



## **Message from the President and CEO for 27 July 2020**

Five months into the pandemic, our BUs remain focused on their deliverables.

With its ore loading for foreign vessels scheduled for the last quarter, RTN continues to supply CBNC with limonite and crushed limestone. At the same time, it continues to fulfill its commitments to its communities: it has started work on profiling the community in Bgy Sandoval for the Level 3 water system project; it turned over farm inputs and fishing materials to 2 non-impact barangays; it completed an infrastructure project in Bgy Rio Tuba – the Multi-Purpose Building; and it completed the soil compost maturing testing for the Bioreactor at the SDMP Research Center. The screening and selection of the next batch of SDMP scholars is ongoing. For employees and dependents, RTN has started the roll-out of the flu vaccine, while new laboratory equipment was turned over to LSVMS. For the environment, an Edible Landscaping contest in Bgy Rio Tuba was launched last July 22, while activities for Mine–eco Tourism are ongoing, starting with employees to showcase the company’s rehabilitation efforts to our own internal “ambassadors”.

Operations-wise, TMC has completed 28 vessels YTD, with 5 vessels ongoing simultaneous loading. For its community outreach, TMC released 20,000 bangus fingerlings into the renovated fish pens of Gagmay ng Mananagat sa Wagnke (GAMAWA), an initiative under SDMP to support the fisherfolk of Claver. It also continued to disinfect public areas in the four impact barangays around TMC as well as TMC’s own facilities, and turned over office equipment to barangays Panatao and Ladgaron. Regarding the ECQ imposed by LGU Claver on THPAL, TMC is happy to note that this has now been lifted after zero cases were reported in Claver following strict lockdown procedures and testing and isolation of suspect cases. TMC was also cited by the City Government of Surigao for its donation of 400 rapid test kits, which was followed recently by a further donation of 50 for the City Jail. To encourage healthy habits among its employees, TMC has launched WOW or Workout on Wednesdays at the TMC Gym.

CMC is proud of the fact that the Dinagat island Provinces remains one of only four provinces that are COVID-free. CMC can rightly lay claim to some credit for this due to its preventive measures that were established in close collaboration with the provincial and municipal governments, specifically their respective health units. Operations-wise, CMC has loaded 18 foreign vessels, with the loading of 5 more ongoing. It has completed 6 shipments to CBNC with the loading of 1 vessel ongoing.

HMC, like the other BUs, continues to reach out and assist its community to ensure that the COVID threat remains at bay. It donated 1,000 rapid test kits to the Caraga Regional Hospital, and 200 to MGB 13, whose staff underwent testing (all turned out negative). More food and medical supplies were also turned over to LGU Tagana-an. For all these, HMC has received resolutions from both LGU Tagana-an and LGU Surigao City commending it for its efforts against COVID-19. Operationally, HMC has completed 14 vessels to date, with 2 more being loaded simultaneously as we write this.

At EPI everything remains on track as reported two weeks ago.

Beyond our BU reports I would like to personally highlight two more items for this report.

First, as mentioned in passing in the TMC report above, the threat of a COVID outbreak in Claver, Surigao del Norte, has passed. As you know, after a handful of its contractor employees tested positive for COVID-19, THPAL was subjected to an ECQ lockdown by LGU Claver. Some of its staff (as well as a number from TMC) were also subjected to virus testing, with a few suspect cases placed in quarantine. Both the ECQ and the quarantine periods have lapsed, and no further cases have been reported. Just as important, we have been able to


strengthen our relationship with our government stakeholders throughout this period, and they have been appreciative of our efforts to be of assistance in combatting the threat of the virus in our communities.

Second, we finally kicked off our partnership with IBM for our ERP program, which is designed to convert NAC into a lean, agile, effective and efficient organization that can respond better to the demands of the future. This program is still in its early stages, and there are many birth pains we have yet to endure, but the resulting improvement in operations and reduction in costs that will result from a better flow of information throughout the organization will make it all worthwhile.

The fact is that mining of nickel is a fundamental component in a “green future” whose building blocks are already being put in place as we speak. NAC needs to be ready, willing and able to respond to the demands of that “green future”, hence our ERP program. I would like to thank Angel for her patience and perseverance in leading the ERP team as it jumps through hoops and over obstacles it encounters along the way.

Today we will listen to President Duterte as he delivers his fifth State of the Nation. As you are well aware COVID19 continues to ravage not just the state of health of thousands of our countrymen but also the state of our economy, affecting tens of millions more. Whatever the President says, we as NAC and as individuals will need to remain vigilant, actually doubly so, given an apparent second or third wave of infections (especially in Metro Manila) that remains a threat to our individual well-being as well as to that of NAC. All the efforts you are putting at enforcing strict health and safety rules need to continue because this health scare is far from over. And yet we must also remain grateful that we continue to bring benefits to our communities as well as to our families through the work that we are able to continue doing, everywhere we have operations.

Stay vigilant, stay safe and stay healthy.

DocuSigned by:  
  
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President and CEO