



Message from the President and CEO

We are thankful that Typhoon Rolly did not wreak havoc on any of our areas or affect any of our associates, but let us not forget the residents of the Bicol region and Aurora province who bore the brunt of its wrath at a time when COVID remains a problem in our country. And let us remember: Rolly is not going to be the last weather disturbance for 2020, so we all have to remain vigilant.

Vigilance is something I wish to stress today, given some issues we faced last week in Hinatuan and, to a much lesser degree in Taganito. As most of you may know by now, what started off as a mysterious COVID infection of one of our senior managers has turned out to be a more widespread case, with more than 40 associates on the island having to be subjected to RT-PCR (swab) testing for the virus, and 21 of them testing positive. Still, we have many reasons to feel fortunate: our senior manager who had to be airlifted to St Luke's BGC to be better cared for, is now on the mend and may be discharged any time soon; likewise, another manager, who accompanied the first one to Surigao City and then who also tested positive, is being discharged soon. Similarly, the 21 in HMC who have tested positive for COVID remain asymptomatic or mildly symptomatic and are in the last few days of their quarantine.

To a lesser extent, TMC is also experiencing the same, with one security associate and three others testing positive after undergoing the RT-PCR tests. In an overabundance of caution, TMC is subjecting over 700 employees to a Rapid Antibody Test (RAT) beginning today to surface any latent asymptomatic infections so we any potential spread can be nipped in the bud.

We must keep in mind that COVID, like the flu that comes from the same virus family, may very well remain with us for a long time. While it remains potent, experts in science and medicine have learned how to deal with the virus better since it was first discovered in January of this year, making it less fatal especially when addressed immediately. And that is why we have an incident management process in place – precisely so that an issue (an employee or a group not feeling well) or an incident (an employee tests positive for the virus) does not become a crisis (a community spread over which we lose control). But to do this effectively requires everyone's cooperation, and everyone trusting the process to work. It is worth repeating that our Gen. Romeo T. Tanalgo heads the NAC IMCR process.

As we enter the last 60 days of the year, I am happy to report that our BUs remain on track at meeting their targets despite a hiccup or two here or there. CMC for its part has completed 47 foreign vessels, 2 more than its target of 45. With nickel prices at levels we haven't seen for some time, CMC is adding two more vessels to its tally, and is also absorbing 2 more that we have had to divert from HMC. This will bring CMC's 2020 total to 51 vessels, in addition to 22 vessels for CBNC.

CMC is also proud that it has passed the virtual follow-up audits for ISO 9001-2015, ISO 14001-2015 and ISO 45001-2018.

Of course CMC is able to do this whole coming to the aid of HMC by sending an Emergency Response Team headed by Engr. Dinnis Bongon and Dr. Alvin Pura; the CMC team has been critical in stabilizing the situation at HMC and the early management of the COVID scare is in a big part due to them – as well as assistance from TMC.

RTN has completed 25 vessels for the year, with two being loaded as this is written. This is 70% of RTN's target of 36 vessels for the year. Recently, the RTN received a Special Citation from the Philippine Chamber of Commerce and Industry during the 46th Philippine Business Conference and Exposition for achieving Excellence in Ecology and Economy (E3) in its

operations. Separately, the Department of Agriculture- Palawan Research and Experiment Station (DA-PRES) gave technical recommendations to RTN for the improvement of the experimental demo farm at the SDMP Research Center.

TMC, as mentioned earlier, is managing COVID infections among four of its associates, who are in quarantine but are stable and recovering. Contact tracing has been conducted and close contacts of everyone involved have been asked to quarantine themselves for observation. Parts of the minesite will be under “zonal lockdown” while contact tracing and testing are undertaken in the next three days, but operations continue with the blessings of LGU Claver.

As of today, TMC has completed the loading of 58 vessels out of its target of 67, with 8 vessels currently undergoing loading.

HMC completed its 2020 shiploading season with its voluntary stoppage of operations last October 27 after completing 30 shipments to China and 3 barges to CBNC. Despite its own issues, HMC continued to assist communities, turning over 250 sacks of tice to the Province of Surigao del Norte for families affected by the MECQ declaration in Surigao City; it also turned over various medical supplies (PPEs, N95 masks, goggles, etc) to the Caraga Regional Hospital.

Let me reiterate three important points: First, during this pandemic we cannot let our guard down while going about our everyday work. Second: COVID is a manageable threat but because it can go undetected it requires that all of us cooperate in the effort to keep ourselves and our communities safe from the virus. And Third: we are all in this together and when the year ends, we will celebrate together and gladly welcome the New Year together!

Stay safe.

DocuSigned by:



Martin Antonio G. Zamora
President and CEO