PMIEA Platinum Achievement Award for Surface Mining and ranked among the top performers in the



Relief operations during calamities



SAFETY AND HEALTH

Safety is a core value embedded in all aspects of our operations. We adhere to international standards through ISO certifications in Occupational Health and Safety (ISO 45001:2018), Quality Management, and Environmental Management, ensuring a holistic approach to operational excellence. Our Occupational Safety and Health program (OHSP) covers everything from employee well-being to emergency preparedness. Medical facilities staffed with doctors, nurses, and trained responders ensure immediate care, while regular risk assessments, safety drills, and mandatory PPE usage promote workplace readiness.



Regular earthquake, fire, and bomb threat drills

At PGMC, safety is achieved through systematic inspections, toolbox meetings, and continuous training. New hires undergo safety orientation, and all personnel are trained to recognize and mitigate risks proactively.

Our Emergency Response Team (ERT) is equipped for fire suppression, flood rescue, technical extraction, and medical emergencies, supported by real-world simulations and disaster protocols that include early warning systems and community collaboration.

We maintain a transparent incident reporting system to track and learn from safety events. Open communication empowers employees to report hazards without fear, fostering a culture of accountability and shared responsibility. Ultimately, prevention remains our strongest defense.



Safety and health education



Safety signages within mine site

LAND RESOURCES MANAGEMENT

Across operations, land rehabilitation is viewed not as a post-mining obligation, but as an integral part of our lifecycle approach to environmental care. This helps ultimately in keeping responsible land resource management as the focus of our environmental strategy, guided by science-based methodologies and aligned with both national frameworks and global sustainability standards.

In Palawan, INC continued to implement progressive rehabilitation activities aimed at stabilizing terrain, enhancing solid quality, and enabling the return of native vegetation. Slope management, drainage systems, and targeted revegetation were complemented by the production of diverse seedlings, supported by organic soil enhancers to

ensure sustainability. Initiatives also extended to coastal protection, with the ongoing maintenance of established mangrove zones that provide critical ecological and shoreline defense functions.

Similarly, PGMC integrates rehabilitation seamlessly within its operational processes. Recovered topsoil is repurposed for revegetation, while restoration immediately follows extraction to minimize land disturbance. Site-specific planting schemes using indigenous species are tailored to address local soil conditions and biodiversity requirements. Engineered structures are reinforced with vegetation to support slope stability and reduce erosion risks, while robust monitoring systems ensure the effectiveness of ecological recovery over time.



Land erosion control and slope stabilization measures



WATER RESOURCES QUALITY AND MANAGEMENT

We recognize that responsible water management is integral to our responsibility for the environment and operational efficiency. We adopt a proactive approach to conserve water, safeguard aquatic ecosystems, and comply with national and international regulations.

Water is crucial for various operations, including dust suppression and irrigation for reforestation. We conserve water through rainwater harvesting, sedimentation ponds, and water-soluble dust suppressants to reduce truck water usage. Conservation awareness initiatives are also implemented to encourage

mindful water use among staff. We strictly comply with water quality regulations, including Department Administrative Orders 2016-08 and 2018-06. Our operations are closely monitored to meet Environmental Quality Performance Levels (EQPLs) for total suspended solids (TSS), ensuring compliance with discharge limits.

We've invested in key infrastructure, such as siltation ponds and collector sumps, to manage sedimentation, control runoff, and protect water bodies. These systems are regularly maintained to ensure their effectiveness during peak rainfall periods.

To safeguard marine ecosystems, we use silt curtains at our causeway and geotextile materials in siltation ponds for added filtration. Additionally, we introduced lobster fry as bio-indicators to monitor water quality and detect potential pollution. Monthly water sampling at strategic locations helps us assess water quality and adjust treatment systems accordingly. We also track water consumption alongside ongoing investments in water reuse technologies.

By combining innovation, compliance, and ecosystem-focused strategies, we ensure our operations are water-efficient and environmentally responsible.



INSTALLATION OF SILT TRAP

Silt trap installation



Riverbank stabilization



Water quality monitoring



WASTE MANAGEMENT

Effective waste management is essential to maintaining environmental integrity and operational excellence. In 2024, FNI focused on reduction, safe disposal, and continuous improvement across its operations.

Waste minimization strategies were embedded in day-to-day practices, with operational and administrative teams adopting sustainable alternatives and promoting reuse. Initiatives ranged from phasing out single-use plastics to repurposing quality control byproducts and encouraging the use of eco-friendly materials across facilities. These efforts supported a circular approach to resource use while helping divert recyclable materials away from landfills through partnerships with accredited handlers.

Hazardous waste management remained a top priority. Both INC and PGMC implemented rigorous protocols for safe handling, storage, and disposal, in full compliance with national environmental regulations. These were supported by internal monitoring systems and regular training, as well as collaborations with DENR-accredited service providers to ensure accountability and transparency.

PGMC further developed its waste management infrastructure by upgrading recovery facilities and expanding composting efforts to promote resource recovery. Similarly, INC sustained disciplined collection and segregation systems, backed by proper documentation and oversight mechanisms.

AIR QUALITY MANAGEMENT

We have implemented proactive strategies to mitigate dust

emissions, ensuring regulatory compliance and prioritizing the health of our workforce, communities, and ecosystems.

PGMC maintained a rigorous water spraying program along haul routes, installing permanent sprinklers and refurbishing water stations to ensure effective dust suppression. TSP levels were monitored at sampling points and consistently met regulatory standards.

INC deployed water trucks across operational areas, regularly watering the haul road to suppress dust from vehicle movement. Mechanical street sweepers were also stationed on the adjacent national highway to control dust and debris. Quarterly ambient air sampling confirmed that air quality remained within acceptable limits.

These initiatives support our broader goal of minimizing environmental impact while ensuring safe and efficient mining operations, investing in infrastructure and monitoring to maintain healthy air quality.

NOISE ABATEMENT

At PGMC, monthly noise monitoring was conducted at all designated sampling stations. The results consistently indicated that noise levels remained within the acceptable regulatory thresholds, reflecting the effectiveness of our suppression strategies. These proactive measures are vital in mitigating potential health risks and reducing auditory disturbances in nearby communities.

At INC, quarterly assessments were carried out to evaluate both daytime and nighttime noise exposure levels at critical receptor points. The findings revealed that the equivalent continuous sound levels remained well

within the allowable limits set by the National Pollution Control Commission (NPCC). This outcome is a testament to the effectiveness of INC's noise control protocols, which include routine equipment maintenance, the strategic installation of sound barriers, and the use of low-noise generating machinery.

CONSERVATION VALUES

Biodiversity preservation and habitat restoration remain integral to FNI's environmental strategy. In 2024, both PGMC and INC elevated their conservation programs through science-based approaches, regulatory alignment, and meaningful community partnerships.

PGMC optimized its environmental initiatives by rehabilitating key ecosystems - coastal, riparian, and terrestrial - through targeted interventions. Collaborative research with academic institutions enhanced coral reef assessments, while expanded mangrove efforts and participation in government-led river restoration programs supported habitat resilience and waterway stability. These initiatives were supported by grassroots engagement, equipping local communities with the knowledge and tools to actively contribute to ecological preservation.

At INC, biodiversity management was guided by the establishment of a reference ecosystem, providing a scientific benchmark for ongoing environmental strategies. A comprehensive third-party assessment under the Biodiversity Assessment and Monitoring System (BAMS) offered critical insights on habitat health, enabling a data-driven and adaptive approach to conservation, in full compliance with national regulatory frameworks.

CORPORATE GOVERNANCE COMMITTEES, MEMBERS, AND RESPONSIBILITIES

2-9, S2.6(a-b), S1.27(a)(i-v), (b)(i)

Committee	Members	Role
Executive Committee	Joseph C. Sy – Chairman Dante R. Bravo Mary Belle D. Bituin Sergio R. Ortiz-Luis Jr. Edgardo G. Lacson	The Executive Committee shall exercise powers of the Board which can lawfully be delegated in all management and direction of the affairs of the Corporation including but not limited to negotiations and approval of contracts; issuance of relevant corporate resolutions; appointment of bank signatories; and day to day operations of the Corporation.
Nomination Committee	Edgardo G. Lacson – Chairman Mary Belle D. Bituin Dante R. Bravo	The Nomination Committee is primarily responsible for overseeing the board's composition and governance structure. It ensures that the board remains diverse, balanced, and equipped with the necessary skills to meet the organization's needs.
Compensation and Remuneration Committee	Sergio R. Ortiz-Luis, Jr. – Chairman Joseph C. Sy Dante R. Bravo	This committee is tasked with setting and reviewing the compensation policies for the company's directors and senior management. Its goal is to establish remuneration levels that attract, retain, and motivate executives while aligning with the long-term interests of stakeholders.
Audit Committee	Sergio R. Ortiz-Luis, Jr. – Chairman Edgardo G. Lacson Dante R. Bravo	The committee assists the Board of Directors in overseeing key areas that impact stakeholders, including the integrity of the company's financial statements, the effectiveness of risk management and internal controls over financial reporting, compliance with legal, regulatory, and corporate governance requirements, the qualifications and independence of the external auditor, and the performance of both internal and external auditors. To fulfill its role, the committee maintains open communication with the external auditor, internal auditors, and management, ensuring all parties understand their responsibilities.
Board Risk Oversight Committee	Sergio R. Ortiz-Luis Jr. – Chairman Edgardo G. Lacson Dante R. Bravo	A separate Board Risk Oversight Committee (BROC) should be responsible for the oversight of a company's Enterprise Risk Management system to ensure its functionality and effectiveness. BROC is composed of at least three members, the majority of whom should be independent directors, including the Chairman. The Chairman of the BROC is not the Chairman of the Board or of any other committee. At least one member of the BROC has relevant thorough knowledge and experience on risk and risk management
Related Party Transaction Committee	Sergio R. Ortiz-Luis Jr. – Chairman Edgardo G. Lacson Dante R. Bravo	Responsible for ensuring that any dealings between the company and its subsidiaries, affiliates, directors, officers, employees, or significant shareholders—and even their close associates—are fair, transparent, and in the best interest of the company. The committee provides guidance on what qualifies as a related party transaction, ensures such transactions are carried out at arm's length to avoid conflicts of interest, and oversees their proper review, approval, and disclosure in line with regulatory requirements, accounting standards, and good corporate governance practices.
Corporate Governance Committee	Edgardo G. Lacson – Chairman Sergio R. Ortiz-Luis Jr. Mary Belle D. Bituin	Corporate Governance Committee tasked to assist the Board in the performance of its corporate governance responsibilities, including the functions that were formerly assigned to a Nomination and Remuneration Committee. The Chairman of the Corporate Governance Committee is an independent director. The Committee is composed of at least three members, all of whom should be independent directors. The Corporate Governance Committee meets at least twice during the year.



PLATINUM
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鉑金塔
PLATINUM TOWER
August 05, 2017

OUR
LEADERSHIP

OUR LEADERSHIP



Joseph C. Sy
Executive Director
Chairman

Mr. Sy became Chairman of the Board of Directors on August 6, 2015. He became president of PGM and Company in July 2011 and on August 29, 2014, respectively. He is also a Director and Chairman of Ipilan Nickel Corporation, Chairman and President of Ferrochrome Resources Inc. and the Director of Mining for the Philippine Chamber of Commerce and Industry. Mr. Sy has more than fourteen (14) years of experience in managing and heading companies engaged in mining and mineral exploration and development. He was conferred as Doctorate Fellow of the Academy of Multi-Skills, United Kingdom. He is currently the Honorary Consul of the Republic of Lao People's Democratic Republic in Davao. Mr. Sy was recently awarded the Influential Leader in Business Category award at the Asia's Influential Leader Awards in recognition of his contribution to championing the growth of the Philippine mining industry. He is also the Mining Director of the Philippine Chamber of Commerce and Industry (PCCI).



Dante R. Bravo
Executive Director
President

Mr. Bravo became the President of the Company on August 6, 2015. He previously served as Executive Vice President of the Company. He has been a Director, Executive Vice President, and Corporate Secretary of PGM since 2011. He was Chief Finance Officer of PGM from 2011 to 2013. He is also an attorney-at-law and a Certified Public Accountant in the Philippines. Mr. Bravo served as a Director from 2004 to 2011 and a Senior Associate from 2002 to 2004 at SCV. He is a professor of law at San Beda College and a lecturer for the Mandatory Continuing Legal Education Program for lawyers. He was the Chief Political Affairs Officer of Congressman Mr. Narciso R. Bravo Jr. He holds a Bachelor of Laws degree from San Beda College and a Bachelor of Accountancy degree from the University of Santo Tomas. Mr. Bravo has more than ten (10) years of corporate management experience. He placed 10th in the 2001 Philippine Bar Examinations. He is among the founders of the Philippine Nickel Industry Association (PNIA) and has been serving as the president of the association since 2017.



Dennis Allan T. Ang
Director

Mr. Ang became a Director of the Company on August 10, 2015. He is the Corporate Secretary of Maxima Machineries, Inc. since February 2009. He is the System Architect and Lead Programmer of Engagement Workflow System Architecture Development since July 2015. He founded Full Metro Gear Corp. and Engagement, Inc in 2014 and 2007, respectively. He occupied several key positions in the Asian Institute of Management from 2001 to 2006. Mr. Ang holds a degree in Bachelor of Science in Management Information Systems from Ateneo de Manila University and a Master's Degree in Business Administration from the Asian Institute of Management.



Mary Belle D. Bituin
Executive Director
Chief Financial Officer and
Treasurer

Ms. Bituin became a Director of the Company on November 2, 2015. Ms. Bituin holds a Bachelor of Science degree in Business Administration, major in accounting from Philippine School of Business Administration Manila. She is a Certified Public Accountant. She was Vice President for Business Transformation of Globe Telecom, Inc., from 1998 to 2014. She was the international auditor for the International Auditor for Cooperative for Assistance and Relief Everywhere (CARE), a leading international humanitarian organization fighting global poverty based in Atlanta, Georgia, USA, from 1994 to 1998. She was also a senior auditor at SGV & Co., where she worked from 1988 to 1994.



Francis C. Chua
Director

Mr. Chua became a director of the Company on October 22, 2014. He is currently the Honorary Consulate General of the Republic of Peru and the honorary president of the Federation of Filipino Chinese Chamber of Commerce and Industry. He is also the president emeritus of the Chamber of Commerce of the Philippines Foundations. Mr. Chua also served as the special envoy on Trade and Investments on China. He holds a Bachelor of Science in Industrial Engineering from the University of the Philippines, College of Engineering and doctorate degrees in humanities honoris causa and business technology honoris causa from the Central Luzon State University and the Eulogio Amang Rodriguez Institute of Science and Technology, respectively.



Jennifer Y. Cong
Director

Ms. Cong became a Director of the Company on February 10, 2021. She joined Platinum Group Metals Corporation in 2011 and was assigned to the Billing & Collection Department. Fluent in Chinese language, she was transferred to the Marketing Department where she was assigned to handle buyer and ship-owner concerns from 2012 up to present. She obtained her degree in Chinese Language at the Huaqiao University in Xiamen, China. Prior to obtaining her degree, she also took up business related subjects in Chiang Kai Shek College and University of Santo Tomas here in the Philippines.

OUR LEADERSHIP



Gu Zhi Fang **Director**

Ms. Gu Zhi Fang became a director of the Company on October 22, 2014. She has been a director of Ferrochrome Resources, Inc. since 2011. She has also been a director and general manager of Jiangsu Lianhua Paper Ltd., Wujiang, Jiangsu Province, China. She holds a degree in International Trade from Suzhou University and a Masters degree in Business Administration from Cavite State University. She was conferred as Doctorate Fellow of the Academy of Multi-Skills, United Kingdom. She is a seasoned entrepreneur with over twenty (20) years of experience in business leadership.



Edgardo G. Lacson **Independent Director**

Mr. Lacson became a Director of the Company on June 29, 2016. Mr. Lacson is a Director of the Philippine Stock Exchange and Puregold Price Club, Inc. He is also a Trustee of De La Salle University, Home Development Mutual Fund, ADR Institute for Strategic and International Studies and Philippine Disaster Recovery Foundation. Mr. Lacson is a President of MIS Maritime Corporation, Safe Seas Shipping Agency, Marine Industrial Supply Corporation and EML Realty. He is also a Trustee, Past President and Honorary Chairman of the Philippine Chamber of Commerce and Industry. He holds a Bachelor of Science in Commerce Major in Accountancy from the De La Salle College



Noel B. Lazaro **Executive Director** **Senior Vice President for Legal and Regulatory Affairs and Corporate Information Officer**

Mr. Lazaro became the Corporate Secretary and Corporate Information Officer of the Company on October 22, 2014. He also acts as its Senior Vice President for Legal and Regulatory Affairs. He joined PGMCO on August 1, 2014. He is a Director and Corporate Secretary of SPNVI, PCSSC, and SIRC. Mr. Lazaro served as a Partner for Siguion Reyna Montecillo & Ongsiako, an Associate at SyCip Salazar Hernandez & Gatmaitan, a Professorial Lecturer for the Lyceum of the Philippines College of Law, the De La Salle University Graduate School of Business and Far Eastern University Institute of Law, Master of Business Administration-Juris Doctor Dual Degree Program. He completed his Bachelor of Laws degree from the University of the Philippines College of Law and placed 19th in the 1995 Philippine Bar Examinations.



Sergio R. Ortiz-Luis Jr.
Independent Director

Mr. Ortiz-Luis Jr. became a Director of the Company on August 5, 2020. Mr. Ortiz-Luis Jr is also an Independent Director of other publicly listed companies namely: Alliance Global Group, Inc., Forum Pacific, Inc., Jolliville Holdings and SPC Power Corporation. He is also the Chairman of Waterfront Philippines, Inc. and a director of Wellex Industries, Incorporated. He is Vice-Chairman of Export Development Council, member of Industry Development Council and a private sector representative in The Philippine Bamboo Council. Also, an Honorary Chairman and Treasurer of the Philippine Chamber of Commerce & Industry and President & CEO of Philippine Exporters Confederations, Inc. He has been appointed Honorary Consul General of the Consulate of Romania in the Philippines (2015 to present), Treasurer of Consular Corps of the Philippines and Honorary Adviser of International Association of Educators for

World Peace. He was also the recipient of the Sino Phil Asia International Peace Award and the Gawad Parangal ng Rizal in Entrepreneurship in 2019 and 2017, respectively. Mr. Ortiz-Luis Jr. obtained his Bachelor of Science in Liberal Arts and in Business Administration from De La Salle College. He is also a Master in Business Administration Candidate at De La Salle College. He has a PhD in Business Administration honoris causa from Angeles University foundation, PhD in Humanities honoris causa from Central Luzon Agricultural College, PhD in Business Technology honoris causa from Eugelio Rodriguez University, and PhD in Capital Management honoris causa from the Academy of Multiskills, United Kingdom.



Carlo A. Matilac
Senior Vice President Operations

Mr. Matilac became the Senior Vice President for Operations on August 1, 2014. In 1994, Mr. Matilac graduated with a Bachelor of Science degree in BS Mining Engineering from the Cebu Institute of Technology in 1994 and thereafter passed the 1994 Mining Engineer Licensure Exam garnering 1st Place. Mr. Matilac has more than nineteen (19) years of technical and engineering experience in managing companies engaged in mining and mineral exploration development. Prior to his current position, Mr. Matilac served as a technical specialist for BHP Billiton and QNI, and a mine engineering superintendent for Manila Mining Corp. He also holds a Masters in Business Administration from the Saint Paul University.

OUR LEADERSHIP



Evert Grace Pomarin-Claro
Corporate Secretary
and Alternate Corporate
Information Officer

Ms. Pomarin-Claro became Corporate Secretary and Alternate Corporate Information Officer of the Company on August 24, 2018. Ms. Pomarin-Claro was Assistant Corporate Secretary and Alternate Corporate Information Officer of the Company from September 10, 2014 to August 24, 2018 and served as Corporate Secretary of the Company from February 1, 2014 to August 29, 2014. She is the Executive Legal Officer of PGMC. She is Assistant Corporate Secretary of PGMC, SIRC and the Corporate Secretary of Ipilan Nickel Corporation, Nickel Laterite Resources, Inc. and Celestial Nickel Mining Exploration Corporation. She completed a Bachelor of Laws from the University of St. La Salle.



Mario A. Nevado
Compliance Officer

Mr. Nevado became Compliance Officer of the Company on August 24, 2018. He has been with PGMC since 2007 and became the Assistant Vice President for Finance in 2011. He is a Certified Public Accountant. He has a solid background in financial services by working in various reputable companies. He held various positions as Manager of the Money Market Division, Purchasing Division of the Philippine National Bank (PNB), and of PNB Capital and Investment Corporation, a subsidiary of PNB. He also worked as an Accountant of Philippine Bread House in New Jersey, USA.

ENTERPRISE RISK MANAGEMENT

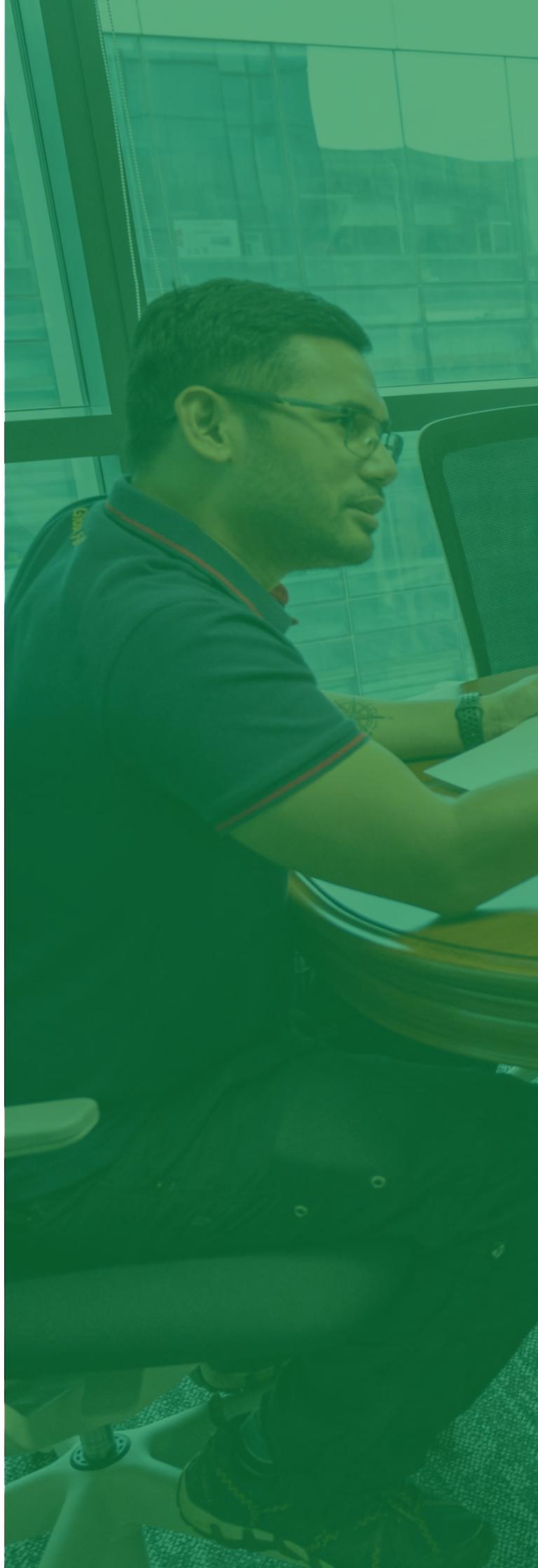
2-24, 2-25, 2-27

Understanding the delicate balance between risk and opportunity, FNI has established a robust Enterprise Risk Management (ERM) framework designed not only to safeguard assets but also to enhance long-term value for all stakeholders. This strategy ensures that risk management is seamlessly integrated into the Company's day-to-day operations and overarching business objectives. Accordingly, the ERM framework is embedded across all levels of the organization. It aligns strategy, processes, people, technology, and knowledge, enabling effective management of uncertainties and exposure in all areas of the business. Through such, FNI bridges the gap between strategic planning and operational execution, ensuring that risk management becomes an intrinsic part of both routine activities and long-term goals.

At the helm of this effort is the Board, with the Audit and Board Risk Oversight Committee playing a critical role in overseeing the Company's risk management initiatives. This active involvement ensures that managing risks goes beyond mere mitigation, emphasizing the importance of using challenges as opportunities to strengthen the

Company's competitive position. The management team, led by the Senior Vice Presidents for Legal and Compliance, Operations, and Finance, collaborates closely with the Corporate Internal Audit (CIA) team to assess and improve the effectiveness of risk management practices. A dedicated ERM core team on the other hand supports this structure, focused on identifying key business risks and their interrelated drivers. This team works proactively to develop responsive strategies and regularly updates the management and board on the evolving risk landscape, maintaining transparency and agility.

Among the most critical risks faced by FNI are energy shortages, natural disasters such as typhoons and flooding, and occupational hazards due to rising temperatures which will be further elaborated in the next section. These risks have the potential to disrupt operations, so they are prioritized and managed with great care. As such, the Company remains vigilant in monitoring and adapting its strategies to address both immediate and emerging risks, with a strong emphasis on climate-related challenges and their impact on operations.



KEY COMPONENTS OF THE ERM FRAMEWORK

RISK IDENTIFICATION AND ASSESSMENT

Focuses on recognizing and evaluating key business risks and their interconnected drivers. Involves systematic risk mapping and prioritization.

GOVERNANCE OVERSIGHT

The Board, Audit Committee, and Risk Oversight Committee oversee the ERM framework, ensuring high-level governance and strategic alignment.

RISK MITIGATION STRATEGIES

Development and implementation of risk management tactics to minimize exposure and prevent potential disruptions.

RISK RESPONSE & ADAPTATION

Ensures continuous adjustments are made to address emerging risks, with real-time updates and strategies tailored to evolving challenges.

MONITORING AND REPORTING

Continuous tracking and regular reporting to the board to ensure transparency and responsive actions in the face of risks.

INTERNAL COLLABORATION

A coordinated effort between the ERM core team, management, and internal audit to ensure effective risk management practices.

LONG-TERM STRATEGIC INTEGRATION

Risk management becomes an integral part of the Company's operations and strategic decisions, ensuring resilience and sustainable growth.

CLIMATE-RELATED RISKS AND OPPORTUNITIES

SI.32(a), SI.33(a), S2.9(a-c), SI.29(a-c,e), SI.30(a)

<p>Governance</p>	<p>The Board of Directors holds ultimate responsibility for overseeing climate-related risks and integrating them into FNI's broader risk management framework. Supported by the Risk Oversight Committee, the Board evaluates the potential impact of climate risks and opportunities on financial performance, regulatory compliance, and long-term business sustainability.</p> <p>FNI has embedded climate risk management within its Enterprise Risk Management (ERM) system, enabling the identification, assessment, and mitigation of these risks. Management plays a vital role in monitoring climate-related risks, incorporating them into strategic planning, and driving initiatives aligned with global sustainability frameworks such as the TCFD.</p> <p>The ERM Core Team conducts regular risk assessments and ensures continuous refinement of the Company's approach to managing climate risks.</p>
<p>Strategy</p>	<p>Climate change presents a variety of risks to FNI's operations, ranging from extreme weather events to energy supply disruptions. Key risks identified include energy shortages, natural disasters (such as typhoons and flooding), and occupational health and safety concerns due to rising temperatures.</p> <p>Energy shortages can lead to increased reliance on backup power solutions, which in turn raise operational costs and emissions. Extreme weather conditions, such as severe storms, may cause damage to infrastructure, delay shipments, and disrupt mining operations. Additionally, rising temperatures heighten the risk of heat-related illnesses among workers, requiring enhanced safety measures and contingency plans.</p> <p>To address these risks, FNI integrates climate considerations within its ERM system, ensuring proactive risk management. The Company continues to invest in resilient infrastructure, resource efficiency, and alternative energy solutions to minimize disruptions and ensure operational stability over the long term.</p>
<p>Risk Management</p>	<p>In alignment with the Company's commitment to sustainability, climate-related risks and opportunities are regularly reviewed and incorporated into decision-making processes to ensure long-term business resilience and economic sustainability. This process involves regularly assessing and enhancing the risk management framework to align with evolving climate risks.</p>
<p>Metrics and Targets</p>	<p>To track and manage climate-related risks effectively, FNI monitors key performance indicators that assess the impact of climate factors on operations, workforce well-being, and resource efficiency. While finalizing comprehensive climate-related metrics and targets, the Company is currently focused on the following areas:</p> <p>Operational Resilience</p> <ul style="list-style-type: none"> • Hours of generator use as an indicator of energy stability. • Frequency of mining interruptions due to extreme weather events. • Number of days operations were halted due to climate-related disruptions. <p>Workforce Safety and Health</p> <ul style="list-style-type: none"> • Monitoring of heat index to assess temperature-related risks. • Incidents of occupational injuries and illnesses caused by extreme heat. • Consistency of manpower availability and overall employee health. <p>Resource Efficiency</p> <ul style="list-style-type: none"> • Tracking of electricity and energy consumption for sustainable resource management. • Facility and equipment resilience to ensure continued operation during climate stress events.

SUSTAINABILITY APPROACH

SUSTAINABILITY FRAMEWORK

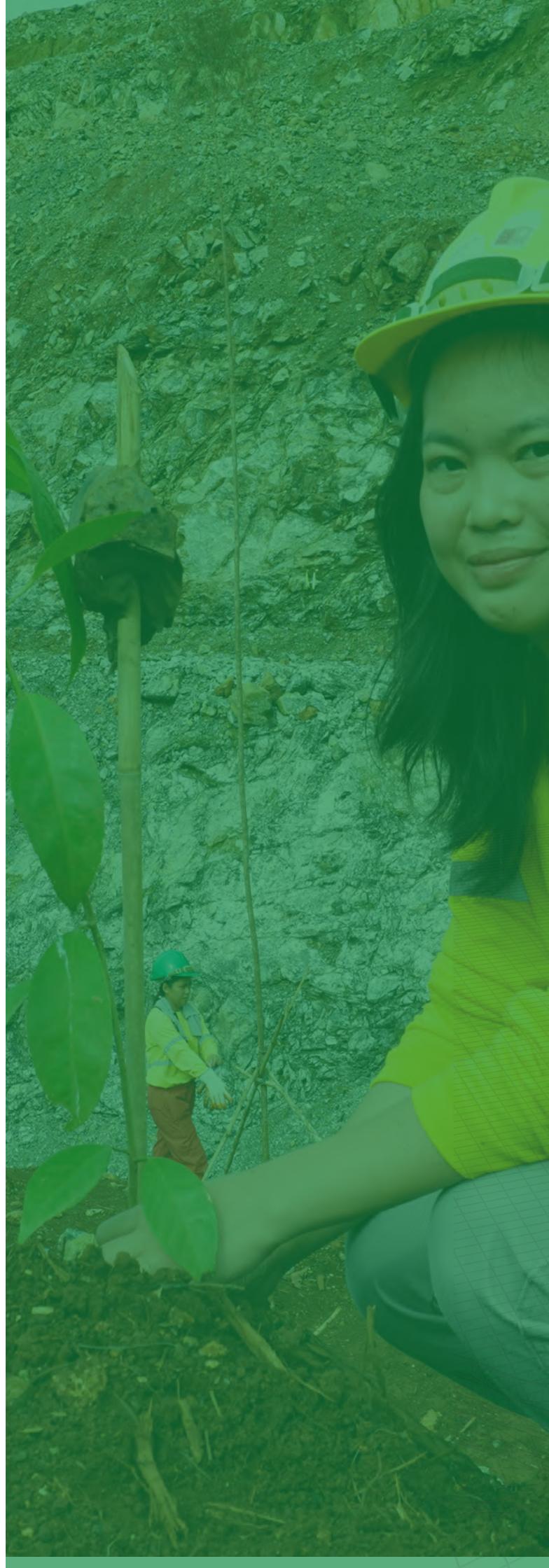
FNI's sustainability framework is anchored on three core pillars: Contribution to the Economy, Environmental Performance, and Social Performance. These pillars serve as the foundation of the company's efforts to create long-term value while maintaining ethical and responsible business practices.

The **Economic Contribution** pillar drives sustainable growth by fostering job creation, investing in local industries, and supporting national development. Through these efforts, FNI contributes to the broader economic landscape, ensuring that its operations have a positive and lasting impact on the communities where it operates.

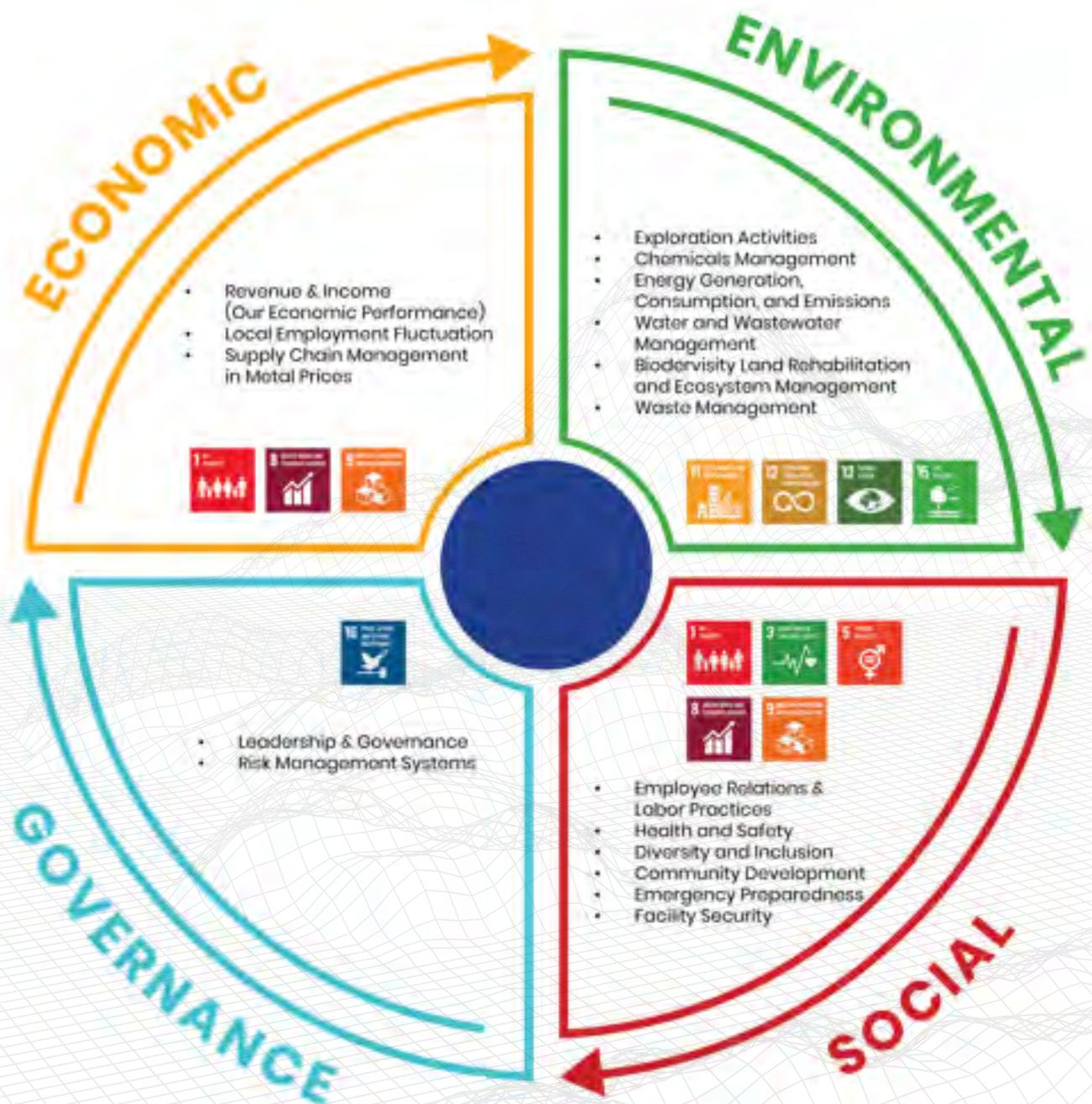
Our **Environmental Performance** pillar highlights our

commitment to responsible resource management and environmental stewardship. This includes reducing emissions, minimizing environmental impacts, and implementing conservation practices that help preserve natural resources for future generations. FNI continues to strive for improvements in resource efficiency and sustainability across all its operations.

Finally, the **Social Performance** pillar emphasizes the importance of people in FNI's operations. The company is committed to prioritizing employee well-being, promoting community development, and creating inclusive opportunities that empower individuals and improve the quality of life for communities. By focusing on these areas, FNI seeks to contribute to a more equitable and sustainable society, ensuring that the benefits of its growth are shared broadly.



SUSTAINABILITY APPROACH





ENGAGING WITH OUR STAKEHOLDERS

2-29

Meaningful stakeholder engagement is a cornerstone of responsible mining and sustainable development. To strengthen this commitment, the Company plans to conduct a Stakeholder Engagement Session at the Surigao and Iplan mine sites in the near future. The session will follow the AccountAbility AA1000 Stakeholder Engagement Standards (AA1000SES), ensuring a transparent, structured, and inclusive approach. The engagement will prioritize materiality and responsiveness, providing a platform for constructive dialogue with key stakeholder groups, including:

- **Local communities, including residents and Indigenous groups affected by mining operations**
- **Government agencies, regulators, local government units (LGUs), and environmental authorities**
- **Employees and contractors, focusing on labor conditions and safety**

- **Civil society organizations (CSOs) and non-governmental organizations (NGOs), advocating for social and environmental issues**
- **Industry partners and suppliers, dedicated to promoting sustainable supply chains**

Through this engagement, the Company aims to achieve several objectives:

- **Identify and prioritize stakeholder concerns related to environmental, social, and governance (ESG) performance**
- **Facilitate open discussions to understand expectations and gather feedback on the Company's sustainability initiatives**
- **Communicate the Company's sustainability strategy, emphasizing responsible mining, environmental protection, community development, and worker safety**

- **Address material sustainability issues and explore collaborative opportunities to improve social and environmental outcomes**

The insights gathered will be integrated into the Company's sustainability strategy and reporting, ensuring that stakeholder perspectives shape decision-making. Expected outcomes from this engagement include stronger alignment between company initiatives and stakeholder expectations, enhanced community relations, identification of key risks and opportunities to refine sustainability efforts, and actionable recommendations for future ESG initiatives.

OUR SDGs

PERFORMANCE

SDG	Key Highlights and Achievements
SDG 1 – No Poverty	<ul style="list-style-type: none"> Php 113 million total community investment
SDG 2 – Zero Hunger	<ul style="list-style-type: none"> Feeding programs for our host and neighboring barangays
SDG 3 – Good Health and Well-being	<ul style="list-style-type: none"> Weekly consultation and medical missions for residents in Barangays Cagdianao and Hayanggabon in Surigao del Norte Subsidies for 91 CVHW, Community Doctors, PTV Drivers, and responders 20,161,650 Total Safe-man hours
SDG 4 – Quality Education	<ul style="list-style-type: none"> Scholarship grants for 335 college and high school scholars Consistent financial support to 46 PARA Teachers, Child Development Workers, and Religious Teachers Community-based Trainings for host and neighboring barangays on motorcycle driving, prevention, and maintenance for obtaining a non-professional license Electrical Installation and Maintenance Training with NCII certification for Senior High School Students
SDG 5 – Gender Equality	<ul style="list-style-type: none"> 2:1 Male to Female Employee ratio Average of 29 training hours for both male and female employees
SDG 6 – Clean Water and Sanitation	<ul style="list-style-type: none"> 6kw solar-powered water sprinkler was installed at Mine Haul Road 1 61,109.68 cu.m. Total Water Consumed 175,585 cu.m. Total Silt Collected
SDG 7 – Affordable and Clean Energy	<ul style="list-style-type: none"> 57 units of solar-powered streetlights were installed along the national highway, 26 inside the campsite, 25 units at the mine pit and stockyard A micro-hydro plant was installed for the residents of Sitio Mararag, Barangay Maasin, Brooke's Point, Palawan
SDG 8 – Decent Work and Economic Growth	<ul style="list-style-type: none"> 8,331 hours of total training hours Revenues ended at Php 7,611 million
SDG 9 – Industry, Innovation, and Infrastructure	<ul style="list-style-type: none"> Provision of farming resources to the Ipilan Swine and Vegetable Farming Association Construction of Coastal Retention Wall for flood control
SDG 10 – Reduced Inequalities	<ul style="list-style-type: none"> 280 people hired from vulnerable groups
SDG 11 – Sustainable Cities and Communities	<ul style="list-style-type: none"> Almost Php 5 million community investments for host and neighboring communities in Surigao Construction of Coastal Retention Wall (Phase I)- Construction of 200-meter wall for flood control SMC Biodiversity Livelihood Project- Seedling production and Kalamansi concentrate processing PNVISLA Seedling Production- Seedling production livelihood program
SDG 12 – Responsible Consumption and Production	<ul style="list-style-type: none"> 19,853 kg of Residual Waste 15,664.50 kg of Recycled Waste 14,328 kg of Composted Waste
SDG 13 – Climate Action	<ul style="list-style-type: none"> Php 251,823,687 Total investment on EPEP 1,929 hectares of land protected and restored under MPSA
SDG 14 – Life Below Water	<ul style="list-style-type: none"> Protection and rehabilitation of Lambason Marine Sanctuary and Baoy River
SDG 15 – Life on Land	<ul style="list-style-type: none"> 2,658.30 has. of rehabilitated and reforested areas
SDG 16 – Peace, Justice, and Strong Institutions	<ul style="list-style-type: none"> Zero incidents of corruption Zero significant negative impacts in the supply chain
SDG 17 – Partnership for the Goals	<ul style="list-style-type: none"> Php 1,860 billion government taxes paid to support national and local development plans



SOCIAL PERFORMANCE

EMPLOYEE WELFARE AND BENEFITS

3-3, EM-MM-310a.1, SDG 3: Good Health and Well-being, SDG 8: Decent Work and Economic Growth

Deeply committed to ensuring the welfare of its employees, PGMC recognizes that a well-supported workforce is essential to the mining operation's success. In addition to government-mandated benefits, PGMC offers a range of enhanced benefits, including health and wellness programs, which provide medical coverage, regular health check-ups, and access to counseling services. Employees also receive housing allowances, transportation assistance, and performance-based bonuses, all designed to promote financial security and ensure a stable, supportive environment for personal and professional growth.

401-2

Benefits	Male	Female
SSS	100%	100%
PhilHealth	100%	100%
Pag-IBIG	100%	100%
Vacation Leaves	3%	5%
Sick Leaves	3%	5%
Retirement Fund	2%	1%
Annual Physical Exam	100%	100%
Rice Subsidy	12%	0%

401-3

Parental Leave	
Total No. of employees that were entitled to parental leave	100%
Total No. of employees that took parental leave in 2024	100%
Total No. of employees that returned to work in 2024 after parental leave ended	100%
Return to Work Rate	5%
Total No. of employees that availed parental leave in 2023 and returned to work in 2024	5%
Retention Rate	1%

On the other hand, the mine site actively promotes labor-management relations through open communication and regular feedback channels. While PGMC does not currently have an established union, it maintains a transparent and collaborative approach to addressing employee concerns. Management is committed to fostering a work environment where employees feel heard and valued. This is achieved through regular meetings between workers and management, allowing for the discussion of concerns, the resolution of workplace issues, and the identification of areas for improvement. In addition, PGMC encourages a culture of respect, inclusion, and fairness, which is supported by ongoing training programs for both employees and management.

Employee Statistics

3-3, 2-7. EM-MM-000.B, SDG 5: Gender Equality, SDG 8: Decent Work and Economic Growth

Committed to fostering a diverse and inclusive workforce, PGMC actively promotes diversity through inclusive hiring practices, ensuring that recruitment processes are fair, transparent, and free of bias. To expand the mine site's talent pool, PGMC collaborates with various professional networks and organizations that represent diverse communities while also engaging in job fairs and outreach programs aimed at attracting talent from all backgrounds.

In addition to recruitment efforts, PGMC has initiatives in place to promote diversity within the workplace. These initiatives go beyond addressing legal compliance; they include creating a supportive work environment where employees of all genders, ethnicities, and backgrounds feel valued. While PGMC does not have specific gender ratio targets, the mine site remains committed to providing equal opportunities for all employees. Ongoing monitoring of workforce demographics helps identify areas for improvement. As a mine site, efforts are focused on closing any gaps in gender and diversity representation.

Total Employee Headcount - Regular & Probationary	2024	2023	2022
Male	91	96	35
Female	52	54	31
Total Employees	143	150	66

Employee Breakdown by Contract	
Regular/Probationary	143
Seasonal	1,101
Project-based	0
Total	1,244

Employee Breakdown by Position and Gender - Regular Only	Managers	Supervisors	Non-supervisory/ Technical	Rank and File
Male	12	44	32	3
Female	0	31	19	2
Total	12	75	51	5

Employee Breakdown by Position and Age Group	Managers	Supervisors	Non-supervisory/ Technical	Rank and File
< 30 years old	0	21	8	1
30-50 years old	4	43	33	2
> 50 years old	8	11	10	2
Total	12	75	51	5

EMPLOYEES FROM THE LOCAL COMMUNITY

Employee Breakdown by Position and Gender - Regular Only	Regular/Probationary	Seasonal	Rank and File
Male	19	565	0
Female	7	88	0
Total	26	653	0
Total Employees	679		

Employee Breakdown from Local Community by Position	Managers	Supervisors	Non-supervisory/ Technical	Rank and File
Male	1	5	12	1
Female	0	5	2	0
Total	1	10	14	1
Total Employees	26			

New Hires and Turnover

3-3, 401-1

In 2024, PGMC faced challenges in hiring new talent due to the competitive labor market and the specialized skills required for mining operations. To attract top candidates, PGMC has developed robust recruitment strategies, including collaboration with educational institutions, participation in job fairs, and outreach to diverse professional networks. The mine site adheres to a strict non-discrimination policy in its recruitment process, ensuring fairness and equal opportunity for all applicants regardless of gender, age, ethnicity, or background.

Retaining employees has been a challenge, particularly in high-turnover sectors like mining, where the demanding nature of the work can lead to burnout. PGMC addresses this by offering competitive compensation packages, career development opportunities, and a strong focus on employee well-being.

Hiring Statistics	2024
New Hires	1
Attritions/Turnover	3
Attrition Rate	-1.30%

ENSURING GOOD LABOR PRACTICES

SDG 3: Good Health and Well-being, SDG 4: Quality Education, SDG 8: Decent Work and Economic Growth

Health and Safety

3-3, 403-1,403-2, 403-3, 403-6, 403-7, EM-MM-320a.1

The mine site has a comprehensive Safety and Health Policy, which ensures compliance with all relevant occupational safety and health laws. The policy applies to all individuals working within PGMC's premises, including its mining sites, offices, and project areas. It covers the provision of personal protective

equipment (PPE), safety enforcement responsibilities for supervisors, and employees' obligations to follow safety protocols and report hazards. PGMC continually adheres to safety standards and prioritizes risk mitigation and continuous training in collaboration with the Central Safety and Health Committee.

403-5, 403-9, 403-10, S1.46(b)

Health & Safety	2024
No. of employees in Health & Safety Committee	45%
Total Safe-man Hours	7,136,883
Lost Time Accidents	0
No. of occupational injuries and illnesses	1
Incidence Rate	0
Severity Rate	0
Lost Days	0
Fatalities	0
No. of Safety Drills Conducted	4



Provision of personal protective equipment to employees

Health and Safety Policy Implementation

The implementation of PGMC's health and safety policy is not only a legal requirement but also a core element of the company's operational practices. The policy ensures that all hazards are identified, risks are assessed, and controls are put in place. In addition, PGMC has introduced specific protocols and measures in response to COVID-19, including mandatory vaccination for employees. Health and safety policies are communicated through various

channels such as memorandums, toolbox meetings, bulletin boards, and tarpaulins in highly visible areas. Training is conducted annually during paid working hours, covering topics like occupational safety, mental health, and disaster preparedness. Regular employees, probationary workers, and contractors are all included in the training, which is evaluated for effectiveness through feedback and assessments.

Joint Health and Safety Committee

PGMC has established a formal joint management-worker health and safety committee, the Central Safety and Health Committee. The committee is responsible for planning, developing, and implementing safety programs, as well as ensuring compliance with health and safety standards.

The committee also conducts monthly meetings, during which safety concerns and incidents are discussed, and corrective actions are proposed. Additionally, the committee develops and conducts quarterly drills to ensure emergency preparedness.

Employee Health and Wellness

Beyond OHS and policy-mandated initiatives, PGMC also provides comprehensive occupational health services, including primary care, emergency response, consultations, and vaccinations, available to all employees 24/7. In addition to occupational health, the company promotes wellness through voluntary

programs addressing major non-occupational health risks, such as tuberculosis and HIV. Access to these services is available through the company's clinic, staffed by licensed medical professionals and open to all employees and contractors.

Training

3-3, 404-2

Training initiatives are designed to enhance technical skills, promote workplace safety, and strengthen employee engagement and productivity. These programs directly support the company's goals by improving work quality, encouraging innovation, and ensuring employees are well-equipped to adapt to industry changes.

Targets for training and development focus on upskilling, leadership development, compliance with occupational standards, and technology adaptation. Performance is evaluated through regular KPI reviews and quarterly Personal Performance Evaluations (PPE).

Challenges such as limited time, budget constraints, and resistance to new methods have been addressed through flexible and cost-effective training options, including modular learning, interactive sessions, and on-site mentoring. Training needs are regularly assessed, and progress is monitored through performance evaluations and feedback mechanisms to ensure relevance and effectiveness.

To foster a culture of excellence, PGMC implements performance recognition programs such as promotions, awards, and access to advanced training. Exceptional performance is further rewarded through bonuses, salary adjustments, and public acknowledgment. These efforts not only build employee morale but also contribute to long-term organizational growth.

404-1

Employee Training Hours	2024
Male	4,750
Female	909
Total Training Hours	5,699
No. of training conducted	16
Total No. of employees attending the trainings	143
Average Training Hours	40



Drug Awareness Symposium

Php 12,540,699.80
Amount spent on health and safety programs (for employees + contractors) in 2024

Emergency Preparedness and Response

PGMC employs Hazard Identification, Risk Assessment, and Determining Controls (HIRADC) and Job Hazard Analysis (JHA) to identify and mitigate risks. Any identified risks are prioritized based on severity and likelihood, and controls are implemented according to the Hierarchy of Controls. Regular inspections and audits, including internal and external safety audits, further ensure that safety standards are maintained.

Moreover, the mine site maintains a robust Emergency Preparedness and Response Program to ensure swift and effective action during emergencies. The program includes clearly defined protocols for various scenarios such as natural disasters, fire incidents, and medical emergencies. Quarterly emergency drills are conducted to assess the readiness of response teams and all personnel.



COMMUNITY WELFARE AND DEVELOPMENT

3-3, EM-MM-210b.1, SDG 10: Reduced Inequalities, SDG 11: Sustainable Cities and Communities, SDG 17: Partnerships for the Goals

Strong, mutually beneficial partnerships with host and neighboring communities are cultivated through sustained engagement and responsible development initiatives. Social Development and Management Program (SDMP) efforts focus on education, health, infrastructure, livelihood support, and environmental stewardship—ensuring that community investments address both immediate and long-term needs.

Programs are designed based on inclusive stakeholder consultations, allowing communities to shape development priorities. Local hiring is prioritized, and skills training is provided to improve employability and promote economic self-sufficiency. Challenges such as differing community expectations and logistical hurdles are addressed through transparent coordination, regular monitoring, and feedback mechanisms. These strategies ensure projects are both effective and aligned with stakeholder expectations.

Php 32,369,328.76
Total SDMP Expenditures in 2024

SDMP Breakdown

203-1, 203-2, 413-1, 413-2

Focus Area	Project/Program Name	Description of Program	Expenditure	Number of Beneficiaries	Impact/Expected Impact
Education	Scholarship Assistance	Financial assistance for indigent college students	4,697,132.27	229	Increase in literacy levels; employment opportunities and improved economic status of students' families after graduation and employment
Health	Weekly Consultation/ Medical Mission	Free consultation and free medicines	1,855,622.98	Brgy. Cagdianao and Hayanggabon Residents	Reduced mortality and morbidity; improved health conditions; boosted morale of health workers
Infrastructure	Construction of Coastal Retention Wall (Phase I)	Construction of 200-meter wall for flood control	1,339,924.75	150 households	Protection from floodwater and seawater
Livelihood	SMC Biodiversity Livelihood Project	Seedling production and Kalamansi concentrate processing	1,509,124.04	13	Income generation for farmers; supports national greening program and biodiversity conservation
Climate Resiliency	SMC Biodiversity Livelihood Project	Seedling production and Kalamansi concentrate processing	1,509,124.04	30	Income generation for farmers; provides seedlings for national greening program and biodiversity conservation
Others	PNVISLA Seedling Production	Seedling production livelihood program	50,000.00	24	Income generation and contribution to reforestation



Supply Chain Management and Human Rights

3-3, 308-2

PGMC is committed to upholding human rights throughout its operations, with a firm stance against any violations. In 2024, PGMC is proud to report zero cases of human rights violations in its workforce and operations. This commitment extends to all aspects of its supply chain, where stringent measures are in place to ensure ethical practices and respect for labor rights.

In terms of supply chain management, PGMC has maintained zero cases of significant negative impact. The mine site actively engages with suppliers to ensure compliance with international standards on labor practices, fair wages, and safe working conditions. Regular audits and assessments are conducted to monitor supply chain integrity and mitigate any risks related to human rights violations, ensuring that all partners align with PGMC's core values of respect, fairness, and transparency.

 **PLATINUM AGRO-FORESTRY
NURSERY**

ENVIRONMENTAL PERFORMANCE

SDG 6: Clean Water and Sanitation, SDG 8: Affordable and Clean Energy, SDG 11: Sustainable Cities and Communities, SDG 12: Responsible Consumption and Production, SDG 14: Life Below Water, SDG 15: Life on Land





Environmental Management System

EM-MM-160a.1

PGMC maintains a robust Environmental Management System (EMS) aligned with ISO 14001:2015, forming part of its Integrated Management System alongside Quality and Occupational Health and Safety standards. Environmental objectives and targets are reviewed and set annually, supported by detailed action plans and tracked through Environmental OTPs (Objectives, Targets, and Programs). These are regularly evaluated through quarterly reviews to ensure alignment with compliance obligations and continual performance improvement.

The company systematically identifies the significant environmental impacts of its operations, products, and services using established procedures. This risk-based approach enables informed planning and the integration of mitigation strategies into business processes. Compliance with environmental laws and regulations is strictly monitored, with records of environmental performance maintained for accountability and transparency.

Responsibility for EMS implementation is embedded across the organization. Oversight is led by the Integrated Management Representative, with support from a dedicated EMS Officer who monitors performance, facilitates corrective actions, and coordinates awareness and training programs across departments. Department Management System Representatives and IMS Specialists ensure localized execution, conduct internal audits, and drive department-level improvements.

PGMC's EMS is strengthened by key programs that address waste management, resource conservation, greenhouse gas (GHG) inventory, and compliance monitoring. Employees and stakeholders are engaged through training, information campaigns, and regular field inspections, reinforcing a culture of environmental stewardship. Performance data, non-conformities, and improvement opportunities are actively monitored to uphold the integrity of the system and support PGMC's commitment to sustainable and responsible operations.

EPEP Spending

In 2024, PGMC strengthened its environmental protection and enhancement programs through sustained investments across key ecological impact areas with an allocated budget of almost Php 126 million. Guided by the principles of responsible resource management, the site prioritized land rehabilitation and biodiversity preservation,

recognizing their critical role in sustaining ecological balance within and beyond the mining tenement.

Significant resources were also allocated to safeguard water quality and manage air emissions, integrating science-based methodologies and preventive controls to minimize environmental footprint.



2024 National Women's Month tree-planting

EPEP Spending	2024	2023	2022
Land/Biodiversity	76,080,193	60,333,903	54,489,061
Air	14,696,030	12,751,919	50,971,424
Water	29,202,682	42,109,137	24,913,582
Environmental monitoring	808,424	1,182,851	780,840
Other Initiatives	4,933,769	13,588,141	13,586,473

Php 125,721,098
Total EPEP Expenditures in 2024



Energy Consumption

3-3, EM-MM-130a.1, SDG 8: Affordable and Clean Energy

Energy demand is primarily driven by core operational activities, including ore production, transport, and shipment processes—each of which involves the use of heavy-duty machinery, conveyors, crushers, and material handling equipment. These energy-intensive operations are essential to meeting production targets but are also carefully managed to optimize efficiency and reduce environmental impact. Continuous improvements in operational planning, equipment maintenance, and fuel management systems are in place to support energy conservation goals. This year, 1,709,857 kWh of electricity and 3,111,760 L of Diesel were consumed as part of PGMC's operations.

302-1, 302-2, 302-3

Energy Consumption (within the Organization)	2024	2023	2022
Diesel (L)	3,111,760	9,427,488	93,951*
Electricity Purchased (kWh)	1,248,808	1,393,875	1,085,931
Energy Consumption outside the Organization			
Electricity (kWh)	451,143	-	-
Diesel	8,044,681	-	-
Total Electricity Consumption	1,709,857	-	-
Energy Intensity**	21.68	27.92	32.04

*Energy consumption for Diesel intended for 5 Gensets.

**Energy Intensity values from 2022-2023 are restated.

GHG Emissions and Air Quality

3-3, 305-1, 305-2, 305-3, EM-MM-110a.1, EM-MM-110a.2, EM-MM-120a.1, SDG 12: Responsible Consumption and Production

PGMC currently monitors its direct (Scope 1) and indirect (Scope 2) greenhouse gas (GHG) emissions in line with internationally recognized methodologies such as the GHG Protocol. Scope 1 emissions include fuel combustion from mobile and stationary sources used in ore extraction, material handling, and on-site operations, while Scope 2 emissions account for purchased electricity consumed within PGMC's in-house and contractor facilities.

With the growing importance of holistic emissions management, PGMC is actively enhancing its monitoring framework to include Scope 3 emissions—those that occur across the broader value chain, such as emissions from business travel, third-party logistics, purchased goods and services, and employee commuting. In addition, PGMC is working to strengthen its capacity to inventory ozone-depleting substances (ODS), particularly those associated with refrigerants and cooling systems in its operational assets. In 2024, PGMC's total carbon footprint amounted to 9,928.12 tonnes of carbon dioxide equivalent (tCO₂e), reflecting emissions from both its Scope 1 and Scope 2 sources.

Water Resources

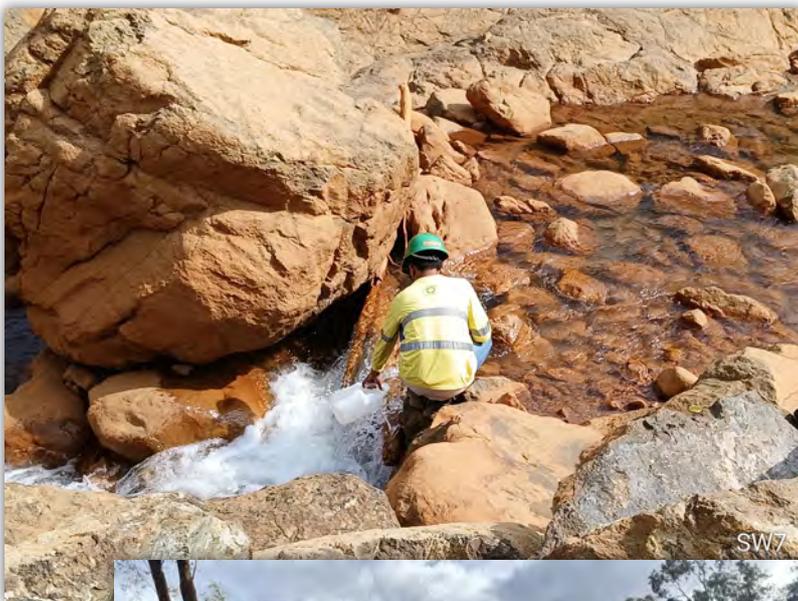
3-3, 303-1, 303-2, EM-MM-140a.1, EM-MM-140a.2, SDG 6: Clean Water and Sanitation

Water is integral to PGMC’s mining operations, with the highest volume consumption dedicated to road watering for dust suppression. This practice ensures road visibility and safe transport across the mine site. Despite the ample water supply, PGMC implements conservation measures—posting reminders in domestic areas and using a water-soluble dust suppressant to reduce the frequency of road watering by retaining surface moisture. Adhering to DAO 2018-06 and internal Environmental Quality Performance Levels (EQPL) to monitor effluent discharge, PGMC also implements measures to reduce runoff impacts and improve wastewater quality. These include expanding the capacity of settling ponds, regularly desilting pond systems during dry months, stabilizing overflow drainage structures, and maintaining the integrity of drainage networks to ensure proper sediment capture. Moreover, PGMC promotes water recycling by utilizing treated runoff from settling ponds in automated road sprinklers, thus reducing reliance on freshwater sources.

Aiming for continuous improvement, PGMC has established a 1% annual reduction target for domestic water use, with quarterly departmental monitoring and accountability mechanisms in place. Water use reduction forms part of each department’s Integrated Management System (IMS) targets, and deviations are subjected to performance reviews by the Deputy IMR and the Vice President for Operations.

303-3, 303-4, 303-5

Water in cubic meters	2024	2023	2022
Water Extraction/Withdrawal	172,712	228,482	164,302
Water Discharge	-	228,482	164,302
Water Consumption	25,001	-	-
Silt Collected	157,658	130,228	184,392



Effluent, marine, and surface water quality monitoring



Solid waste segregation and collection

Solid and Hazardous Waste Management

3-3, 306-1, 306-2, EM-MM-150a.4, EM-MM-150a.7, EM-MM-150a.9, EM-MM-150a.10, SDG 11: Sustainable Cities and Communities, SDG 12: Responsible Consumption and Production

PGMC's operations, particularly the collection of ore samples, generate a significant amount of plastic waste. To mitigate this, the mine site has implemented reuse practices, such as cleaning and reusing ore sample bags, and established strict policies banning single-use plastics within the mine site. Waste segregation is a standard procedure, and recyclable plastics are cleaned and donated to a local government-run recycling facility that repurposes them into chairs, tables, and construction materials—supporting a circular economy and minimizing landfill contributions.

Solid waste is managed in-house by PGMC's Environment Department, which monitors the collection and segregation of recyclable, degradable, and residual waste. A comprehensive EMS also outlines the company's waste policies, communicated through awareness campaigns, orientations, and regular meetings with contractors, workers, and the community. Compliance is tracked through checklists and departmental reporting, ensuring alignment with regulations and the company's sustainability goals, while also contributing to uninterrupted, legally compliant operations.

306-3

Waste	2024
Non-hazardous - kg	
Residual	2,442
Biodegradable	3,302
Recyclable	7,099
Hazardous	
Used Oil - L	44,523
Oil Contaminated	7,187
Toxic Containers - MT	101
Batteries - MT	5.55
Used Cooking Oil - L	354
Pathological/Infectious Wastes	8
Expired Pharmaceutical Drugs	18
Used Cartridges	118
Bulbs	54

306-4, 306-5

Waste	2024
Diverted from Disposal	
Recycled	7,099
Composted	3,302
Downcycled	0
Directed to Disposal	
Landfilling	2,442
Incinerated	0.00



Hazardous waste storage facility

Biodiversity Management

3-3, 304-2, EM-MM-160a.1, EM-MM-160a.3, SDG 15: Life on Land

PGMC's mining operations, especially vegetation clearing and land stripping, directly and indirectly impact biodiversity through habitat loss and wildlife displacement. To address this, the company implements a range of proactive measures: commissioning third-party biodiversity assessments, rearing native flora for future transplantation, enforcing a no-hunting policy, and restricting clearing activities to inventoried areas. Site selection and development integrate environmental laws, local ordinances, and indigenous cultural considerations. Environmental plans such as the Environmental Compliance Certificate (ECC), Environmental Protection and Enhancement Program (EPEP), and Final Mine Rehabilitation and Decommissioning Plan (FMRDP) guide biodiversity conservation throughout the project life cycle, with management accountability extending to mine closure and rehabilitation planning, which is publicly reported and consulted with local stakeholders.

PGMC also undertakes active biodiversity conservation initiatives, including adopting and rehabilitating National Greening Program (NGP) sites, supporting a marine sanctuary and coral restoration efforts, and maintaining a botanical park. Additional contributions include funding the Caraga Region Wildlife Rescue Center and continuous information campaigns to raise awareness on biodiversity. A total of 1,929 hectares of land have been protected or restored within and beyond the company's Mineral Production Sharing Agreement (MPSA), including the Lambason Marine Sanctuary and Baoy River. These areas are externally verified and maintained using recognized standards, to ensure PGMC's long-term commitment to ecological protection and sustainable mine operations beyond compliance.

304-1

Biodiversity	2024
Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	-
Habitats protected or restored (ha.)	1,929



Botanical Garden

Habitats Protected or Restored

304-3

Areas protected / restored (within or outside MPSA)	
Location	Size (ha.)
PGMC	279.4
PGMC	1,469.54
Outside PGMC MPSA	130
Lambason Marine Sanctuary, Brgy. Cagdianao, Claver, Surigao del Norte	50
Baoy River, Claver-Gigaquit, Surigao del Norte	-



Agroforestry Nursery

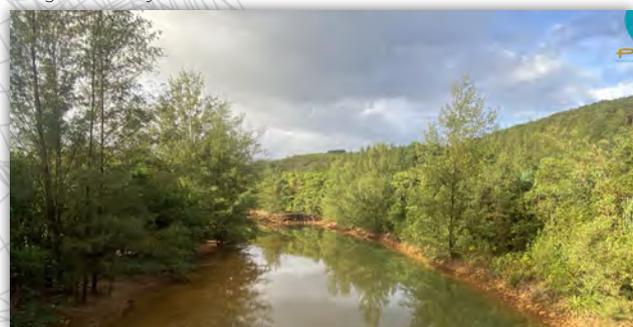
Biodiversity Programs

EM-MM-160a.3

Program name	Description	Coverage area (has)
Progressive Rehabilitation	within MPSA area	70
Adopt-an-NGP Area	Outside MPSA area	300
Establishment of a reference ecosystem / biodiversity conservation area.	within MPSA area	279.4
Adopt-a-Lambason Marine Sanctuary, Brgy. Cagdianao, Claver, Surigao del Norte	Outside MPSA area	50
Adopt-a-River through recognizing individuals/institutions towards vibrant and enhanced rivers (R.I.V.E.Rs) for life	Outside MPSA area	-
Total		699.40



Mangrove Nursery

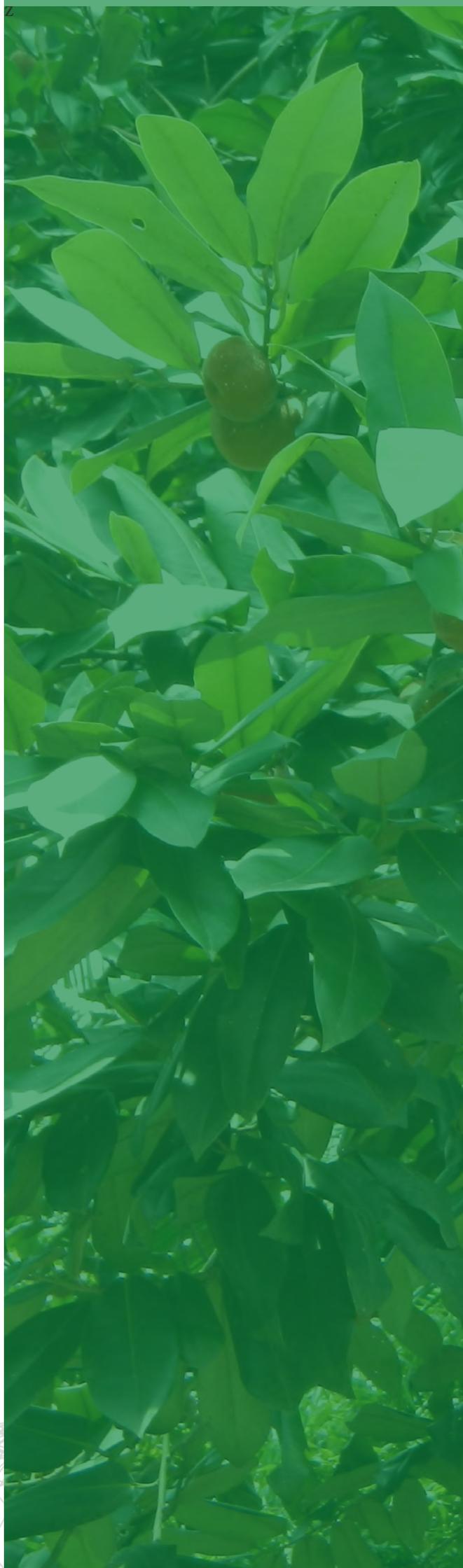
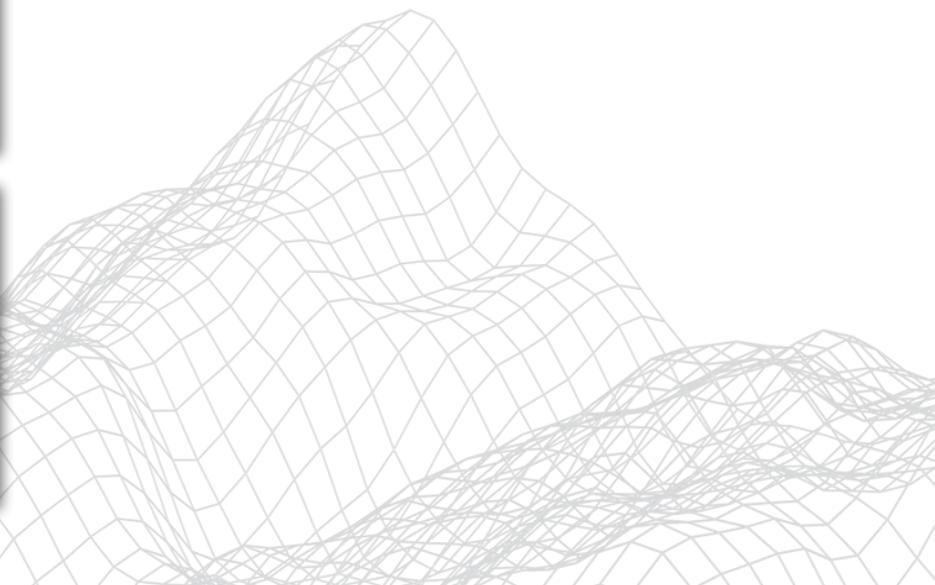


Kinalablan River: PGMC's protected river under the Adopt-an-Estero/Waterbody Program

IUCN Red List species affected by operations

304-3

Species	Type of Extinction Level Risk
<i>Pterocarpus indicus</i>	Endangered
<i>Aquilaria cumingiana</i>	Vulnerable
<i>Artocarpus blancoi</i>	Vulnerable
<i>Calamus aidea</i>	Near threatened
<i>Calophyllum pentaphyllum</i>	Near threatened
<i>Cinammomum mercadoi</i>	Least concern
<i>Shorea contorta</i>	Vulnerable
<i>Pinanga maculata</i>	Least concern
<i>Diospyros philippinensis</i>	Vulnerable
<i>Nepenthes surigaoensis</i>	Endangered
<i>Nepenthes belliee</i>	Endangered
<i>Falcatifolium gruezoii</i>	Near threatened
<i>Hopea plagata</i>	Vulnerable
<i>Pandanus ramosii</i>	Endangered
<i>Shorea polysperma</i>	Vulnerable





Ipilan Nickel Corporation

SOCIAL PERFORMANCE



EMPLOYEE WELFARE

3-3, EM-MM-310a.1

At INC, employee welfare is a priority, with the company dedicated to ensuring a safe, supportive, and respectful work environment. Although there is no established union or collective bargaining agreement in place, INC continues to prioritize open communication, transparency, and fair treatment of all employees. The company actively engages with staff through various channels to address concerns and ensure that their needs are met.

Employee welfare initiatives include comprehensive health and safety programs, access to medical services, mental health support, and wellness initiatives aimed at fostering a healthy work-life balance. INC is committed to providing a work environment that supports both professional and personal growth, ensuring employees feel valued and supported in their roles.

Employee Statistics

2-7, EM-MM-000.B, SDG 5: Gender Equality

INC upholds diversity and inclusion as essential principles in building a strong, capable workforce. Recruitment is guided by a fair and transparent process that welcomes applicants from all walks of life irrespective of gender, social status, religion, or physical appearance. Equal opportunity is not just a policy but a practice, ensuring that merit remains the sole basis for employment decisions.

Talent acquisition efforts are intentionally designed to reach a broad demographic. Beyond online job platforms, INC actively participates in job fairs organized by local government units and works closely with barangay communities through its Community Relations Department. These partnerships help extend employment opportunities to underrepresented groups and promote grassroots engagement.

Inclusivity goes beyond compliance. Diversity is cultivated through the consistent and respectful treatment of all personnel, regardless of their sexual orientation, beliefs, or physical conditions. The organization offers regular training sessions to deepen employees' understanding of inclusivity, reinforcing a workplace culture rooted in respect, fairness, and mutual support.

While INC does not currently set gender ratio targets, establish affinity groups, or implement mentorship programs, diversity remains a live and evolving concern. Rather than pursuing box-ticking exercises, the organization fosters a day-to-day environment where individual identity and dignity are recognized and valued. Every initiative—from hiring to training—reflects INC's belief that diversity strengthens resilience, innovation, and long-term success.

Employee Statistics

2-7, 405-1

Total Employee Headcount - Regular & Probationary	2024	2023
Male	38	37
Female	33	27
Total Employees	71	64

Employee Breakdown by Contract	
Regular/Probationary	71
Seasonal	821
Project-based	69
Total	961

Employee Breakdown by Position and Gender - Regular Only	Managers	Supervisors	Non-supervisory/ Technical	Rank and File
Male	8	22	7	1
Female	1	26	5	1
Total	9	48	12	2

Employee Breakdown by Position and Age Group	Managers	Supervisors	Non-supervisory/ Technical	Rank and File
< 30 years old	1	22	6	0
30-50 years old	5	25	4	1
> 50 years old	3	1	2	1
Total	9	48	12	2

EMPLOYEES FROM THE LOCAL COMMUNITY

Employee Breakdown by Position and Gender - Regular Only	Regular/Probationary	Seasonal	Rank and File
Male	10	729	76
Female	10	98	0
Total	20	827	76
Total Employees	923		

Employee Breakdown from Local Community by Position	Managers	Supervisors	Non-supervisory/ Technical	Rank and File
Male	1	3	6	0
Female	0	6	4	0
Total	1	9	10	0

EMPLOYEES FROM THE VULNERABLE GROUP

Employee Breakdown by Position and Gender - Regular Only	Regular/Probationary	Seasonal	Rank and File
Male	1	227	25
Female	1	26	0
Total	2	253	25
Total Employees	280		

Employee Breakdown from Local Community by Position	Managers	Supervisors	Non-supervisory/ Technical	Rank and File
Male	0	0	1	0
Female	0	1	0	0
Total	0	1	1	0
Total Employees	2			

New Hires and Turnover

3-3, 401-1

Recruitment in 2024 continues to present unique challenges across industries, and INC is no exception. Heightened competition for skilled professionals, coupled with shifting expectations around remote work and workplace flexibility, has intensified the need for agile and strategic hiring practices. As the demand for specialized talent increases, the availability of qualified candidates becomes more limited especially in technical and leadership roles.

To address these challenges, INC employs a multi-pronged talent acquisition strategy. The organization actively builds a strong employer brand by highlighting its competitive compensation and employee-centered policies. Recruitment efforts span a range of platforms—from job portals and social media channels to partnerships with local government units and community-based job fairs—broadening the reach and diversity of potential hires.

All hiring activities are grounded in a strict non-discrimination policy. Recruitment decisions are based solely on merit, skills, and qualifications. Discrimination based on race, gender, age, religion, disability, or any other protected characteristic is strictly prohibited. This approach reinforces a culture of fairness, inclusivity, and equal opportunity within INC. To ensure business continuity and operational resilience, INC implements succession planning programs that prepare internal talent for key roles. Structured knowledge transfer and training initiatives equip the next generation of leaders and specialists with the skills necessary for smooth transitions. Exit interviews and feedback mechanisms are also in place to capture insights from departing employees, which inform continuous improvement in talent management.

Hiring Statistics	2024
New Hires	12
Attritions/Turnover	9
Attrition Rate	4.44%



Women's month symposium on creating safe workspaces

Benefits

3-3, SDG 3: Good Health and Well-being, SDG 8: Decent Work and Economic Growth

A strong compensation and benefits framework is essential not only for employee satisfaction but also for long-term organizational success. Through offering a competitive salary program, INC is able to attract and retain top-tier talent, reduce recruitment and training costs, and cultivate a motivated workforce. Employees who feel valued through fair compensation tend to demonstrate higher levels of engagement, productivity, and loyalty; factors that contribute to innovation, customer satisfaction, and operational efficiency.

While employee satisfaction with benefits can vary based on individual needs, INC remains committed to offering a well-rounded package that supports personal and professional well-being. Beyond the minimum legal requirements, employees are granted access to programs that promote health, wellness, and work-life balance. These include wellness checks, safety training, career development opportunities, and time-off policies that allow employees to rest and recharge.

Although INC does not currently offer long-term incentive programs such as stock options or retirement shares, the organization prioritizes sustainable employment practices and enhanced employee support. The overarching goal is to create a workplace where employees are empowered, protected, and encouraged to thrive beyond the confines of regulatory compliance.

401-2

Benefits	Male	Female
SSS	100%	100%
PhilHealth	100%	100%
Pag-IBIG	100%	100%
Vacation Leaves	4%	3%
Sick Leaves	4%	3%
Medical Benefits	100%	100%
Free Room Accomodation	2%	3%
Medicine Allowance	4%	3%
Annual Physical Exam	4%	3%
Free Laundry	3%	2%

401-3

Parental Leave	
Total No. of employees that were entitled to parental leave	28
Total No. of employees that took parental leave in 2024	28
Total No. of employees that returned to work in 2024 after parental leave ended	27
Return to Work Rate	96%
Total No. of employees that availed parental leave in 2023 and returned to work in 2024	21
Retention Rate	78



EMPLOYEE WELFARE

Health and Safety

3-3, 403-1, 403-2, 403-3, 403-7, [SDG 3: Good Health and Well-being](#), [SDG 8: Decent Work and Economic Growth](#)

Firmly committed to ensuring a safe, healthy, and secure working environment for all employees, contractors, and stakeholders involved in its operations, INC’s Health and Safety Policy is aligned with national legal requirements, specifically Republic Act 11058 – An Act Strengthening Compliance with Occupational Safety and Health Standards and DENR Administrative Order No. 2000-98, or the Mine Safety and Health Standards. These laws form the foundation of the company’s Occupational Health and Safety (OHS) Management System.

The scope of INC’s OHS policy covers all mine workers and service contractors. It ensures full compliance with OHS regulations, hazard and risk identification, environmental impact management, continuous training, and the protection of both employees and company assets. The policy is actively communicated through mandatory pre-employment and seasonal training sessions, daily toolbox meetings, and continuous engagement with all personnel.

Php 12,196,843.73
 Amount spent on health and safety programs (for employees + contractors) in 2024

While there is no standalone joint management-worker safety committee, an employee representative is included in the Central Safety and Health Committee. This representative plays a vital role in advocating for workers' welfare, reporting unsafe practices, assisting in hazard identification, and ensuring employees' concerns are heard without fear of retaliation. The committee meets monthly and is authorized to make health and safety-related decisions.

As for occupational safety hazards, these are proactively identified through:

- Daily inspections
- Monthly planned inspections
- Area monitoring conducted by safety inspectors

These inspections inform hazard assessments and corrective actions. Safety Officers also ensure quality assessments through real-time verification of hazard mitigation steps. Results are integrated into system improvements through updates to safety protocols, targeted training, and regular feedback loops.

Work-related incidents are promptly investigated to determine root causes and implement preventive measures. Employees can report hazards through designated reporting systems, safety officers, or committee members.

Safety Statistics

[403-5](#), [403-9](#), [403-10](#), [EM-MM-320a.1](#), [S1.46\(b\)](#)

Health & Safety	2024	2023	2022
No. of employees in Health & Safety Committee	-	-	34
Total Safe-man Hours	13,024,767	7,824,130	3,499,525
Lost Time Accidents	1	-	-
No. of occupational injuries and illnesses	31	2	70
Incidence Rate	-	-	-
Severity Rate	3	-	-
Lost Days	7	-	-
Fatalities	-	-	-
No. of Safety Drills Conducted	4	5	4



Safe food handling workshop



Fire safety orientation and fire extinguishment demonstration



Training

3-3, 404-1, 404-2, SDG 4: Quality Education

Employee training and development are integral to operational excellence at INC. In a rapidly evolving business landscape, continuous learning is essential not only for the growth of employees but also for the success and competitiveness of the company. Training plays a crucial role in enhancing productivity and ensuring that employees possess the skills necessary to perform at their best.

22

Trainings conducted in 2024

2,106

Total training hours

29

Average hours of trainings

The training programs at INC are designed to equip employees with the knowledge and tools required to excel in their roles, ultimately boosting individual performance and driving overall operational efficiency. Investing in employee development fosters a culture of engagement, which leads to higher retention rates and improved work quality. A skilled workforce ensures that INC remains adaptable and responsive to industry changes, new technologies, and customer demands, helping the company deliver superior service and products.

While employee training is critical to success, several challenges arise in implementing effective training initiatives. These challenges include time constraints, budget limitations, and occasional resistance to new learning methods. Additionally, measuring the tangible impact of training on performance can be difficult. To address these challenges, INC has adopted a flexible learning approach, offering both in-person and digital training solutions that can be tailored to employees' schedules. Cost-effective training methods, such as peer-led workshops and online platforms, ensure accessibility without compromising quality. To maintain engagement, interactive and hands-on training experiences are incorporated, and the effectiveness of training programs is regularly evaluated through performance tracking and post-training assessments.



3-Day firefighting training



Health Control and Services

403-5

To promote holistic employee well-being, INC has established several initiatives:

- **Health Education Programs – Monthly sessions by medical professionals**
- **Blood Pressure Monitoring – Regular tracking by the company nurse**
- **Consultations with the Company Physician**
- **Commit to Be Fit Program – Monthly wellness activities**
- **Toolbox Health Talks – Led by the company nurse**
- **Dust and Solid Waste Control – Road watering and proper segregation**
- **Medical Surveillance – Ensuring fitness-to-work and preventive care**
- **First Aid Facilities & Provision of Medicines**
- **Sanitation Inspections**
- **Non-Occupational Health Services – Delivered via SDMP projects and NGO partnerships**
- **A formal HIV/AIDS, Tuberculosis, Drug-Free, Alcohol-Free, and Healthy Lifestyle Policy is under review for institutional adoption.**

Finally, to ensure a healthy and safe working environment, INC monitors and measures OHS performance using:

- **Key Performance Indicators (KPIs): Lost Time Injury (LTI), Frequency Rate (FR), and Severity Rate (SR)**
- **Regular Safety Audits and Inspections – Both internal and by regulatory bodies**
- **Training Evaluations – Measuring knowledge retention and skill application**
- **Risk Assessment Reviews – Ensuring continuous hazard identification**
- **Corrective Action Tracking – Ensuring implementation and effectiveness**
- **Operating Procedures and Safety Guidelines**

Emergency Preparedness and Response

Effective emergency preparedness and response are crucial to ensuring the safety and well-being of employees, clients, and operations. INC has established comprehensive protocols to address potential emergencies, ranging from natural disasters to workplace accidents. These protocols include clear communication plans, designated emergency response teams, and regular training drills to ensure swift, coordinated action in times of crisis.

In line with the above, INC conducts periodic risk assessments to identify potential hazards and continuously updates its emergency response plans to align with industry best practices. Additionally, INC ensures that employees are well-informed about safety procedures and equipped with the knowledge to act decisively during emergencies.

COMMUNITY WELFARE AND DEVELOPMENT



Brigada Eskwela 2024: Turnover of materials to 40 primary and secondary schools

INC maintains a long-standing commitment to building meaningful relationships with host and neighboring communities, ensuring that its operations generate shared value, support local development, and uphold community rights and interests. Through the Community Relations (COMREL) Department, a dedicated team leads the implementation of the Social Development and Management Program (SDMP), which includes monthly, quarterly, and annual initiatives tailored to the needs and aspirations of barangays within the company's impact areas.

Php 13,216,064.74
Total SDMP Expenditures in 2024

Maintaining a Meaningful Relationship with Stakeholders

One of the core responsibilities of the COMREL team is fostering mutual trust through continuous engagement. This is achieved by establishing strong relationships with barangay officials, sectoral leaders, and municipal stakeholders. Community planning and consultations are institutionalized and aligned with both barangay and municipal development plans. These dialogues guide project selection, site development, and broader decision-making processes, ensuring that proximity to public infrastructure and access to services are thoughtfully considered.

INC has systems in place for stakeholder identification and grievance resolution. Through a formal Identification of Interested Parties process, communities and key groups are mapped and consulted, while a publicly accessible grievance mechanism allows residents to raise concerns, provide feedback, and seek resolution transparently and efficiently. Risk assessments are also conducted regularly to evaluate the potential social impact of operations and identify new opportunities for collaboration.

The COMREL Manager plays a central role in this framework, serving as a liaison with local leaders, NGOs, and LGUs. This executive oversight ensures that community efforts are not only responsive but also ethically sound and consistent with INC's broader development goals.

Encouraging Employee Volunteerism

To promote volunteerism internally, managers and supervisors actively participate in outreach activities, setting a visible example for employees. INC encourages staff participation by offering paid time-off and formal recognition for volunteer efforts, reinforcing a culture of civic engagement and social responsibility.

Assessing Social Impact in the Community

While no major negative impacts were reported during the reporting period, INC completed a Social Impact Assessment (SIA) in 2022 and plans to conduct its next SIA in 2026. These studies help monitor both positive and adverse effects of operations and guide the refinement of programs and community strategies.

Our Programs

203-1, 203-2

Focus Area	Project/Program Name	Description of Program	Number of Beneficiaries	Expenditure (PHP)	Impact/Expected Impact
Education	College and High School Scholarship Grants	Semestral scholarship grants for college students and annual educational assistance to JHS and SHS scholars	106 college and high school scholars	659,500	Increases access to education, reduces financial burden, and promotes academic achievement.
	Subsidy for PARA Teachers, Child Development Workers, and Religious Teachers	Quarterly financial support to education service providers	46 beneficiaries	1,428,000	Enhances their motivation and ability to contribute consistently to the local education system.
Health	Subsidy for CVHWs, Community Doctor, PTV Drivers, and Responders	Monthly and quarterly subsidies to health workers and emergency responders	91 beneficiaries	2,618,000	Improves healthcare service delivery, community trust, and public health outcomes.
Infrastructure	Provision of Mini Dump Truck and Mini Backhoe	Provision of heavy-duty equipment to support LGU services in Brgy Maasin and Mambalot	Brgy Maasin and Brgy Mambalot	5,130,000	Improves LGU capacity to deliver public services and respond to community needs efficiently.
Livelihood	Rotavator Tractor with Complete Accessories	Provision of agricultural machinery to the Ipilan Swine and Vegetable Farmers Association	27 farmer-members	1,250,000	Enhances farming efficiency, reduces labor, and increases farmers' income.
	Conduct of Community-Based Trainings	Electrical and motorcycle driving training for SHS students and community members	88 participants	1,730,565	Promotes employability, safety, and practical skills development.
Others	Support to BLGU's Various Socio-Cultural Activities and Programs	Sponsorship and support for barangay events, celebrations, training, and other developmental initiatives	4 barangays (Maasin, Mambalot, Ipilan, Calasaguen)	400,000	Fosters local pride, civic engagement, and community cohesion.

Supply Chain Management and Human Rights

3-3, 308-2, 414-2

As a mining company, INC recognizes the critical importance of maintaining responsible, ethical, and transparent supply chain practices. Extractive industries carry heightened risks related to labor rights, environmental impacts, and community welfare, making robust supply chain oversight not only a compliance necessity but also a moral imperative.

INC works to ensure that its suppliers, contractors, and business partners uphold the same standards of human rights and environmental stewardship expected within its own operations. This includes adherence to laws prohibiting forced labor, child labor, and discrimination, as well as compliance with health, safety, and fair wage requirements. Suppliers are carefully vetted, and contractual agreements include clauses that reinforce human rights commitments and labor protections.

While INC's direct operations are governed by established protocols, the company continuously evaluates its upstream and downstream relationships to identify and mitigate risks of rights violations or unethical practices. Audits, supplier assessments, and performance reviews are key components of this monitoring process. In addition, INC supports initiatives that promote transparency and accountability in mineral sourcing, especially in areas susceptible to conflict or exploitation.

Zero

Cases of Human Rights Violations

Zero

Cases of Significant Negative Impact in the Supply Chain



ENVIRONMENTAL PERFORMANCE

SDG 6: Clean Water and Sanitation, SDG 8: Affordable and Clean Energy, SDG 11: Sustainable Cities and Communities, SDG 12: Responsible Consumption and Production, SDG 14: Life Below Water, SDG 15: Life on Land





Environmental Management System

EM-MM-160a.1,

To uphold responsible environmental stewardship, INC maintains an ISO 14001:2015-certified Environmental Management System (EMS), which provides a structured framework for identifying, managing, and minimizing the environmental impacts of its activities.

Through the EMS, INC has established clear environmental objectives, targets, and timelines. These goals are informed by a comprehensive assessment of the environmental aspects and associated risks and opportunities within the organization. Based on this assessment, the company has implemented seven key programs to manage its environmental impact:

- **Wildlife Protection and Conservation**
- **Compliance with Environmental Regulations**
- **Air and Noise Quality Management**
- **Wastewater Discharge Management**
- **Solid Waste Management**
- **Hazardous Waste Management**
- **Resource Conservation and Efficiency**

To ensure full compliance with applicable environmental laws and regulations, the EMS team regularly identifies and reviews compliance obligations across departments. This review is conducted quarterly to ensure timely reporting and adherence to regulatory requirements.

Roles and Responsibilities

Environmental stewardship at INC is a shared responsibility, guided by a well-defined EMS structure that assigns clear roles across the organization:

- **Oversight Committee:** Provides strategic direction for the EMS by appointing Environmental Management Representatives, setting EMS policy, approving improvements, and ensuring regulatory compliance.
- **Environmental Management Representatives (EMRs):** Serve as the overall EMS leads, ensuring the system's alignment with ISO 14001:2015 standards and monitoring implementation.
- **Department Management System Representatives:** Oversee EMS implementation within their respective departments, integrating environmental practices into daily operations.
- **Legal and Regulatory Department:** Monitors regulatory developments, manages permits and documentation, and provides legal guidance on environmental matters and compliance.
- **EMS Officer:** Supports EMRs in reviewing EMS performance, updating policies and records, and coordinating environmental goals and targets across departments.
- **Pollution Control Officer (PCO):** Manages the permitting, monitoring, and operational compliance of pollution control facilities. The PCO also facilitates inspections and reporting to the Department of Environment and Natural Resources (DENR).
- **Internal Lead Auditor:** Coordinates and conducts EMS audits, verifies corrective actions, and presents audit findings to top management for review and improvement.
- **Internal Auditors:** Carry out detailed internal audits and report findings to ensure that departments meet EMS requirements.

INC Employees: All employees play an active role in implementing EMS policies and procedures. They are expected to be aware of the environmental impacts of their work, participate in EMS initiatives, and promptly report any issues or concerns.

Environmental Programs and Initiatives

INC implements a suite of environmental programs designed to mitigate operational impacts and embed sustainability into its core practices:

- **Wildlife Protection and Conservation:** Focused on habitat preservation, biodiversity enhancement, and partnerships with conservation stakeholders.
- **Water Conservation:** Emphasizes reducing water usage and ensuring that any discharge is properly treated and compliant with standards.
- **Air and Noise Quality Management:** Implements dust suppression systems and noise control measures to maintain healthy air quality for both communities and workers.
- **Solid and Hazardous Waste Management:** Ensures proper segregation, handling, storage, and disposal of all waste streams, with a focus on reducing residual and hazardous waste.
- **Rehabilitation and Resource Conservation:** Promotes energy, water, fuel, and paper conservation efforts to reduce the company's resource footprint.

These programs reflect INC's ongoing commitment to responsible mining and environmental care grounded in accountability, regulatory compliance, and continuous improvement.



EPEP Spending

In line with its commitment to responsible mining and environmental stewardship, INC invested a total of ₱126,102,589 in the implementation of its Environmental Protection and Enhancement Program (EPEP) for 2024. This investment supported a wide range of environmental initiatives and operational controls aimed at minimizing the ecological impact of the company's activities and promoting sustainability within and beyond its project areas. Key areas of spending under the EPEP included:

- Environmental monitoring and inspections
- Internal audits and EMS-related training
- Noise and air quality monitoring
- Research and conservation efforts
- Information, education, and communication (IEC) campaigns
- Participation in environmental celebrations and awareness events

These programs are designed not only to ensure regulatory compliance but also to cultivate an environmental culture within the organization and in the communities it operates in. Moreover, INC likewise maintains a record of its environmental performance, which is made accessible to employees and stakeholders through the EMS bulletin board which will be included in this report. Moving forward, INC is working towards more transparent and accessible reporting in the future. These figures are closely monitored through the EMS framework and form the basis for identifying further opportunities to improve resource efficiency and reduce environmental impact.

Php 126,102,589
Total EPEP Expenditures in 2024

EPEP Spending	2024	2023	2022
Land/Biodiversity	86,786,236	57,116,689	46,291,479
Air	7,845,650	11,788,764	19,051,676
Water	25,727,454	3,688,523	3,836,961
Environmental monitoring	3,143,250	2,898,353	2,413,093
Other Initiatives	2,600,000	2,102,038	25,648,057

Resource Consumption

3-3, SDG 8: Affordable and Clean Energy, SDG 12: Responsible Consumption and Production

Recognizing the critical role of energy efficiency in environmental performance and operational sustainability, INC is actively working to manage and reduce energy consumption across its operations. For 2024, the energy data currently covers the operations of both INC and its contractors.

Accordingly, the largest share of energy consumption comes from fuel usage, particularly within the Engineering and Technical Services Department. This is largely due to the operation of 27 units of heavy equipment, which are essential for site development and mining activities. Fuel remains the most significant energy source in these operations.

Energy Consumption and Intensity

302-1, 302-3, EM-MM-320a.1

Energy Consumption in L	2024	2023	2022
Gasoline		N/A	
Diesel	7,087,881	1,163,259	350,993*
LPG	2,718		N/A
Electricity Purchased (kWh)	649,388	400,680	1,085,931
Energy Intensity			0.96

Resource Consumption

3-3, SDG 8: Affordable and Clean Energy, SDG 12: Responsible Consumption and Production

INC has implemented targeted programs aimed at reducing both electricity and fuel consumption. These include a combination of behavior-based initiatives, infrastructure maintenance, and operational scheduling, monitored under the Environmental Management System's resource conservation targets. Electricity-saving measures include:

- Turning off lights, air conditioners, and office equipment when not in use
- Unplugging outlets during non-office hours
- Conducting regular maintenance of generator sets
- Posting signage to remind staff of energy-saving practices
- Implementing internal education campaigns (IEC) on energy efficiency

Fuel conservation measures include:

- Shutting down heavy equipment and service vehicles during idle or standby periods
- Strict adherence to preventive maintenance schedules for fuel-powered equipment
- Careful planning and scheduling of site activities to minimize unnecessary fuel use

Energy efficiency is a core aspect of INC's Resource Conservation Program, one of the seven key environmental management plans identified under its EMS. The company ensures its energy goals are met through regular performance tracking and employee involvement in meeting established objectives and targets. INC integrates energy-related considerations into its property development and investment decisions. When evaluating current or future projects, the organization assesses expected energy performance and cost implications as part of the planning process, ensuring that energy efficiency is embedded from the outset.

As part of its long-term energy management strategy, INC is currently establishing a baseline for electricity consumption across its facilities. This baselining process is expected to be completed by March 31, 2025, coinciding with the expansion of operational infrastructure. Once complete, this will serve as the foundation for defining energy-reduction targets and exploring energy rating opportunities.

Towards a more efficient operation, INC has taken initial steps toward renewable energy integration as part of its commitment to sustainability and community development. The company has invested in the installation of solar and micro-hydro systems to power both operational and community areas:

- 57 units of 200W solar-powered street lights installed along the national highway
- 26 units of 200W solar-powered lights inside the campsite
- 25 units of 200W solar lights deployed around the Mine Pit and Stockyard
- A 12kW micro-hydro power plant installed for the benefit of residents in Sitio Mararag, Barangay Maasin, Brooke's Point, Palawan
- A 6kW on-grid solar-powered water sprinkler system installed along Mine Haul Road 1

GHG Emissions and Air Quality

3-3, EM-MM-110a.2

INC is ramping up its emissions monitoring to build a solid baseline for tracking and managing its greenhouse gas (GHG) footprint. Major emission sources include fuel use from heavy equipment and power consumption across facilities.

To curb air pollution, water trucks are regularly deployed for dust suppression, especially in active mining zones. Preventive maintenance of engines and vehicles also helps minimize harmful emissions.

While full GHG reporting is still in development, INC is committed to cleaner operations, exploring energy-efficient practices and cleaner tech to reduce its environmental impact. Once data is fully established, INC will set reduction targets and share its progress openly.

GHG emissions (in tCO2)

305-1, 305-2, EM-MM-110a.1

	2024	2023	2022
Scope 1 - Fuel	21,076	2,920	N/A
Scope 2 - Electricity	450	285	N/A



Water Resources

3-3, 303-1, SDG 6: Clean Water and Sanitation

Water plays a central role in sustaining mining operations, particularly in dust suppression and site rehabilitation. The largest volume of water is consumed by water trucks used to control dust on haul roads and exposed surfaces. Significant usage is also recorded in the watering of seedlings and plants for reforestation efforts. Without consistent dust suppression, airborne particles would severely compromise air quality and reduce visibility, leading to unsafe working conditions and potential operational halts. Water, therefore, is not only an environmental input but a critical safety and operational resource.

To reduce reliance on freshwater sources, INC implements rainwater harvesting by diverting stormwater into siltation ponds and collector sumps. These naturally replenished sources are then used for dust control and irrigation, helping reduce overall water withdrawals. From 2023 to March 2024, INC conducted a baselining process to measure water consumption across its activities. The establishment of water consumption targets is scheduled for the second quarter of 2024, building on the insights from this initial assessment. For water quality, monitoring and discharge management follow the standards set under DAO 2016-08, the Water Quality Guidelines and General Effluent Standards of 2016. While no internal discharge standard exists, this national regulation ensures effluent is managed responsibly and remains within acceptable environmental thresholds.

303-3, 303-4, 303-5, EM-MM-140a.1

Water in cubic meters (m ³)	2024	2023	2022
Water Extraction/Withdrawal	-	228,482	7,158
Water Consumption	36,109	228,482	7,158
Silt Collected	17,927	130,228	7,150
Wastewater			
Recycled/Reused Wastewater	N/A	N/A	N/A
Percentage of Recycled/Reused Wastewater			

To further protect local water bodies, INC has constructed siltation ponds, collector sumps, and drainage canals that slow runoff and filter out sediments. Dedicated technical personnel conduct daily inspections of these structures, collect water samples for testing, and check for any signs of discoloration or pollution in nearby waterways. Water recycling is integral to INC's water strategy. All water used for dust suppression and plant watering is drawn from harvested rainwater stored in sedimentation ponds closing the loop and ensuring efficient use of a naturally available resource.

To prevent contamination of soil and groundwater, hazardous materials are stored in a secure hazardous waste facility, while solid waste is managed through a Materials Recovery Facility. A six-person waste management team ensures proper handling and safeguards are consistently in place.

Responsibility for water management lies with INC's managers, who oversee the implementation of conservation initiatives and ensure that targets and programs are executed as planned. These commitments are embedded in INC's environmental policy, which outlines clear goals for reducing water consumption and improving operational efficiency. Short-term strategies focus on target setting and expanding rainwater utilization. Over the long term, INC aims to improve its wastewater quality controls, enhance infrastructure, and maintain alignment with national environmental standards all while safeguarding critical water resources for surrounding ecosystems and communities.

Solid and Hazardous Waste Management

3-3, EM-MM-150a.10, 306-1, EM-MM-150a.9, SDG 11: Sustainable Cities and Communities, SDG 12: Responsible Consumption and Production

Daily operations—from office work and bunkhouse activities to kitchen services and QAQC testing—generate a steady stream of both solid and hazardous waste. Notably, QAQC processes produce large volumes of plastic from sample handling, while kitchens contribute significantly through food prep and packaging.

To curb waste generation, INC enforces a no-plastic policy during meetings, trainings, and seminars, requiring recyclable alternatives such as canned beverages. Used plastic from QAQC is repurposed for seedling production, supporting nursery operations and aligning with circular economy practices. Recyclables like paper and metal are also sold to local junkshops, while scratch paper is reused internally and visitors are issued reusable tumblers to cut down on disposables.

306-3, 306-4, 306-5, EM-MM-150a.7, EM-MM-150a.8

Waste	2024	2023	2022
Non-hazardous - kg			
Residual	17,411	10,080	1,839
Biodegradable	11,026	8,849	4,100
Recyclable	8,566	3,974	467
Hazardous			
Used Oil - L	45,400	-	-
Oil Contaminated	4.44	-	-
Toxic Containers - MT	261	-	-
Batteries - MT	3.17	2.09	7 pcs
Busted bulbs	-	0.025 MT	-
Cooking Oil	-	264	-
Used Oil - L	-	38,300	-

Proper waste handling is reinforced through structured guidelines and consistent communication, including weekly contractor meetings and employee orientations. Compliance is tracked via weekly inspections and a centralized monitoring system. Hazardous waste is strictly managed in accordance with environmental regulations. A DENR-accredited third party handles collection, transport, and treatment which is monitored through a digital permit and manifest system. Certificates of treatment serve as official proof of proper disposal.

Land Rehabilitation and Reforestation

3-3, EM-MM-160a.1, SDG 15: Life on Land

Mining exploration, tree cutting, extraction activities, and the causeway project are among the operational aspects that directly and indirectly affect local biodiversity. To address these impacts, INC integrates biodiversity considerations across the project lifecycle—from site selection to development guided by regulatory frameworks like DAO 2022-04 on enhancing biodiversity conservation in mining.

Biodiversity is assessed through the Biodiversity Assessment and Monitoring System (BAMS) within the MPSA area, helping INC avoid ecologically sensitive zones and prioritize areas of lower biodiversity value. In 2024, no significant negative impacts on biodiversity were recorded.

304-1, EM-MM-160a.3, 304-3

Biodiversity	2024	2023
Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	530	530
Habitats protected or restored (ha.)	729	549

Rehabilitation efforts center on restoring mined areas to their pre-disturbance state using native vegetation and ecosystem-based approaches. As part of its Annual Environmental Protection and Enhancement Program (AEPEP), INC established reference ecosystems and implemented enrichment planting, bamboo propagation, mangrove reforestation, and watershed rehabilitation, all of which contribute to climate resilience and wildlife habitat restoration.



Land Rehabilitation and Reforestation

3-3, EM-MM-160a.1, SDG 15: Life on Land

The commitment to biodiversity extends beyond the field. Tree planting drives, conservation-focused information campaigns, and observances of environmental events (e.g., Earth Hour, Month of the Ocean) raise awareness and engage both employees and the community.

304-3

Areas protected / restored (within or outside MPSA)	
Location	Size (ha.)
So. Maribong, Espaniola, Palawan	33
Brgy. Pulot Interior, Espaniola, Palawan	44
Brgy. Inogbong, Brookes Point, Palawan	61
Brgy. Samarinana, Brookes Point, Palawan	21
Brgy. Salogon, Brookes Point, Palawan	17
Bgy. Saraza, Brookes Point, Palawan	11
So. Bulho, Bgy. Calasague, Brookes Point, Palawan	200
So. Bulho, Bgy. Calasague, Brookes Point, Palawan	200
So. Bulho, Bgy. Calasague, Brookes Point, Palawan	117
Bgy. Punang, Sofronio Espanola, Palawan	15
Bgy. Panitian, Sofronio Espanola, Palawan	3
Bgy. Abo-abo, Sofroinio Espanola, Palawan	7

Risks posed by climate change—such as forest degradation, watershed depletion, and wildlife migration—are actively monitored. To address these, INC implements physical resilience measures (dust suppression, siltation ponds, land use planning) alongside financial mechanisms including green bonds, climate risk assessments, and investment in resilience funds.

Although site closure and rehabilitation implementation plans are still being developed, INC's Final Mine Rehabilitation and Decommissioning Program (FMRDP) is in place, supported by the Final Mine Rehabilitation and Decommissioning Fund (FMRDF). Community involvement is integrated into closure planning, reinforcing INC's commitment to minimizing environmental impacts and maximizing social and ecological benefits through responsible land stewardship.



OUR SUSTAINABILITY PROGRESS

As a subsidiary of FNI, MHC is in the early stages of its sustainability journey. The current reporting scope remains limited as the company focuses on laying the foundational structures necessary for long-term sustainability integration. Recognizing the significance of economic, environmental, social, and governance (EESG) performance, MHC is actively building internal capacity to strengthen data collection, enhance disclosure practices, and develop policies that promote responsible business conduct.

In the past year, efforts have centered on identifying key areas for improvement and aligning internal practices with group-level sustainability priorities. As such, MHC continues to collaborate closely with FNI to ensure that its evolving sustainability framework reflects both the broader corporate direction and the specific operational context of MHC, while remaining responsive to stakeholder expectations. Although the sustainability journey is still in its initial phase, MHC is committed to enhancing transparency and accountability, and to embedding sustainability into decision-making and operational processes across the organization.

Ensuring an Equitable Workforce

3-3, SDG 5: Gender Equality

MHC is committed to fostering an equitable and inclusive workplace that values diversity across all levels of the organization. Clear non-discrimination policies are in place to prevent bias based on race, gender, age, disability, religion, sexual orientation, and other protected characteristics. These policies are applied consistently throughout the employment lifecycle—from recruitment and hiring to training, advancement, and retention.

To attract talent from diverse backgrounds, the company adopts inclusive hiring practices, engages in outreach to underrepresented groups, and implements unbiased recruitment methods. Structured interviews and standardized evaluation criteria are used to ensure objective and fair assessments of all candidates.

Diversity promotion extends beyond compliance. Initiatives include diversity training programs, employee resource groups, mentorship schemes, and cultural awareness activities. These programs aim to build a more inclusive organizational culture while encouraging respect and understanding among employees.

Oversight of diversity and inclusion lies at the managerial and board levels, where leaders are responsible for setting and aligning company-wide objectives with broader business strategies. While formal gender ratio targets and specific benefits for vulnerable groups are not yet established, internal planning and policy reviews are underway to address future needs.

Employee Statistics

2-7

Total Employee Headcount - Regular & Probationary	
Male	21
Female	8
Total Employees	29

Employee Breakdown by Position	Managers	Supervisors	Non-supervisory/ Technical	Rank and File
Male	2	6	0	13
Female	0	5	0	3
Total	2	11	0	16

Employee Breakdown by Position and Age Group	Managers	Supervisors	Non-supervisory/ Technical	Rank and File
< 30 years old	0	3	0	5
30-50 years old	1	8	0	8
> 50 years old	1	0	0	3
Total	2	11	0	16

Hiring and Retaining Employees

MHC likewise acknowledges the ongoing challenge of competing with more established firms for top talent, particularly in 2024. To address this, efforts focus on promoting a culture of inclusivity, providing clear career progression pathways, and offering continuous training and development opportunities.

Succession planning is also in place to ensure continuity in leadership and minimize disruption in cases of retirement or employment termination. High-potential employees are identified and upskilled to take on future roles as part of long-term workforce planning.

401-1

Hiring Statistics	Male	Female	Total
New Hires	2	3	5
Attritions/Turnover	7	2	9

Fostering a Rewarding Work Environment

SDG 3: Good Health and Well-being, SDG 8: Decent Work and Economic Growth

A motivated and well-supported workforce drives business success. MHC currently offers a competitive salary program designed to attract top talent, improve retention, enhance productivity, and reinforce its reputation as an employer of choice. In addition to market-aligned compensation, employees express high levels of satisfaction with the benefits made available to them.

Going beyond regulatory compliance, the company provides performance-based bonuses, profit-sharing schemes, and regular salary adjustments that exceed mandated minimums. These additional benefits not only boost morale but also reflect the company's commitment to employee welfare and long-term engagement. Outstanding contributions are likewise recognized through a variety of programs, including bonuses, promotions, professional development opportunities, and non-monetary awards.

Fostering a Rewarding Work Environment

SDG 3: Good Health and Well-being, SDG 8: Decent Work and Economic Growth

401-2

Benefits	Male	Female
SSS	100%	100%
PhilHealth	100%	100%
Pag-IBIG	100%	100%
Vacation Leaves	100%	100%
Sick Leaves	100%	100%
Medical Benefits	100%	100%
Company Stock Options	100%	100%
Annual Physical Exam	100%	100%
Rice Subsidy	100%	100%

401-2

Parental Leave	
Total No. of employees that were entitled to parental leave	21
Total No. of employees that took parental leave in 2024	1
Total No. of employees that returned to work in 2024 after parental leave ended	1
Return to Work Rate	100%
Total No. of employees that availed parental leave in 2023 and returned to work in 2024	0
Retention Rate	0

Training and Employee Development

3-3, 404-2

Professional development is a cornerstone of the employee experience at MHC. Long-term incentives include sponsored leadership programs and certification opportunities, supporting individuals in expanding their skill sets and advancing their careers. Regular training and upskilling programs are implemented to build technical competencies, improve service quality, and support business adaptability.

Despite challenges such as limited training budgets, time constraints, and initial employee resistance, the company has responded with flexible, cost-efficient learning platforms, interactive modules, and ongoing performance tracking. A culture of continuous learning is actively cultivated to improve engagement and training impact.

Key targets for training and development include enhanced productivity, higher employee retention, leadership readiness, improved customer service, and readiness for technology adoption. Employee performance is assessed through quarterly performance reviews and KPI-based evaluations, ensuring accountability and alignment with company goals.

404-1

Employee Training Hours	
Male	348
Female	178
No. of training conducted	4
Total No. of employees attending the trainings	21
Average Training Hours	25

FINANCIAL HIGHLIGHTS

	2024	2023	2022	2021	2020
Volume ('000 WMT)	5,448.0	4,717.1	3,735.6	4,887.2	5,624.9
Average Realized Price (USD)	24.26	33.28	31.68	31.78	26.16
<i>In million Php, unless stated</i>					
Sale of Nickel ore	7,592.5	8,766.0	6,575.0	7,708.1	7,262.6
Operating Income	953.1	2,797.6	1,972.3	3,190.6	2,709.3
Net Income	733.8	1,813.1	2,155.1	2,106.8	1,865.4
Earnings per Share	0.15	0.30	0.37	0.40	0.34
Current Ratio	1.80	1.72	1.99	5.13	3.70
Debt-to-Equity Ratio	0.31	0.42	0.57	0.31	0.27

16.6%

Return on Equity
(5-year Average)

12.1%

Return on Asset
(5-year Average)

30.5%

Operating Margin
(5-year Average)

38.1%

EBITDA Margin
(5-year Average)

GRI CONTENT INDEX

Statement of use	Global Ferronickel Holdings Inc. has reported in accordance with the GRI Standards for the period 01 January 2023 to 31 December 2023
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	None

GRI STANDARD / OTHER SOURCE	DISCLOSURE	Page numbers and/or direct answers	Omission or remarks	
General Disclosures				
GRI 2: General Disclosures 2021	2-1	Organizational details	1-2	
	2-2	Entities included in the organization's sustainability reporting	1-2	
	2-3	Reporting period, frequency and contact point	1-2	
	2-4	Restatements of information	No Restatements	
	2-5	External assurance	This report has not been externally assured.	
	2-6	Activities, value chain and other business relationships	6-8	
	2-7	Employees	55-56	
	2-8	Workers who are not employees	Annual Report 2023	
	2-9	Governance structure and composition	35-40	
	2-10	Nomination and selection of the highest governance body	33	
	2-11	Chair of the highest governance body	32, 40	
	2-12	Role of the highest governance body in overseeing the management of impacts	40	
	2-13	Delegation of responsibility for managing impacts		
	2-14	Role of the highest governance body in sustainability reporting	16,32	
	2-15	Conflicts of Interest	Annual Report 2023	
	2-16	Communication of critical concerns		
	2-17	Collective knowledge of the highest governance body	Annual Report 2023	
	2-18	Evaluation of the performance of the highest governance body	Annual Reportt 2023	
	2-19	Remuneration policies	Annual Report 2023	
	2-20	Process to determine remuneration	Annual Report 2023	
	2-21	Annual total compensation ratio	Annual Report 2023	
	2-22	Statement on sustainable development strategy	15-22	
	2-23	Policy commitments	Annual Report 2023	
	2-24	Embedding policy commitments	Annual Report 2023	
	2-25	Processes to remediate negative impacts	Annual Report 2023	
	2-26	Mechanisms for seeking advice and raising concerns	58	
	2-27	Compliance with laws and regulations	Annual Report 2023	
	2-28	Membership associations	Chamber of Mines of the Philippines	
	2-29	Approach to stakeholder engagement	26-28	
	2-30	Collective bargaining agreements	58	
Material Topics				
GRI 3: Material Topics 2021	3-1	Process to determine material topics	24	
	3-2	List of material topics	24-25	

GRI STANDARD / OTHER SOURCE		DISCLOSURE	Page numbers and/or direct answers	Omission or remarks
Economic Performance				
GRI 3: Material Topics 2021	3-3	Management of material topics	31	
GRI 201: Economic Performance 2016	2-2	Direct economic value generated and distributed	31	
Supply Chain & Procurement Practices				
GRI 201: Economic Performance 2016	3-3	Management of material topics	43	
GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	43	
GRI 414: Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	None	
	414-2	Negative social impacts in the supply chain and actions taken	None	
Tax				
GRI 3: Material Topics 2021	3-3	Management of material topics	31	
GRI 207: Tax 2019	207-1	Approach to tax	31	
	207-4	Country-by-country reporting	Not Applicable	
Data Security				
GRI 3: Material Topics 2021	2-13	Management of material topics	Annual Report 2023	
GRI 405: Diversity and Equal Opportunity 2016	2-14	Substantiated complaints concerning breaches of customer privacy and losses of customer data	No substantiated complaints concerning data breach reported for 2023	
Compliance				
GRI 3: Material Topics 2021	3-3	Management of material topics	Annual Report 2023	
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	No operations assessed for risks related to corruption for 2023	
	205-2	Communication and training about anti-corruption policies and procedures	No communication and training about anti-corruption policies and procedures for 2023	
	205-3	Confirmed incidents of corruption and actions taken	No confirmed incident of corruption in 2023	
GRI 206: Anti-competitive Behavior 2016	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Annual Report 2023	
GRI 307: Environmental Compliance 2016	307-1	Non-compliance with environmental laws and regulations	No notice of violations for 2023	
GRI 419: Socioeconomic Compliance 2016	419 - 1	Non-compliance with laws and regulations in the social and economic area	No notice of violations for 2023	
Energy				
GRI 3: Material Topics 2021	3-3	Management of material topics	47	
GRI 302: Energy 2016	302-1	Energy consumption within the organization	47	
	302-2	Energy consumption outside of the organization	47	
	302-3	Energy intensity	47	
Emissions				
GRI 3: Material Topics 2021	3-3	Management of material topics	48	
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	48	
	305-2	Energy indirect (Scope 2) GHG emissions	48	
	305-3	Other indirect (Scope 3) GHG emissions	The Company has not yet started measuring Scope 3 emissions.	
	305-5	Reduction of GHG emissions	48	
	305-6	Emissions of ozone-depleting substances (ODS)	The Company has not yet started measuring Scope 3 emissions.	
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	The Company has not yet started measuring Scope 3 emissions.	

GRI STANDARD / OTHER SOURCE		DISCLOSURE	Page numbers and/or direct answers	Omission or remarks
Water Use				
GRI 3: Material Topics 2021	3-3	Management of material topics	49	
GRI 303: Water and Effluents 2018	303-1	Interactions with water as a shared resource	49	
	303-2	Management of water discharge-related impacts	49	
	303-3	Water withdrawal	49	
	303-4	Water discharge	49	
	303-5	Water consumption	49	
Biodiversity				
GRI 3: Material Topics 2021	3-3	Management of material topics	51	
GRI 304: Biodiversity 2016	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	52	
	304-2	Significant impacts of activities, products, and services on biodiversity	51	
	304-3	Habitats protected and restored	52	
	304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	52	
Waste				
GRI 3: Material Topics 2021	3-3	Management of material topics	50	
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	50	
	306-2	Management of significant waste-related impacts	50	
	306-3	Waste generated	50	
	306-4	Waste diverted from disposal	50	
	306-5	Waste directed to disposal	50	
Labor Relations and Employee Relations				
GRI 3: Material Topics 2021	3-3	Management of material topics	55	
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	56	
GRI 3: Material Topics 2021	3-3	Management of material topics	55	
GRI 401: Employment 2016	302-3	Benefits provided to full-time employees that are not provided to temporary or part-time employees	58-59	
	3-3	Parental leave	59	
GRI 202: Market Presence 2016	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	The Company does not currently track or report the ratio of standard entry-level wages by gender compared to the local minimum wage. However, we are committed to fair compensation practices and ensuring compliance with local wage regulations. We aim to include this metric in future reporting as part of our commitment to transparency and equity.	
	202-2	Proportion of senior management hired from the local community	56	
GRI 402: Labor/ Management Relations 2016	402-1	Minimum notice periods regarding operational changes	The Company adheres to a minimum notice period of 30 days regarding significant operational changes. This policy applies equally to all employees, regardless of role or location.	
GRI 3: Material Topics 2021	3-3	Management of material topics	60	

GRI STANDARD / OTHER SOURCE	DISCLOSURE	Page numbers and/or direct answers	Omission or remarks
Labor Relations and Employee Relations			
GRI 403: Occupational Health & Safety 2018	403-1	Occupational health and safety management system	60
	403-2	Hazard identification, risk assessment, and incident investigation	The Company has a robust system for hazard identification, risk assessment, and incident investigation to ensure the safety and well-being of our employees and stakeholders. We promote a culture of safety through employee training, regular audits, and continuous improvement of our safety management systems.
	403-3	Occupational health services	60
	403-4	Worker participation, consultation, and communication on occupational health and safety	60
	403-5	Worker training on occupational health and safety	Annual Report 2023
	403-6	Promotion of worker health	60
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	The Company is actively working to integrate OHS considerations into our supplier and partner management processes. This includes developing risk assessment frameworks, embedding OHS standards in contracts, and providing support for capacity building among our business partners.
	403-8	Workers covered by an occupational health and safety management system	100% of workers are covered by an occupational health and safety management system.
	403-9	Work-related injuries	60
	403-10	Worker-related ill health	60
GRI 3: Material Topics 2021	3-3	Management of material topics	57
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	57
	404-2	Programs for upgrading employee skills and transition assistance program	57
	404-3	Percentage of employees receiving regular performance and career development reviews	57
GRI 3: Material Topics 2021	3-3	Management of material topics	55
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	56
	405-2	Ratio of basic salary and remuneration of women to men	The Company does not currently track or report on the ratio of basic salary and remuneration of women to men. However, we are committed to promoting gender equity and fair compensation practices, and we plan to establish processes to collect and analyze this data in the future.
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	No incidents of discrimination
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	None
GRI 408: Child Labor 2016	408-1	Operations and suppliers at significant risk for incidents of child labor	None
GRI 409: Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	None
GRI 410: Security Practices	410-1	Security personnel trained in human rights policies or procedures	None
GRI 411: Rights of Indigenous peoples 2016	411-1	Incidents of violations involving rights of indigenous peoples	None
GRI 412: Human Rights Assessment 2016	412-1	Operations that have been subject to human rights reviews or impact assessments	None
	412-2	Employee training on human rights policies or procedures	None

GRI STANDARD / OTHER SOURCE		DISCLOSURE	Page numbers and/or direct answers	Omission or remarks
Community Development				
GRI 3: Material Topics 2021	3-3	Management of material topics	61	
GRI 404: Training and Education 2016	203-1	Infrastructure investments and services supported	64	
	203-2	Significant indirect economic impacts	64-66	
GRI 3: Material Topics 2021	3-3	Management of material topics	61	
GRI 405: Diversity and Equal Opportunity 2016	405-1	Operations with local community engagement, impact assessments, and development programs	64-66	
	405-2	Operations with significant actual and potential negative impacts on local communities	64-66	





Global Ferronickel Holdings, Inc.

SECURITIES AND EXCHANGE COMMISSION
Secretariat Building, PICC Complex
Roxas Boulevard, Pasay City, 1307

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of **GLOBAL FERRONICKEL HOLDINGS, INC. AND SUBSIDIARIES** is responsible for the preparation and fair presentation of the audited consolidated financial statements including the schedules attached therein, for the years ended **December 31, 2024 and 2023** in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

The Board of Directors reviews and approves the audited consolidated financial statements including the schedules attached therein, and submits the same to the stockholders or members.

SyCip, Gorres, Velayo & Co., the independent auditor appointed by the stockholders, has audited the financial statements of the company in accordance with Philippine Standards on Auditing, and in its report to the stockholders or members, has expressed its opinion on the fairness of presentation upon completion of such audit.

JOSEPH C. SY
Chairman

REPUBLIC OF THE PHILIPPINES)
CITY OF PARAÑAQUE) S.S

SUBSCRIBED AND SWORN to before me, this MAR 26 2025
by affiant who exhibited to me his/her _____ issue
_____ on _____

DANTE R. BRAVO
President

Joseph C. Sy - Passport No. P7315413 B
Dante R. Bravo - National ID No. 3290-3826-7392-3584
Mary Belle D. Bituin - Driver's License No. ND1-91-123028

MARY BELLE D. BITUIN
Chief Financial Officer

Doc. No. 142 ;
Page No. 33 ;
Book No. II ;
Series of 2025 .

Signed this 7th day of MARCH 2025


ATTY. REENO E. FEBRERO
Notary Public for Parañaque City
Notarial Commission No. 339-2025
valid until December 31, 2026
Penthouse, Platinum Tower
Aseana Avenue corner Fuentes St.
Aseana, Parañaque City
Roll No. 71237, 06/06/2018
JBP No. 473953, 10/31/2024, Surigao del Norte
PTR No. 3747156, 01/08/2025, Parañaque City
MCTF Compliance No. VII-00055986, 11/12/2021

COVER SHEET

for AUDITED FINANCIAL STATEMENTS

SEC Registration Number

A	S	O	9	4	0	0	3	9	9	2
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COMPANY NAME

G	L	O	B	A	L		F	E	R	R	O	N	I	C	K	E	L		H	O	L	D	I	N	G	S	,		I
N	C	.		A	N	D		S	U	B	S	I	D	I	A	R	I	E	S										

PRINCIPAL OFFICE (No. / Street / Barangay / City / Town / Province)

P	e	n	t	h	o	u	s	e	,		P	l	a	t	i	n	u	m		T	o	w	e	r	,		A	s	e
a	n		A	v	e	n	u	e		c	o	r	n	e	r		F	u	e	n	t	e	s		S	t	.		
A	s	e	a	n	a	,		P	a	r	a	ñ	a	q	u	e		C	i	t	y								

Form Type

A	A	C	F	S
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Department requiring the report

C	R	M	D
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Secondary License Type, If Applicable

N	/	A
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COMPANY INFORMATION

Company's Email Address

info@gfni.com.ph

Company's Telephone Number

(632) 8519-7888

Mobile Number

09178715156

No. of Stockholders

1,722

Annual Meeting (Month / Day)

6/26

Fiscal Year (Month / Day)

12/31

CONTACT PERSON INFORMATION

The designated contact person **MUST** be an Officer of the Corporation

Name of Contact Person

Ms. Mary Belle D. Bituin

Email Address

mdbituin@gfni.com.ph

Telephone Number/s

(632) 8519-7888

Mobile Number

N/A

CONTACT PERSON'S ADDRESS

Penthouse, Platinum Tower, Asean Avenue corner Fuentes St., Aseana, Parañaque City

NOTE 1: In case of death, resignation or cessation of office of the officer designated as contact person, such incident shall be reported to the Commission within thirty (30) calendar days from the occurrence thereof with information and complete contact details of the new contact person designated.

2: All Boxes must be properly and completely filled-up. Failure to do so shall cause the delay in updating the corporation's records with the Commission and/or non-receipt of Notice of Deficiencies. Further, non-receipt of Notice of Deficiencies shall not excuse the corporation from liability for its deficiencies.

APR 04 2025





Building a better
working world

SyCip Gorres Velayo & Co.
6760 Ayala Avenue
1226 Makati City
Philippines

Tel: (632) 8891 0307
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sgv.ph

INDEPENDENT AUDITOR'S REPORT

The Board of Directors and Stockholders
Global Ferronickel Holdings, Inc. and Subsidiaries
Penthouse, Platinum Tower
Asean Avenue corner Fuentes St., Aseana
Parañaque City



Opinion

We have audited the consolidated financial statements of Global Ferronickel Holdings, Inc. and its subsidiaries (the Group), which comprise the consolidated statements of financial position as at December 31, 2024 and 2023, and the consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for each of the three years in the period ended December 31, 2024, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for each of the three years in the period ended December 31, 2024 in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics) together with the ethical requirements that are relevant to our audit of the consolidated financial statements in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For the matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying consolidated financial statements.



Impairment Testing of Property and Equipment

Mariveles Harbor Corporation (MHC), a subsidiary, has property and equipment amounting to ₱972.2 million as at December 31, 2024. With the termination of the contract with its main customer, MHC has been incurring net losses which indicates that its property and equipment may be impaired. In the event that an impairment indicator is identified, the assessment of the recoverable amount requires significant judgment and estimations about the assets' fair value, such as prices of materials, labor and contractor's costs, including inflation rate, associated with the reconstruction or reacquisition of the said assets. Management used an external appraiser in determining the recoverable amount of MHC's property and equipment based on fair value less cost to sell. Hence, such assessment is a key audit matter in our audit.

The disclosures in relation to property and equipment are included in Notes 3, 8 and 29 to the consolidated financial statements.

Audit Response

We obtained management's assessment on whether there is any indication that items of property and equipment may be impaired. We evaluated the competence, capabilities and qualifications of the external appraiser by considering their qualifications, experience and reporting responsibilities. We involved our internal specialists in the evaluation of the methodology and significant assumptions used by the external appraiser in determining the fair value of MHC's property and equipment. These assumptions include the price for the materials, labor and contractor's costs, including inflation rate, associated with the rebuilding and/or reacquisition of each replaceable component of the property and equipment. We recalculated the related depreciation of the estimated replacement costs based on the prevailing useful life of the property and equipment. We also inquired any future plan of the management to improve the operating performance of MHC. We also reviewed the Group's disclosures about those assumptions that have the most significant effect on the determination of the recoverable amounts of the property and equipment.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Securities and Exchange Commission (SEC) Form 20-IS (Definitive Information Statement), SEC Form 17-A and Annual Report for the year ended December 31, 2024, but does not include the consolidated financial statements and our auditor's report thereon. The SEC Form 20-IS (Definitive Information Statement), SEC Form 17-A and Annual Report for the year ended December 31, 2024 are expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audits of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audits, or otherwise appears to be materially misstated.



Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with PFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with PSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with PSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion.



Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matter communicated with those charged with governance, we determine this matter that was of most significance in the audit of the consolidated financial statements of the current period and is therefore the key audit matter. We describe this matter in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Jose Pepito E. Zabat III.

SYCIP GORRES VELAYO & CO.

Jose Pepito E. Zabat

Jose Pepito E. Zabat III
Partner

CPA Certificate No. 85501

Tax Identification No. 102-100-830

BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026

BIR Accreditation No. 08-001998-060-2023, October 23, 2023, valid until October 22, 2026

PTR No. 10465410, January 2, 2025, Makati City

March 7, 2025



GLOBAL FERRONICKEL HOLDINGS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Amounts in Thousands)

	December 31	
	2024	2023
ASSETS		
Current Assets		
Cash and cash equivalents (Note 4)	P1,662,842	P2,442,898
Trade and other receivables (Note 5)	638,599	453,846
Advances to related parties (Note 30)	8,036	560,486
Inventories (Note 6)	609,327	453,253
Prepayments and other current assets (Note 7)	51,035	28,450
Total Current Assets	2,969,839	3,938,933
Noncurrent Assets		
Property and equipment (Note 8)	6,562,276	6,239,057
Investment in associates (Note 9)	4,764,026	4,467,457
Mine exploration costs (Note 11)	264,319	237,857
Mining rights (Note 10)	102,663	110,932
Deferred tax assets - net (Note 31)	140,837	136,390
Retirement plan asset - net (Note 17)	49,546	43,556
Other noncurrent assets (Note 12)	2,238,727	2,240,559
Total Noncurrent Assets	14,122,394	13,475,808
TOTAL ASSETS	P17,092,233	P17,414,741
LIABILITIES AND EQUITY		
Current Liabilities		
Trade and other payables (Note 13)	P955,742	P760,907
Noninterest-bearing liability (Note 14)	482,683	437,958
Income tax payable	90,916	193,200
Current portion of loans payable (Note 15)	-	347,294
Advances from related parties (Note 30)	4,210	171,234
Current portion of lease liabilities (Note 18)	85,669	75,881
Other current liabilities (Note 19)	28,176	301,699
Total Current Liabilities	1,647,396	2,288,173
Noncurrent Liabilities		
Noninterest-bearing liability - net of current portion (Note 14)	1,148,299	1,566,752
Lease liabilities - net of current portion (Note 18)	678,935	747,461
Provision for mine rehabilitation and decommissioning (Note 16)	323,023	296,814
Deferred tax liabilities - net (Note 31)	227,293	234,958
Other noncurrent liabilities (Note 19)	232	232
Total Noncurrent Liabilities	2,377,782	2,846,217
Total Liabilities	4,025,178	5,134,390
Equity		
Capital stock (Note 20)	6,375,975	6,375,975
Additional paid-in capital (Note 20)	239,012	239,012
Fair value reserve of financial asset at fair value through other comprehensive income (Note 12)	(6,872)	(6,198)
Remeasurement gain on retirement obligation (Note 17)	41,996	44,276
Cumulative translation adjustment	188,727	132,801
Retained earnings (Note 20)	8,214,489	7,470,593
Treasury shares (Note 20)	(2,129,803)	(2,129,803)
Equity attributable to the Parent Company	12,923,524	12,126,656
Non-controlling interest (Note 20)	143,531	153,695
Total Equity	13,067,055	12,280,351
TOTAL LIABILITIES AND EQUITY	P17,092,233	P17,414,741

See accompanying Notes to Consolidated Financial Statements.



GLOBAL FERRONICKEL HOLDINGS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Amounts in Thousands, Except Earnings per Share)

	Years Ended December 31		
	2024	2023	2022
REVENUE FROM CONTRACTS WITH CUSTOMERS (Note 34)	₱7,610,929	₱8,785,462	₱6,731,378
COST OF SALES (Note 22)	4,069,534	3,592,231	2,355,067
GROSS PROFIT	3,541,395	5,193,231	4,376,311
OPERATING EXPENSES			
General and administrative (Note 23)	1,411,960	1,147,006	946,233
Excise taxes and royalties (Note 24)	791,933	851,168	842,916
Shipping and distribution (Note 25)	384,403	397,434	614,880
	2,588,296	2,395,608	2,404,029
SHARE IN NET INCOME OF INVESTMENT IN ASSOCIATES (Note 9)	296,569	158,917	219,475
FINANCE COSTS (Note 28)	(207,120)	(275,572)	(159,091)
FINANCE INCOME (Notes 4, 12, and 17)	18,271	29,608	15,324
OTHER INCOME (CHARGES) – net (Note 29)	(31,887)	(83,203)	644,869
INCOME BEFORE INCOME TAX	1,028,932	2,627,373	2,692,859
PROVISION FOR (BENEFIT FROM) INCOME TAX (Note 31)			
Current	324,241	706,105	568,358
Deferred	(29,092)	108,128	(30,639)
	295,149	814,233	537,719
NET INCOME	733,783	1,813,140	2,155,140
OTHER COMPREHENSIVE INCOME (LOSS)			
<i>Items that may be reclassified to profit or loss in subsequent periods:</i>			
Currency translation adjustment	74,568	(1,463)	153,049
Income tax effect	(18,642)	366	(38,262)
	55,926	(1,097)	114,787
<i>Items that will not be reclassified to profit or loss in subsequent periods:</i>			
Remeasurement gain (loss) on retirement obligation (Note 17)	(3,940)	11,655	(10,891)
Income tax effect	1,660	(2,914)	2,723
	(2,280)	8,741	(8,168)
Fair value reserve of financial asset at fair value through other comprehensive income (Note 12)	(674)	(380)	(253)
	52,972	7,264	106,366
TOTAL COMPREHENSIVE INCOME	786,755	1,820,404	2,261,506
Net income attributable to:			
Equity holders of the Parent Company	743,896	1,544,144	1,921,387
Non-controlling interest in consolidated subsidiaries	(10,113)	268,996	233,753
	733,783	1,813,140	2,155,140
Total comprehensive income attributable to:			
Equity holders of the Parent Company	796,868	1,551,408	2,027,753
Non-controlling interest in consolidated subsidiaries	(10,113)	268,996	233,753
	786,755	1,820,404	2,261,506
Basic/Diluted Earnings Per Share (Note 21)	₱0.15	₱0.30	₱0.37

See accompanying Notes to Consolidated Financial Statements.



GLOBAL FERRONICKEL HOLDINGS, INC. AND SUBSIDIARIES

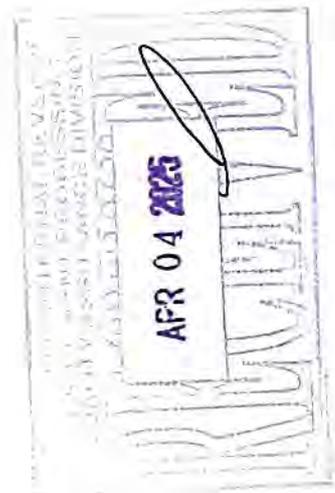
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

FOR THE YEARS ENDED DECEMBER 31, 2024, 2023 AND 2022

(Amounts in Thousands)

Equity Attributable to Equity Holders of the Parent

	Fair Value Reserve of Financial Asset at Fair Value through					Retained Earnings (Note 20)	Cumulative Translation Adjustment	Total	Non-Controlling Interest in Consolidated Subsidiaries (Note 20)	Total
	Treasury Shares (Note 20)	Comprehensive Income (Note 12)	Other Gain (Loss) on Retirement Obligation (Note 17)	Income (Note 12)	Adjustment					
Balances at December 31, 2021	₱6,375,975	₱239,012	₱43,703	₱5,565	₱19,111	₱5,631,501	₱10,390,931	₱430,594	₱10,821,525	
Net income	-	-	-	-	-	1,921,387	1,921,387	233,753	2,155,140	
Other comprehensive income (loss) - net of tax	-	(253)	(8,168)	(253)	114,787	-	106,366	-	106,366	
Total comprehensive income (loss)	-	(253)	(8,168)	(253)	114,787	1,921,387	2,027,753	233,753	2,261,506	
Acquisition of Southeast Palawan Nickel Ventures, Inc. (Note 37)	-	-	-	-	-	-	-	6,503	6,503	
Purchase of treasury shares in relation to buyback program (Note 20)	(55,407)	-	-	-	-	-	(55,407)	-	(55,407)	
Effect of common control business combination (Note 37)	-	-	-	-	-	(472,559)	(472,559)	-	(472,559)	
Cash dividend (Note 20)	-	-	-	(1,039,975)	-	(1,039,975)	(1,039,975)	(125,951)	(1,165,926)	



Equity Attributable to Equity Holders of the Parent

	Fair Value Reserve		Fair Value through		Remeasure-		Cumulative		Retained		Non-Controlling	
	Capital Stock	Additional Paid-in Capital	Treasury Shares	Comprehensive Income	Other	ment Gain (Loss) on Retirement Obligation	Translation Adjustment	Earnings (Note 20)	Earnings (Note 20)	Interest in Consolidated Subsidiaries (Note 20)	Total	Total
Balances at December 31, 2022	₱6,375,975	₱239,012	(₱1,968,213)	(₱5,818)	₱35,535	₱133,898	₱6,040,354	₱10,650,743	₱544,899	₱11,395,642		
Net income	-	-	-	(380)	8,741	(1,097)	1,544,144	1,544,144	268,996	1,813,140		
Other comprehensive income (loss) -net of tax	-	-	-	(380)	8,741	(1,097)	1,544,144	1,551,408	268,996	1,820,404		
Total comprehensive income (loss)	-	-	-	(380)	8,741	(1,097)	1,544,144	1,551,408	268,996	1,820,404		
Acquisition of non-controlling interest of Southeast Palawan Nickel Ventures, Inc. and Mariveles Harbor Corporation (Note 20)	-	-	-	-	-	-	414,376	414,376	(659,971)	(245,595)		
Purchase of treasury shares in relation to buyback program (Note 20)	-	-	(295,450)	-	-	-	-	(295,450)	-	(295,450)		
Cash dividend (Note 20)	-	-	-	-	-	-	(524,169)	(524,169)	(229)	(524,398)		
Sale of treasury shares (Note 20)	-	-	133,860	-	-	-	(4,112)	129,748	-	129,748		
Balances at December 31, 2023	6,375,975	239,012	(2,129,803)	(6,198)	44,276	132,801	7,470,593	12,126,656	153,695	12,280,351		
Net income (loss)	-	-	-	(674)	-	-	743,896	743,896	(10,113)	733,783		
Other comprehensive income (loss) -net of tax	-	-	-	(674)	(2,280)	55,926	-	52,972	-	52,972		
Total comprehensive income (loss)	-	-	-	(674)	(2,280)	55,926	743,896	796,868	(10,113)	786,755		
Cash dividend (Note 20)	-	-	-	-	-	-	-	-	(51)	(51)		
Balances at December 31, 2024	₱6,375,975	₱239,012	(₱2,129,803)	(₱6,872)	₱41,996	₱188,727	₱8,214,489	₱12,923,524	₱143,531	₱13,067,055		

See accompanying Notes to Consolidated Financial Statements.



GLOBAL FERRONICKEL HOLDINGS, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Amounts in Thousands)

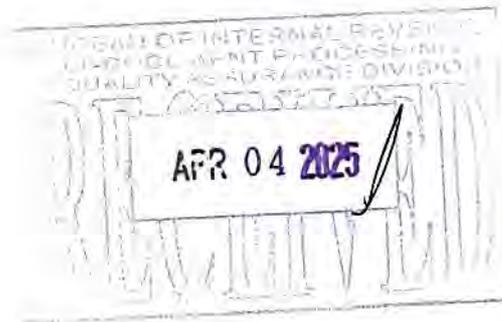
	Years Ended December 31		
	2024	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Income before income tax	P1,028,932	P2,627,373	P2,692,859
Adjustment for:			
Depreciation, depletion and amortization (Note 27)	614,133	560,072	470,749
Share in net income of investment in associates (Note 9)	(296,569)	(158,917)	(219,475)
Accretion interest on provision for mine rehabilitation and decommissioning and noninterest bearing liability (Notes 14, 16 and 28)	140,657	159,808	46,333
Provision for impairment losses on:			
Other noncurrent assets (Notes 12 and 23)	77,184	922	3,260
Inventory (Note 6)	5	1,861	4,075
Interest expense (Note 28)	71,705	111,621	106,651
Loss (gain) on:			
Gain on disposal of property and equipment (Note 8)	(51,780)	(4)	(426)
Derecognition of deposit for future acquisition (Note 30)	-	-	469,253
Unrealized foreign exchange losses - net (Note 29)	43,407	83,147	85,574
Interest income (Notes 4, 12, and 16)	(17,323)	(28,660)	(11,608)
Current service cost (Note 17)	10,385	9,223	8,026
Reversal of allowance for impairment loss of prepayments and other current assets (Note 7)	(4,787)	(2,365)	-
Accretion of interest income on security deposit under "Other noncurrent assets" (Note-12)	(948)	(948)	(965)
Provision for expected credit losses (Notes 5 and 23)	-	-	23,574
Day 1 gain on noninterest bearing liability (Note 9)	-	-	(504,273)
Operating income before working capital changes	1,615,001	3,363,133	3,173,607
Decrease (increase) in:			
Trade and other receivables	(188,959)	1,811,181	(659,393)
Prepayments and other current assets	(22,585)	27,273	7,612
Input VAT under "other noncurrent assets"	-	(457,449)	(342,945)
Inventories	(156,079)	(162,821)	(3,656)
Increase (decrease) in:			
Trade and other payables	182,173	(190,851)	(38,724)
Other current liabilities	7,392	2,364	-
Net cash flows from operations	1,436,943	4,392,830	2,136,501
Income taxes paid	(402,107)	(832,714)	(515,166)
Contributions (Note 17)	(17,181)	(22,909)	(22,909)
Interest paid	(15,510)	(59,500)	(154,384)
Interest received	7,417	25,188	5,784
Net cash flows from operating activities	1,009,562	3,502,895	1,449,826
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to:			
Property and equipment (Notes 8)	(1,004,810)	(868,995)	(611,322)
Mine exploration costs (Note 11)	(26,462)	(58,827)	(31,731)
Non-interest bearing liability for acquisition of an associate (Note 14)	(564,030)	(558,895)	-
Decrease (increase) in advances to related parties	552,450	(331,871)	(647,828)
Increase in other noncurrent assets	(93,226)	(471,732)	(147,832)
Proceeds from sale of property and equipment	143,469	3,393	-
Acquisition of non-controlling interest (Note 20)	-	(245,595)	-
Cash acquired for the acquisition of net assets of a subsidiary (Note 37)	-	-	82,163
Net cash flows used in investing activities	(992,609)	(2,532,522)	(1,356,550)

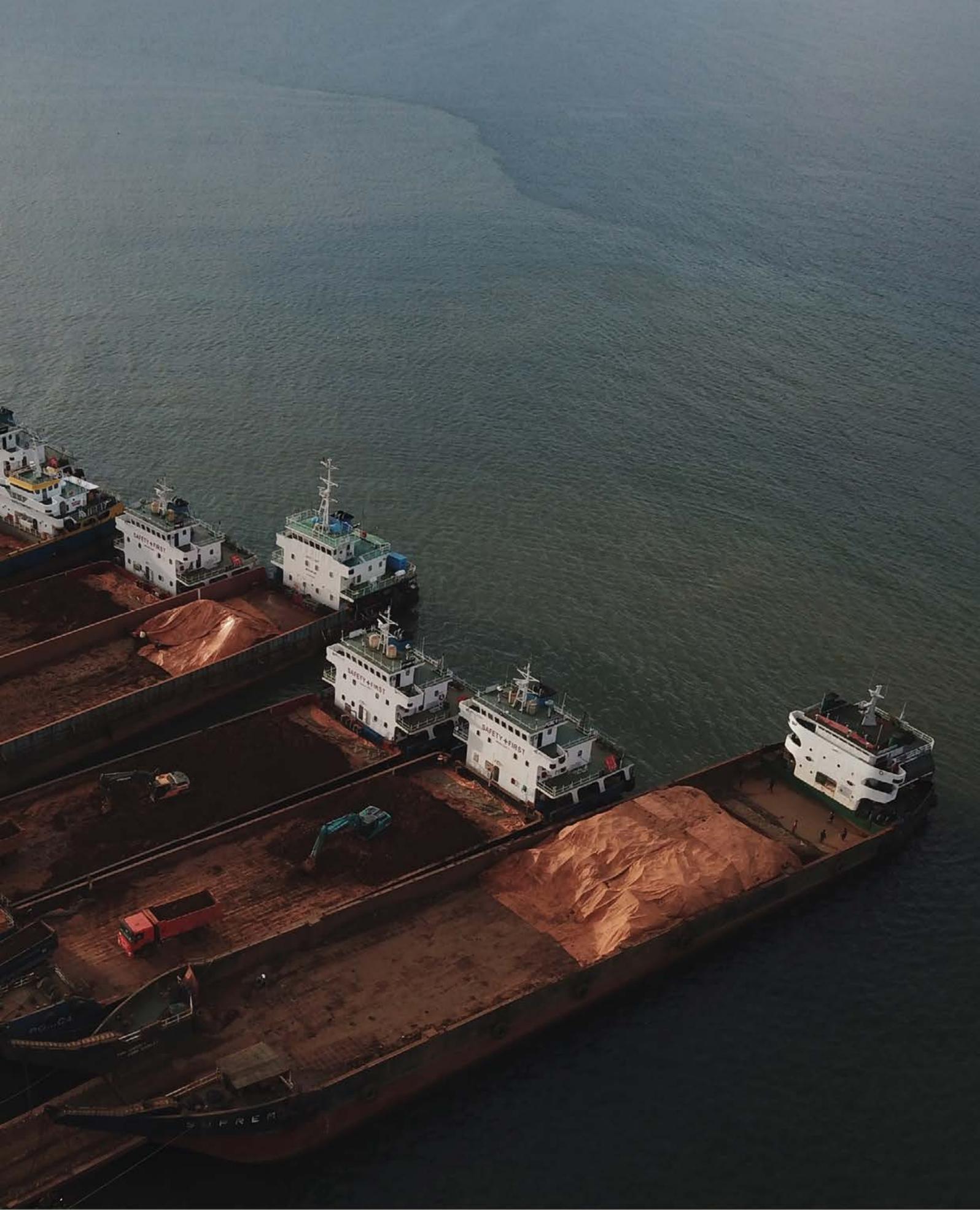
(Forward)



	Years Ended December 31		
	2024	2023	2022
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment of:			
Loans (Note 15)	(P347,294)	(P491,180)	(P137,646)
Lease liabilities and interest (Note 18)	(108,161)	(62,984)	(111,721)
Cash dividends (Note 36)	-	(519,924)	(472,885)
Decrease in:			
Advances from related parties	(167,024)	(118,833)	(90,906)
Other current liabilities	(276,128)	(312,944)	(85,444)
Purchase of treasury shares (Note 20)	-	(295,450)	(55,407)
Sale of treasury shares	-	129,748	-
Net cash flows used in financing activities	(898,607)	(1,671,567)	(954,009)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(881,654)	(701,194)	(860,733)
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	101,598	(36,493)	220,141
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	2,442,898	3,180,585	3,821,177
CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 4)	P1,662,842	P2,442,898	P3,180,585

See accompanying Notes to Consolidated Financial Statements.





Global Ferronickel Holdings, Inc.