

COVER SHEET

SEC Registration Number

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COMPANY NAME

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

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Form Type

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Department requiring the report

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Secondary License Type, If Applicable

N	/	A	
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COMPANY INFORMATION

Company's Email Address

Corpsec@apexmining.com

Company's Telephone Number

8706-2805

Mobile Number

No. of Stockholders

2,759

Annual Meeting (Month / Day)

6/30

Fiscal Year (Month / Day)

12/31

CONTACT PERSON INFORMATION

The designated contact person MUST be an Officer of the Corporation

Name of Contact Person

Billy G. Torres

Email Address

bgtorres@apexmining.com

Telephone Number/s

8706-2805

Mobile Number

N/A

CONTACT PERSON'S ADDRESS

3304B West Tower, PSE Centre, Exchange Road, Ortigas Center, Pasig 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.

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-A

**ANNUAL REPORT PURSUANT TO SECTION 17 OF THE SECURITIES
REGULATION CODE AND SECTION 141 OF THE CORPORATION CODE OF
THE PHILIPPINES**

1. For the calendar year ended: **December 31, 2020**
2. Date of this report: **May 17, 2021**
3. Commission Identification Number: **40621**
4. BIR Tax Identification No.: **000-284-138**
5. Exact Name of Registrant as specified in its charter: **APEX MINING CO., INC.**
6. Province, country or other jurisdiction of incorporation or organization: **PHILIPPINES**
7. Industry Classification Code: (SEC Use Only)
8. Address of registrant's principal office: **3304B West Tower PSE Centre, Exchange
Postal Code: 1605 Road, Ortigas Center, Pasig City**
9. Telephone number, including area code: **Tel. # (02) 8706-2805 Fax # 8706-2804**
10. Former name, former address and former fiscal year, if changed since last report. **N/A**
11. Securities registered pursuant to Sections 8 and 12 of the SRC, or Sections 4 and 8 of the
RSA

<u>Title of Each Class</u>	<u>Number of Shares of Common Stock Outstanding or Amount of Debt Outstanding</u>
Common shares	6,227,887,491

12. Are any of the issuer's securities listed on a Stock Exchange? **Yes [X]** **No []**

If yes, disclose the name of such Stock Exchange and the class of securities listed therein:

Philippine Stock Exchange / Common shares

Part I – BUSINESS AND GENERAL INFORMATION

Item 1. BUSINESS

Corporate Information and Business Development

Apex Mining Co., Inc. (the “Company”) was incorporated and registered with the Philippine Securities and Exchange Commission (SEC) on February 26, 1970 under the name Apex Exploration & Mining Company until 1978 when this was changed to the Parent Company’s present name, Apex Mining Co., Inc.

The Company was incorporated primarily to carry on the business of mining, milling, concentrating, converting, smelting, treating, preparing for market, manufacturing, buying, selling, exchanging and otherwise producing and dealing in gold, silver, copper, lead, zinc brass, iron, steel and all kinds of ores, metals and minerals.

The Parent Company currently operates the Maco Mines in Maco, Davao de Oro (formerly Compostela Valley).

On March 7, 1974, the Company listed its shares in the Philippine Stock Exchange (PSE) and attained the status of being a public company on the same date.

In 1991, the Company ceased operation of the Maco mine due to the prolonged depressed gold price.

In 2005, Crew Gold Corporation (Crew Gold), a Canadian company, and its associated Philippine company, Mapula Creek Gold Corporation (Mapula), acquired 28% and 45% of the Company’s shares, respectively, from the Puyat group. In 2006, Crew Gold organized Teresa Crew Gold Philippines, Inc. (Teresa) as a subsidiary to support the rehabilitation of the Company’s mining properties and the refurbishing of the Maco mine’s processing plant.

In January 2009, Teresa commenced operations of the Maco mine. In October 2009, Crew Gold sold its holdings in Teresa and Mapula to Mindanao Gold Ltd. (Mindanao Gold), a special purpose company owned by Abracadabra Speculative Ventures, Inc. (ASVI) of Malaysia.

In November 2011, Monte Oro Resources & Energy, Inc. (MORE), a Philippine company, acquired an initial 5% ownership in the Company, the proceeds of which were used for capital expenditures for the existing mine and mill, and for exploration drilling program of the Maco mine properties. In December 2011, the Philippine Securities & Exchange Commission approved the merger of Teresa and the Company, with the Company as the surviving entity effective on January 1, 2012.

In October 2013, MORE management was voted to take over management of the operation of the Company by the stockholders. In April 2014, MORE acquired substantial ownership in the Company held by Mapula. At this point, MORE became the significant shareholder, controlling 46.5%, of the Company.

In October 2014, the Company acquired 100% ownership of MORE, and Prime Metroline Holdings, Inc. (now Prime Strategic Holdings, Inc.) and other MORE shareholders used the proceeds of the sale of their shares in MORE to subscribe to new shares in the Company and

in the process acquire control of the Company, diluting to a small minority the shareholdings of Mindanao Gold and Mapula.

In June 2015, the Company acquired 98% of the shares of Itogon-Suyoc Resources, Inc. (ISRI), a Philippine company. The Company acquired the remaining 2% of ISRI in August 2016.

Business of Issuer

Products

The Company's mine produces bullions containing gold and silver. All of the Company's production are sold to Heraeus Ltd. in Hong Kong.

Competition

Competition among mining companies is inexistent as each mining company operates in its own individual areas or tenements granted to them by the Philippine government. The competition is in obtaining a mining license, such as Mineral Production Sharing Agreement (MPSA) from the government. A mining company with no MPSA, mining patents or other forms of tenement will not be able to operate.

Development Activities

Expenditures for the development activities by the Company in the last three calendar years and its percentage to revenue are shown in the following table:

Year	Development Cost	Revenue	Percentage
2020	P822,407,244	P6,317,677,566	13%
2019	627,841,722	4,960,926,451	13%
2018	222,940,955	4,658,242,792	5%

Sources of Materials and Supplies

Operating materials and supplies, and equipment and maintenance parts are provided by a number of suppliers both domestic and foreign.

Employees

Total manpower headcount as of December 31, 2020 is 1,728. The table below summarizes the distribution of the Company's manpower count as to division and rank.

Division/Department	R&F	Supervisor	Manager	Total
Mine Division	586	144	13	743
Mill Division	90	17	2	109
Geology Division	115	45	4	164
PMES Division	102	31	4	137
Support Services & Admin	377	151	47	575
Total	1,270	388	70	1,728

Status of Operations

A. Mining Properties

Maco Mine

On December 22, 2005, the Mines and Geosciences Bureau (MGB) approved the Company's application for a Mineral Production Sharing Agreement (MPSA) covering 679.02 hectares of land situated in Maco, Davao de Oro. On June 25, 2007, the MGB approved the Company's second application for a MPSA covering an additional 1,558.50 hectares of land near the area covered by the first mineral permit.

As at December 31, 2020, the Company holds valid and subsisting MPSA Nos. 225-2005-XI and 234-2007-XI, which have terms of 25 years from the effective date.

ISO Certification

The Company's Maco Mines has three certifications:

- ISO 9001:2015 for Quality Management System
- ISO 14001:2015 for Environmental Management System, and
- OHSAS 18001:2007 for Occupational Health and Safety Assessment Series

granted in March 2018 by Certification International. The scope of the certifications includes exploration underground mining, milling and recovery of gold and silver using carbon-in-leach process; mine waste and mill trails management; and all support services.

Itogon Mines

ISRI is the holder of four (4) Patented Mineral Claims covering the Sangilo Mine in Itogon, Benguet and MPSA No. 152-2000-CAR covering the Suyoc Mine in Mankayan, Benguet.

The Sangilo mine has completed its rehabilitation and refurbishment of its mining and milling facilities and declared the commencement of its commercial operations on July 31, 2020. Suyoc Mine continues its resource validation and exploration activities.

ISO Certification

The Sangilo and Suyoc mines are ISO 14001:2015 certified for environmental management system granted by TUV Rheinland in April 2017. The scope of the certification for the Sangilo Mine is for exploration, mining and mine processing; while the Suyoc Mine is for mining exploration and project development.

Paracale Gold Project

MORE wholly owns Paracale Gold Limited (PGL), a British Virgin Islands (BVI) company, which wholly owns Coral Resources Philippines, Inc. (CRPI) and has a 40% interest in Bulawan Mineral Resources Corporation (BMRC). PGL has advances to, and an option to buy over the other 60% shareholdings, in BMRC.

The mine project of PGL is located in Jose Panganiban, Camarines Norte. BMRC handles all tenements while CRPI is the owner/operator of a mineral processing plant. BMRC holds 25 tenements in various stages of application. It is currently working on the processing and approval of pending applications, plus alternative options such as Special Mines Permits and ores from legal small scale mining operations.

Mongolia Project

The Khar At Uui Gold Project is registered under the joint venture company Erdeneminas LLC, which is owned 51% by Minas de Oro Mongol LLC (Minas), a wholly-owned subsidiary of MORE, and 49% by Erdenejas LLC, a Mongolian exploration company. The project is currently under continued care and maintenance.

Sierra Leone Project

The Gori Hills project located in the Republic of Sierra Leone in West Africa is owned by MORE through Monte Oro Mining Co., Ltd. (MOMCL) which holds the tenements for the project and MORE Minerals SL (MMSL), previously engaged in artisanal mining and gold trading.

MORE has an interest in Gold Mines of Uganda Ltd. (GMU) in the form of advances made to this company. GMU owns significant gold related assets and gold resources in Uganda. GMU and MORE has a Memorandum of Agreement whereby both parties agree to combine their mineral interest in Africa and work towards creating a mining company that will be listed and marketed to international investors, and to enable GMU raise capital funding through the listing. As of the report date, the MA is not yet consummated by both parties. The two licenses of Uganda project were renewed last September 9, 2020 with a tenure of 3 years subject to a 4-year extension.

Myanmar Project

The Modi Tuang Gold Project is located in the Yementhin Township, Mandalay Division, south east of Mandalay and north of Yangon, Myanmar. The Project is controlled by National Prosperity Gold Production Group Ltd.(NPGPL) in which the Company has a 3.92% equity interest.

B. Oil and Gas

Service Contract (SC)

MORE has a 30% participating interest in SC 72, a service contract for gas located in the West Philippine Sea covering the Sampaguita offshore gas field northwest of Palawan. Forum (GSEC 101) Ltd. holds the remaining 70% participating interest and is the operator of the SC.

The Philippine government lifted its moratorium on oil and gas exploration in disputed areas of the West Philippine Sea last October 2020.

C. Others

Solid Waste Management

MORE owns 52% of International Cleanenvironment Systems, Inc. (ICSI) which has a Build-Operate-Transfer contract with the Philippine government through the DENR to manage, rehabilitate and introduce ecologically friendly technologies for waste disposal, recycling and energy generation which agreement is yet to be put in operation

ICSI is a subject of an agreement to sell between MORE and A. Brown Co., Inc. (ABCI) whereby MORE shall sell an 52% ownership in ICSI to ABCI upon fulfilment of certain conditions.

Government Regulations and Approvals

Compliance with existing governmental regulations entails costs to the Group which are appropriately reflected either as expense or as capital asset based on the related financial

reporting standards. Future and probable government regulations are considered but the effects cannot be determined until the specific implementing guidelines are known.

Exploration and Development

Exploration and development are undertaken in-house and overseen by the Company's Vice President for Geology & Exploration, Dr. Eric S. Andal.

Operations

Geology and Exploration

Underground drilling continuously focused on the near-mine extensions of the gold-bearing quartz-sulphide breccia Maco vein systems. One unit of DE-140 rig, three units of Smart-4 rigs, and one unit of Diamec U-6 by Drillcorp Philippines (contractor) were dedicated to evaluate the lateral and vertical continuity of the BHWS, Masara, Jessie, Maria Inez, BIBAK, Sandy and Sandy-2 veins. A total of 42 drill holes were completed in 2020.

These holes have indicated additional Resources and in-fill drill holes, where necessary, will be done to qualify for inclusion in the Resource model. The total meterage from the completed 42 drill holes in 2020 was 16,348 meters in MPSA 225.

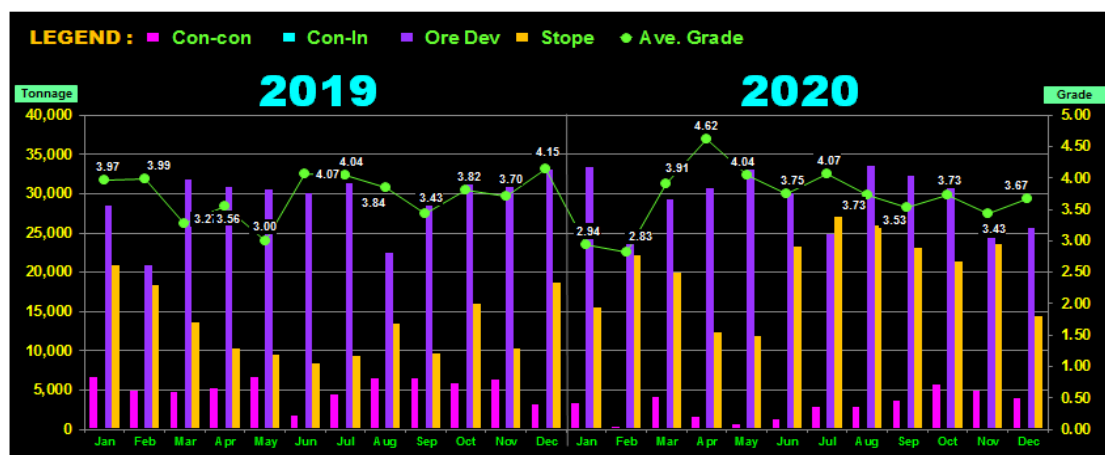
Below is the breakdown of the diamond drilling accomplishment for the year 2020 in meters advanced per drill rig.

Rig	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
DIAMEC U6	651	372	633	838	698	626	788	857	772	634	560	658
SMART-4A	222	448	419	103	149	179	43	-	-	-	-	-
SMART-4B	42	162	384	82	-	-	124	-	-	-	-	-
SMART-4C	359	151	272	121	-	114	375	401	519	619	443	442
DE-140	-	61	-	43	-	-	9	482	534	486	475	-
TOTAL	1,274	1,194	1,707	1,187	847	920	1,338	1,740	1,825	1,740	1,478	1,100

Mining Operations

The total mine production in 2020 was 633,308 tonnes with an average grade of 3.67 grams per tonne (gpt) compared to 573,612 tonnes with an average grade of 3.74 grams per tonne (gpt) in 2019.

Below is the summary of ore sources production and average grade of mine ore:



Below is the summary of ore sources production and average grade of mined ore.

Ore sources	2020			2019		
	Tonnage	Gpt of gold	% to Total	Tonnage	Gpt of gold	% to Total
Ore development	339,444	3.42	54%	316,923	3.36	55%
Stoping	240,883	3.75	38%	158,509	4.46	28%
Conventional - Contract	34,954	6.10	6%	62,645	4.16	11%
Conventional - In-house	2,394	5.47	0%	-	-	-
Incidental ore	15,633	3.11	2%	35,535	3.17	6%
	633,308	3.67	100%	573,612	3.74	100%

In 2020 and 2019, off-vein mine development for access drives advanced 4,629 and 6,255 meters, respectively, while on-vein mine development for ore advanced 7,905 and 8,560 meters, respectively.

Mill Operations

Below is the summary of the mill production metrics in 2020 with comparative 2019 and 2018 figures.

	2020	2019	Change	2018	Change
Tonnage:					
Total	664,363	711,788	-7%	609,604	+17%
TPD	1,949	2,063	-5%	1,789	+15%
Mill head grade (gpt):					
Gold	3.61	3.19	+13%	4.25	-25%
Silver	22.10	20.47	+8%	25.56	-20%
Recovery percentage:					
Gold	87.63	85.46	+3%	84.76	+1%
Silver	77.23	75.50	+2%	65.63	+15%
Ounces produced:					
Gold	68,017	62,468	+9%	70,564	-11%
Silver	373,944	353,627	+6%	328,797	+8%

Mineral Resource and Ore Reserves update

As of December 31, 2020, the estimated mineral resource amounted to 5.92 million tonnes at a grade of 5.4 gpt, while the estimated ore reserves amounted to 1.92 million tonnes at a grade of 6.3 gpt both from respective Competent Person (CP) reports dated February 2020 and May 2020, respectively.

The modifying factors that were applied are the dilution factor assigned per type of mining method (Long Hole, Cut & Fill, Shrinkage, Sub-level Caving), provision for pillar, and a block cut-off grade of 3.0 gpt. Meanwhile the mineral resource was estimated using a block cut-off grade of 1.5 gpt.

Below is the summary of the estimated mineral resources and ore reserves covering certain veins/areas of the Maco mine as reported by independent competent person compliant with the Philippine Mineral Reporting Code (PMRC). The ore reserves are derived from and not additional to the declared mineral resources.

Estimated Mineral Resources @ Cut-Off Grade of 1.5 gpt

Category	Grade (gpt)	Tonnes	Estimated gold (in ounces)
Inferred	4.8	2,320,000	358,000
Indicated	5.0	3,220,000	517,000
Measured	5.8	380,000	70,000
Total / Average	5.4	5,920,000	945,000

The above figures were lifted from the technical report duly notarized on February 18, 2020 on the exploration results and mineral resources covering veins in MPSA-225-2005-XI, prepared and submitted by Mr. Carlito A. Ausa, a registered Geologist with License No. 779 and is an accredited CP on Exploration Results and Mineral Resource Estimation with the PMRC/Geological Society of the Philippines CP Registration No. 19-01-01.

Estimated Ore Reserves @ Cut-Off Grade of 3.0 gpt

Category	Grade (gpt)	Tonnes	Estimated gold (in ounces)
Probable	6.3	1,629,000	328,000
Proven	6.9	286,000	63,000
Total / Average	6.3	1,915,000	391,000

The above figures were lifted from the technical report duly notarized on May 28, 2020 on the 2019 report for economic assessment and ore reserve estimation of the gold vein deposits of Maco mines within MPSA-225-XI-2005 and MPSA 234-XI-2007 prepared and submitted by Mr. Raul B. Cesar, a registered Mining Engineer with License No. 1709 and is an accredited CP with PMRC with CP Registration No. EM 01709-20/11.

Community Development Projects Update

The Company complied with and implemented the mandates provided under DENR Administrative Order (DAO) No. 2010-21, "Mandating the Contractor/Permit Holder/Lessee to allocate annually a minimum of one and a half percent (1.50%) of the Total Operating Cost (TOC) as the basis for funding the Social Development and Management Program (SDMP), provided further that the SDMP Fund shall be allocated by 75%, 15% and 10% for the Development of Host & Neighboring Community (DHNC); Information, Education and Communication (IEC); and the Development of Mine Technology & Geosciences (DMTG), respectively."

Actual and budgeted SDMP in 2020 and 2019, and the breakdown between DHNC, IEC and DMTG are shown below, in millions of PHP:

	Budgeted SDMP	Actual DHNC	Actual IEC	Actual DMTG	Actual SDMP
2020	₱72.8	₱54.1	₱7.0	₱3.9	₱65.1
2019	61.7	45.2	8.5	5.6	59.3

Environmental Protection and Enhancement Program (EPEP) Update

A total of ₱52.5 million was spent in the implementation of various EPEP activities during the year compared to the 2019 EPEP spending of ₱87.8 million. These activities were carried out to mitigate the negative impact of mining operations to the environment.

Below is the summary of the activity areas with corresponding costs.

Activity areas	2020
Land resources	₱39,253,279
Water resources and quality	11,772,595
Air quality	261,826
Noise monitoring	9,600
Conservation values	110,000
Multi-partite monitoring team/mine rehabilitation fund committee activity and other capital outlay	1,198,538
Total	₱52,494,638

Power Supply and Utilization Update

Below is the table showing the summary of the utilization of power for the year 2020 and 2019.

2020

	PROJECTED 2020			ACTUAL 2020		
COST CENTERS	kW-Hr	Php (4.84 /kW-Hr)	%	kW-Hr	Php 4.55 /kW-Hr)	%
	x 1,000	x 1,000		x 1,000	x 1,000	
Mine Operation Areas						
VENTILATION	35,807.83	173,132.65	39.09%	31,212.44	142,027.62	38.97%
DEWATERING	9,368.89	45,299.06	10.23%	10,038.15	45,677.13	12.53%
JUMBO DRILLS	10,012.78	48,412.27	10.93%	2,854.90	12,990.81	3.56%
COMPRESSORS	7,886.63	38,132.23	8.61%	6,347.72	28,884.38	7.93%
Mill Plant Area	27,639.10	133,636.43	30.17%	28,613.93	130,203.47	35.73%
Maintenances Areas	406.13	1,963.68	0.44%	427.50	1,945.29	0.53%
Admin, Offices and Staff Hosue	490.97	2,373.89	0.54%	592.47	2,695.96	0.74%
Annual kW-Hr	91,612.34	442,950.22	100.00%	80,087.11	364,424.66	100.00%

2019

	PROJECTED 2019			ACTUAL 2019		
COST CENTERS	kW-Hr	Php (4.982 /kW-Hr)	%	kW-Hr	Php 4.749 /kW-Hr)	%
	x 1,000	x 1,000		x 1,000	x 1,000	
Mine Operation Areas						
Ventilation	32,194.16	160,384.75	36.50%	32,903.69	156,270.43	39.80%
Dewatering	8,381.96	41,757.24	9.50%	10,740.23	51,008.86	12.99%
Jumbo Drills	11,194.72	55,769.84	12.69%	6,945.31	32,985.58	8.40%
Air Compressors	6,677.17	33,264.30	7.57%	4,515.46	21,445.39	5.46%
Mill Plant Area	28,902.30	143,985.36	32.77%	26,681.46	126,719.02	32.27%
Maintenance Areas	347.00	1,728.69	0.39%	320.88	1,523.96	0.39%
Admin, Offices and Staff House	501.49	2,498.30	0.57%	567.56	2,695.51	0.69%
Annual kW-Hr	88,198.80	439,388.47	100.00%	82,674.59	392,648.75	100.00%

The Company has several supply contract agreements with various industrial power companies.

Safety Development Update

The Safety Department of the Company takes a proactive approach in ensuring that the well-being of all stakeholders is prioritized. This means a work place where no one gets hurt or injured and everyone goes home safe during operation of its business. Management plays a major role in the safety management system within the company. Programs are put in place to eliminate or minimize hazards and risks in the area, and all workers are encouraged to be responsible for their own safety and the safety of others.

The Company had 50 non-lost time accidents; 1 lost time accident which are non-fatal; and 113 incidents of property damage in 2020, compared to 17, 10 and 110, respectively, in 2019.

Related Party Transactions

Please refer to Note 15 of the Notes to the Consolidated Audited Financial Statements as of December 31, 2020. Part III, Item 13 of this report also discusses related party transactions.

Major Business Risks

Regulatory Change

The Company may be affected by changes in regulatory requirements, customs, duties or other taxes. Such changes could, depending on their nature, benefit or adversely affect the Company.

Mineral Resources or Mineral Reserves

The exploration for and development of mineral properties involve significant risks, which may not be completely eliminated even with a combination of careful evaluation, experience and knowledge. While the discovery of an ore body may result in substantial rewards, only a few properties explored are ultimately developed into producing mines.

The long-term viability of the company depends upon its ability to find or acquire, develop and commercially produce base metals and other minerals.

Exploration, Development and Operating Risks

Mining, exploration and development operations generally involve a high degree of risk. The operations are subject to all the hazards and risks normally encountered in the exploration, development and production of precious and base metals, including, but not limited to, unusual and unexpected geologic formations, seismic activity, rock bursts, cave-ins, flooding and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and possible legal liability. Although adequate precautions to minimize risk will be taken, milling operations are subject to hazards such as equipment failure or failure of retaining dams around tailings disposal areas, which may result in environmental pollution and consequent liability. The exact effect of these factors, if and when they become present, cannot be accurately predicted and the costs estimated with a high level of confidence, thus, involve risks.

Security Risks

The operation of the mines of the Company may also be affected by insurgency and peace and order conditions in the geographical area and the surrounding communities where the mines are located.

Price Risks

The Company's revenue is largely dependent on the world market prices for gold and silver and the factors affecting the behavior of these are beyond the Company's control. Production and operating costs are constantly being monitored to ensure that optimal use of the Company's assets is being done and to ensure that costs, on the aggregate and on a per unit basis, are kept at a minimum.

Foreign Exchange Rates

The Company has determined that the Philippine Peso to be its functional and presentation currency as it is the currency in which majority of its operations are denominated in. The Company, however, receives its revenues in USD and also has foreign currency-denominated financial assets and liabilities that if exposed to the fluctuations of the exchange rates, may positively or negatively impact the Company's statement of income.

Item 2. PROPERTIES

The Company owns mining facilities and administrative support facilities in its Maco mine site. Machinery and equipment are acquired month to month as needed usually through direct cash purchase or under suppliers' credit terms.

The principal office of the Company in Pasig City is being leased with an annual rental fee of ₱3.1 million.

Item 3. LEGAL PROCEEDINGS

The Company is involved in various legal proceedings, claims and liabilities incidental to its normal business activities. The Company's management and legal counsel are of the opinion that the amount of the ultimate liability, if any, with respect to these will not have a material adverse effect on the financial position and performance of the Company.

Item 4. SUBMISSION OF MATTERS TO A VOTE OF THE SECURITY HOLDERS

There are no matters submitted during the year 2020 covered by this 17-A report for submission to a vote of security holders.

Part II – OPERATIONAL AND FINANCIAL INFORMATION

Item 5. Market for Registrant Common Equity and Related Stockholders Matters

Market Information

The Company's common shares are traded in the Philippine Stock Exchange carrying the symbol "APX".

The high and low stock prices per share for each quarter in 2020 and 2019, and for the interim period from January 1 to April 30, 2021 were as follows:

Year	Period	Listed Common Shares	
		High	Low
2021	April 1 – April 30	₱1.78	₱1.41
	January 1 - March 31	1.88	1.39
2020	January 1 - March 31	1.18	0.55
	April 1 - June 30	1.33	0.68
	July 1 - September 30	1.77	1.17
	October 1 - December 31	2.32	1.33
2019	January 1 - March 31	1.73	1.39
	April 1 - June 30	1.43	1.06
	July 1 - September 30	1.40	1.08
	October 1 - December 31	1.17	0.89

Stockholders

As of March 31, 2021, the Company has 2,753 shareholders with 6,227,887,491 total issued and outstanding common shares.

The top 20 stockholders of the Company as of March 31, 2021 follows:

Stockholder	Number of shares	% of ownership
1 Prime Strategic Holdings, Inc.	2,511,329,207	40.32
2 PCD Nominee Corp.*	1,276,580,627	20.50
3 Mindanao Gold Ltd.	597,051,165	9.59
4 Monte Oro Resources & Energy, Inc.	555,133,447	8.91
5 Lakeland Village Holdings, Inc.	474,613,599	7.62
6 Devoncourt Estates, Inc.	423,904,339	6.81
7 PCD Corporation (non-Filipino)	133,287,199	2.14
8 Mapula Creek Gold Corporation	115,326,533	1.85
9 Ramon Y. Sy	44,598,312	0.72
10 Walter W. Brown	36,743,202	0.59
11 Silverio Benny J. Tan	17,606,747	0.28
12 Jacinto C. Ng	14,725,217	0.24
13 Carousel Holdings, Inc.	3,070,000	0.05
14 CRAU Resources, Inc.	2,000,000	0.03
15 Rexlon Industrial, Corp.	1,006,525	0.02
16 Gil A. Marvilla	647,767	0.01
17 Lucio W. Yan and/or Clara Yan	485,525	0.01
18 Jalandoni, Jayme, Adams & Co., Inc.	484,892	0.01
19 Ignacio R. Ortigas	311,665	0.01
20 Ansaldo, Godinez & Co., Inc.	298,448	0.00

* Net of the shares actually lodged with the PCD but are presented separately in this list.

As of March 31, 2021, the public ownership level of the Company is at 34.73%.

Dividends

The Company has not declared any dividend in the past three years ended December 31, 2020, and the interim period ended March 31, 2021.

The Company has not established any restriction that would limit its ability to pay dividends on common shares nor does it have any plan of setting any restrictions on the matter in the immediate future.

Recent Sales of Unregistered or Exempt Securities

No securities were sold by the Company in the past three years ended December 31, 2020, and in the interim period ended March 31, 2021 which were not registered under the Securities Regulation Code. There was also no sale of reacquired securities during the same period.

Item 6. MANAGEMENT DISCUSSION ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS FOR THE YEARS 2020, 2019 AND 2018

Consolidated Statement of Income

Consolidated Net Income

The consolidated net income of Apex Mining Co., Inc. (the “Parent Company”) and Subsidiaries (collectively referred to as the “Group”) was ₱1.5 billion in 2020, a 401% increase from the ₱305.9 million consolidated net income in 2019, and a 540% increase from the ₱239.4 million consolidated net income in 2018.

The Parent Company net income in 2020 amounted to ₱1.6 billion compared to the ₱350.8 million and ₱331.7 million net income in 2019 and 2018, respectively.

Consolidated Revenues

The consolidated revenues in 2020, 2019 and 2018 amounted to ₱6.3 billion, ₱5.0 billion and ₱4.7 billion, respectively, or an increase of ₱1,356.8 million in 2020 compared to 2019, and ₱302.7 million in 2019 compared to 2018. The consolidated revenues of the Group pertain to the Parent Company revenues in all comparative years. ISRI Sangilo mines has no revenue yet from the date of declaration of commercial operations on July 31, 2020 to December 31, 2020, as ounces produced during this period were only sold in early 2021.

Information on the Parent Company volume of gold produced and realized prices in 2020, 2019 and 2018 is as follows:

	2020	2019	Change	2018	Change
Volume in ounces	68,017	62,468	9%	70,564	-11%
Realized price/ounce, in USD	\$1,798	\$1,389	+29%	\$1,260	+10%

Information on the Parent Company volume of silver produced and realized prices in 2020, 2019 and 2018 is as follows:

	2020	2019	Change	2018	Change
Volume in ounces	373,945	353,627	+6%	328,797	+8%
Realized price/ounce, in USD	\$21.78	\$16.14	+35%	\$15.49	+4%

The weighted average United States Dollar (USD) to Philippine Peso (PHP) foreign exchange rates on the Parent Company revenues in 2020, 2019 and 2018 were ₱49.49, ₱51.71 and ₱52.97, to one USD, respectively.

An analysis of the consolidated revenue variance, which comprises of sales volume, price and exchange rate variances, between the comparative years ended December 31, 2020, 2019 and 2018 of the Group are as follows:

	2020 versus 2019 (in thousands of PHP)			2019 versus 2018 (in thousands of PHP)		
Variance	Gold	Silver	Total	Gold	Silver	Total
Volume (sold)	₱130,984	₱(3,696)	₱127,288	₱(86,167)	₱54,339	₱(31,828)
Price	1,415,970	107,113	1,523,083	451,176	10,460	461,636
Exchange rate	(275,454)	(18,166)	(293,620)	(121,219)	(5,905)	(127,124)
Consolidated revenue	₱1,271,500	₱85,251	₱1,356,751	₱243,790	₱58,894	₱302,684

The higher ore grades averaging 3.61 grams of gold and 22.10 grams of silver per tonne contributed to the higher gold sales to 66,576 ounces this year from 65,078 ounces last year. Silver sales, however, slightly decreased to 365,212 ounces from 369,616 ounces.

Milling throughput of the Maco mine in 2020 of 664,363 tonnes, equivalent to a daily average of 1,949 tonnes, lower than the prior year's record of 711,788 tonnes or 2,063 tonnes per day. Mill recovery was likewise at its highest at 87.6% as compared to the 85.5% record established in 2019.

Metal prices averaging \$1,798 per ounce for gold and \$21.78 per ounce for silver, the highest in recent years, established a new record for the Company's annual revenue of P6.3 billion in 2020. This was higher by 27% than the previous record revenue reported in 2019 of P5.0 billion from the average prices of \$1,389 and \$16.14 per ounce for gold and silver, respectively.

The continued strength of the PHP against the USD negatively affected the exchange rate variance as shown in the table.

Consolidated Cost of Production

Consolidated cost of production incurred in 2020, 2019 and 2018, all of which pertains solely to the Parent Company cost of production, amounted to ₱3.5 billion, ₱3.8 billion and ₱3.6 billion, respectively. Cost of production for the unsold metal products of the Parent Company and ISRI is reported as inventory in the balance sheet as of December 31, 2020 and will be charged to income statement once sold. A breakdown of the main components of consolidated cost of production is as follows:

- Depreciation, depletion and amortization expense decreased by 18% or ₱230.2 million in 2020 compared to 2019, and increased by 14% or ₱156.6 million in 2019 compared to 2018.

The increase in ore reserves of the Maco mine as at the beginning of 2020 to 1.92 million tonnes (at the average grade of 6.34 grams of gold per tonne) reported by an accredited competent person in compliance with the Philippine Mineral Reporting Code, compared to the previous ore reserves of 1.37 million tonnes (at the average grade of 7.1 grams of gold per tonne), correspondingly reduced the applicable depletion rate at the beginning of

the year. The lower depletion rate, together with the lower tonnage output, reduced the depletion expense by 38% or ₱212.4 million in 2020 compared to 2019. Depreciation, however, surged by 7% or ₱52.8 million in 2020 versus 2019, and by 23% or ₱127.4 million in 2019 versus 2018, as a result of higher capital expenditures, particularly fleet of equipment, made in previous years.

- Materials used in mining and milling dropped by ₱169.2 million in 2020 compared to 2019, and rose by ₱205.9 million in 2019 compared to 2018. As materials cost is mainly driven by throughput production, the movement in cost is attributable to the 7% decrease and 17% increase in milling throughput in 2020 and 2019, respectively, versus its respective prior year comparative numbers.
- Personnel cost went up by 4% this year compared to 2019 despite 9% reduction of manpower to 1,728 as of December 2020 from 1,898 in 2019. The Group provided assistance to employees affected by lockdown and community quarantine due to COVID-19 aside from other employee incentives and benefits given and retirement paid during the year. Contracted services cost fell by 20% or ₱57.3 million due to reduced mobility and restrictions within the tenements and nearby communities. Contracted services include bus rental for employees living in nearby communities, as well as in Tagum and Davao City. During the period of community quarantine, workforce was temporarily reduced resulting in lesser bus trips.
- Indigenous People (IP) surface rights royalty & IP royalty, Social Development and Management Program (SDMP) expenses and taxes, licenses and permits, as a group, accounted for a 17% or ₱37.1 million increase in 2020 compared to 2019 due to higher revenue and cost base.
- Utilities expense slightly increased by 3% or ₱7.4 million in 2020 versus 2019 and declined by 9% or ₱22.1 million in 2019 compared to 2018. Mill Plant area consumed 28.6 million kilowatt hour in 2020 which is higher compared to 26.7 kilowatt hour million in 2019 despite lower per kilowatt hour cost at ₱4.55 in 2020 versus ₱4.75 in 2019.
- Bullion refining and transportation charges increased by 47% or ₱18.7 million in 2020 compared to 2019. The cost of transporting the bullion from Maco mine to Hong Kong increased due to longer routes used and more expensive flights incurred. During the community quarantine, various flights were cancelled and airports temporarily closed, to prevent further spread of COVID-19.
- Insurance expense is higher by ₱11.2 million in 2020 versus 2019, and ₱18.1 million in 2019 compared to 2018, mainly due to increase in premium and additional property insurance for new equipment acquisitions during the year.

Consolidated Excise Taxes

Consolidated excise taxes are excise taxes on the market value of metals produced which amounted to ₱265.6 million, ₱194.1 million and ₱200.2 million in 2020, 2019 and 2018, respectively. The increase in the excise tax for 2020 is attributable to the increase in revenue which is used as tax base in the computation of 4% tax due.

Consolidated General and Administrative Expenses

Consolidated general and administrative (G&A) expense in 2020, 2019 and 2018 amounted to ₱162.9 million, ₱210.7 million and ₱187.2 million, respectively. The individual contribution to the consolidated G&A expenses of the Group in each reporting year in millions of PHP are as follows:

	2020	2019	2018
Parent Company	₱116.9	₱168.0	₱131.0
MORE and Subsidiaries	15.6	30.2	18.1
ISRI	30.4	12.5	38.1
	₱162.9	₱210.7	₱187.2

G&A expenses, particularly personnel costs in 2020, were lower compared to 2019 due to retirement and resignations of officers and administration employees.

Consolidated Finance Costs

Consolidated finance costs in 2020, 2019 and 2018 of the Group amounted to ₱202.4 million ₱207.3 million and ₱234.2 million, respectively. The lower finance cost in 2020 versus 2019 was primarily due to quarterly loan amortization payments and higher capitalization of borrowing costs based on the weighted average cost computed this year.

Consolidated Other Income (Charges)

Consolidated net other income (charges) in 2020, 2019 and 2018 amounted to ₱12.4 million, ₱48.1 million, and ₱70.0 million, respectively.

The individual contribution to the consolidated other income (charges) expenses of the Group in each reporting year in millions of PHP are as follows:

	2020	2019	2018
Parent Company	₱(21.3)	₱(48.0)	₱(56.6)
MORE and Subsidiaries	(0.1)	(1.5)	8.8
ISRI	(3.0)	2.7	(0.1)
Consolidated other income (charges), before adjustments	(24.5)	(46.8)	(47.9)
Net effect of eliminating entries	12.1	(1.3)	(22.1)
Consolidated other income (charges)	(₱12.4)	(₱48.1)	(₱70.0)

Details of the significant elements of consolidated other income (charges) are discussed below.

- Net foreign exchange gains were recorded in 2020 and 2019 for ₱17.7 million and ₱4.6 million, respectively, and net foreign exchange losses in 2018 for ₱18.4 million due to effects of fluctuation in exchange rate of US Dollar against Philippine Peso in Group's foreign currency denominated net financial liabilities.
- The Group recognized provision for tax obligations in 2019 of ₱39.1 million pertaining to taxable year 2013. No similar provision was made in 2020.
- The Group recognized proceed from property insurance claimed in 2020. No similar claims were made in 2019 and 2018.

Consolidated Provision for Income Tax

The Group's current income tax were at ₱732.4 million, ₱196.6 million and ₱199.5 million in 2020, 2019 and 2018, respectively. The significant portion of current income tax is attributable to the Parent Company being subjected to the regular corporate income tax (RCIT) rate.

Effective July 1, 2020, regular corporate income tax rate is reduced from 30% to 25% for domestic and resident foreign corporation in accordance with the CREATE act.

The benefit from deferred income tax came from the utilization of the carryover net operating loss and the tax credits from MCIT payments in prior periods.

Consolidated Other Comprehensive Income (Loss)

During 2019, the Parent Company revalued its property, plant and equipment based on estimated fair values as indicated in the independent appraiser's report dated May 24, 2019. Accordingly, the Group recognized a net increase of ₱368.2 million which was directly credited to revaluation surplus, net of deferred taxes.

MORE's investment in National Prosperity Gold Production Group Ltd., a private entity in Myanmar, in which the Group holds a 3.92% ownership interest costing ₱344.6 million is classified as financial asset at fair value through other comprehensive income (FVOCI). The shares do not have quoted market price in an active market and the fair value cannot be measured reliably. As at December 31, 2020, the fair value of the financial asset at FVOCI amounted to nil.

Re-measurement gain on retirement plan in 2020 amounted to ₱1.79 million and re-measurement losses in 2019 and 2018 amounted to ₱28.3 million and ₱6.2 million, respectively, which arises out of the change in the assumptions used by an independent, third-party actuary.

Consolidated Statement of Financial Position

Consolidated Current Assets

Total consolidated current assets increased by ₱903.3 million to ₱3.5 billion as of December 31, 2020 from ₱2.6 billion as of December 31, 2019 essentially due to the following:

- Cash of the Group grew by ₱694.2 million to ₱1.4 billion as of December 31, 2020 compared to the prior year cash of ₱705.7 million. Operating and financing activities netted the Group ₱2.1 billion and ₱168.6 million in 2019. Because of these, the Group was able to invest in ₱2.1 billion worth of fixed and long-term assets in the same year.
- Trade and other receivables increased by ₱22.9 million as of December 31, 2020 compared to the balance in the prior year mainly due to the Parent Company's unsold metal account balance in 2020 with its refiner. This was subsequently sold and collected in January 2020.
- Net assets of ICSI amounting to ₱360.3 were classified to assets held for sale under current assets in 2018 based on an agreement on August 28, 2018 between MORE and A Brown Co., Inc ("ABCI") where MORE shall sell its 52% ownership in ICSI to ABCI within 12 months, which was further extended to May 31, 2021.

Consolidated Noncurrent Assets

Total consolidated noncurrent assets grew by ₱704 million to ₱12.1 billion as of December 31, 2020 from ₱11.4 billion as of December 31, 2019 mainly because of the increase in property, plant and equipment of ₱1.1 billion due to acquisitions, constructions and mine development activities during the year, net of depreciation and depletion expense.

Consolidated Current Liabilities

Consolidated current liabilities were slightly lower by ₱44.5 million to ₱4.4 billion as of December 31, 2020 from ₱4.5 billion as of December 31, 2019. The breakdown of the change in the consolidated current liabilities is detailed below.

- Trade and other payables decreased by ₱159 million due to payments made during the latter part of the year.
- Current portion of loans payable decreased by ₱168 million due to quarterly repayment of term loan and reclassification of maturing loan amortization from noncurrent loans.
- Income tax payable increased by ₱194.8 million as of December 31, 2020 which mainly comprise of the Group's income tax due for the fourth quarter of 2020 at the RCIT rate.

Consolidated Noncurrent Liabilities

The Group's consolidated noncurrent liabilities went up by ₱118.6 million to ₱3.6 billion as of December 31, 2020 from ₱3.5 billion as of December 31, 2019. During the year, the Group availed a total of ₱1.1 billion borrowings, ₱1.0 billion of which is the remaining drawdown from the ₱2.0 billion eight-year term loan of Parent Company. The Group paid a total of ₱1.0 billion during the year for the amortization of long-term loan and maturing trust receipts agreement.

There is an increase in Group's provision for retirement benefits by ₱26.5 million to ₱314.3 million based on annual actuarial valuation. Deferred income tax liabilities increased by ₱60.1 million to ₱229.5 million due to movement in revaluation surplus on property, plant and equipment. Deferred income tax assets are recognized to the extent that sufficient future taxable income will be available for which the deductible temporary differences can be utilized.

Consolidated Equity

Consolidated equity was higher by ₱1.5 billion to ₱7.5 billion as of December 31, 2020 from ₱6.0 billion as of December 31, 2019 mainly on the net income earned in 2020.

Key Performance and Financial Soundness Indicators

Tonnes Mined and Milled

Tonnage, ore grade and metal recovery determine production volume. The higher the tonnage, ore grade and recovery, the more metals are produced.

Please refer to the "Operations" section of Part I, Item I of this report for details on tonnes mine and milled, and production highlights.

Financial Ratios

Management has identified the following financial ratios as significant in assessing the Group's performance:

Financial Ratio	Formula	December 31	
		2020	2019
Gross profit margin	$\frac{\text{Gross profit}}{\text{Revenue}}$	45.1%	22.7%
Return on assets	$\frac{\text{Net income}}{\text{Total assets}}$	10.4%	2.3%
Return on equity	$\frac{\text{Net income}}{\text{Total equity}}$	15.9%	5.4%
Current ratio	$\frac{\text{Current assets}}{\text{Current liabilities}}$	0.8 : 1	0.6 : 1
Debt-to-equity ratio	$\frac{\text{Total debt}}{\text{Total equity}}$	0.8 : 1	1.0 : 1
Asset-to-equity ratio	$\frac{\text{Total assets}}{\text{Total equity}}$	1.6 : 1	1.7 : 1
Debt service coverage ratio	$\frac{\text{EBITDA}}{\text{Loan principal plus interest payments}}$	3.7 : 1	2.5 : 1

The gross profit margin in 2020 is significantly higher compared to 2019 due to higher realized metal prices.

The higher return on assets and return on equity was a result of the higher net earnings of the Group in 2020 than in 2019.

Debt-to-equity ratio slightly decreased due to the increase in equity from net income despite additional debts incurred by the Group during the period. Asset-to-equity ratio slightly decreased this year compared to prior period due to the higher growth in the Group's total stockholders' equity account as compared to the changes in its assets.

The current ratio in 2020 slightly increased compared to 2019 due to higher cash balance and lower trade payables.

Debt service coverage ratio increased as the Parent Company's EBITDA is higher in 2020 compared to 2019.

Material Event/s and uncertainties

To the best of the Company's knowledge, there are:

- a. no known trends, events or uncertainties that would have any material impact on liquidity and revenue of the Company except for COVID-19 pandemic as discussed below;
- b. no known events which may trigger direct or contingent financial obligation that is material to the Company, including any default or acceleration of an obligation;
- c. no material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships with unconsolidated entities or other persons created during the reporting period except for the corporate guarantee issued by the Company to secure a bank loan of ISRI; and
- d. no material commitments for capital expenditures, general purpose of such commitments, and expected sources of funds for such expenditures.
- e. no significant elements of the items of income and expenses in the financial performance of the Company other than those described in the Company's audited financial statements.
- f. no seasonal aspects of the Company's operations that have a material effect on the Company's financial statements. There is no one period materially significant, whether higher or lower, than the periods during the year.

COVID-19 Disclosure

Note 1 of the Audited Consolidated Financial Statements and Notes for the year ended December 31, 2020 is incorporated herein by reference:

In a bid to address the rising cases of infection from the Corona Virus Disease (Covid-19) in the country, as in many other countries in the world, the national government implemented community quarantine strategies since March 16, 2020 until present in various parts of the country, including the Province of Davao de Oro where the Company's Maco mine is located, and Benguet Province where ISRI's Sangilo mine is located.

The community quarantine in Davao de Oro affected the Maco mine's second to fourth quarter of 2020 operations. The prohibition on the movement of employees residing outside Maco, and the health protocols that have to be imposed on them to keep the mine Covid-19 free, resulted in reduced workforce which necessitated a slowdown in mine development and the focus on production, albeit at lower tonnage throughput. Last December 2020, the Maco mine disclosed a number of its employees have contracted the virus and immediately conducted contract tracing and isolation activities in coordination with the local government of Maco. To compensate, higher grade ore were accessed to achieve the usual gold production levels. The suspension of airport service in Davao City caused some delays and lessened the frequency of the mine's gold bullion shipments which have to be diverted in a different airport of the country catering direct cargo flights to Hong Kong. There was an increase in transportation cost due to the longer routes, but this was more than covered by the surge in gold price to record levels in about a decade driven largely by the Covid-19 pandemic.

The community quarantine imposed in the Benguet Province have reduced the number of men available to the Sangilo mine for its mine rehabilitation and debugging phases of operations. Last October 2020, the Sangilo mine was included in the localized lockdown following the increase in positive cases within the tenement and Barangay Poblacion where

the mine is located. The lockdown was lifted after a week after the completion of swab testing conducted by the Rural Health Unit. ISRI has doubled up on its mitigation measures and disinfected the areas where the COVID-19 cases were identified.

Considering the evolving nature of the Covid-19 pandemic and the unforeseeable character, scope, and extent of corresponding government action that could or may be taken on this serious public concern, the Group continues to adhere to the safety and health standards imposed by the national and local government.

Item 7. FINANCIAL STATEMENTS

The audited consolidated financial statements are presented in Part V, Exhibits and Schedules.

Item 8. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

INFORMATION ON INDEPENDENT ACCOUNTANTS AND OTHER RELATED MATTERS

External Audit Fees and Services

Audit and Audit-Related Fees

In 2020 and 2019, the audit was basically engaged for the purposes of the external auditor expressing an opinion on the financial statements of the Company and its Subsidiaries. In addition, the audit included providing assistance to the Company in the preparation of its income tax return in as far as ensuring the agreement of the reported income and costs and expenses with the recorded amounts in the books. The procedures conducted include those that are necessary under Philippine Financial Reporting Standards. This, however, did not include detailed verification of the accuracy and completeness of the reported income and costs and expenses.

The total Group audit fees for the foregoing services were ₱6.7 million and ₱6.4 million in 2020 and 2019, respectively.

Tax Fees

No professional fees paid for tax advisory services were availed and paid in 2020 and ₱1.0 million were availed and paid in 2019, respectively.

All Other Fees

There were no other services rendered by external auditors other than the audit services and tax advisory services mentioned above.

Audit Committee's Approval Policies and Procedures

Prior to the commencement of the work of external auditors, the external auditors present their audit program and schedule to the Company's Board Audit Committee. The external auditors then present the audited financial statements of the Company to the Audit Committee after the completion of the audit.

Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

There were no changes in and/or disagreements with independent accountants/external auditors on accounting and financial disclosure and no change in the Company's independent accountants during the two most recent fiscal years and subsequent interim periods.

Part III – CONTROL AND COMPENSATION INFORMATION

Item 9. DIRECTORS AND EXECUTIVE OFFICERS OF THE ISSUER

The names and positions of all directors and executive officers of the Company are as follows:

Name	Position	Age
<i>Directors</i>		
Ramon Y. Sy	Chairman of the Board	90
Walter W. Brown	Chairman Emeritus	82
Luis R. Sarmiento	Director	64
Stephen A. Paradies	Director	65
Jose Eduardo A. Alarilla	Director	70
Joselito H. Sibayan	Independent Director	62
Valentino S. Bagatsing	Independent Director	62
<i>Officers</i>		
Ramon Y. Sy	Chairman of the Board	90
Luis R. Sarmiento	President & CEO	64
Gil A. Marvilla	SVP for Project Development	71
Robert Wagtingan*	VP-Resident Manager for Maco Operations	60
Rodulfo A. Palma	VP-Legal and Mine Compliance & Risks	52
Eric C. Andal	VP for Geology & Exploration	45
Emelita C. Fabro	VP-Corporate Administration	60
Silverio Benny J. Tan	Corporate Secretary	64
Elisa R. Dungca	Asst. Corp Secretary & AVP-Corporate Affairs	64
Billy G. Torres	VP Finance, Treasurer and Compliance Officer	37

**until April 16, 2021*

The directors of the Company have terms of office for one year or until their successors are elected and qualified.

Profile

Below is the profile of each of the Company's directors and officers.

Ramon Y. Sy, Chairman of the Board

Ramon Y. Sy has been in the Board of Directors of the Company since October 2013. His knowledge and experience in the banking sector is beyond compare having been the Vice Chairman of Metropolitan Bank and Trust Corporation; Chairman and President of United Coconut Planters Bank; Philippine Country Manager of Bank of America; and President & CEO of International Exchange Bank. He is now the Vice Chairman of Asia United Bank Corporation, a publicly-listed company and a Director of SPC Corporation, a publicly-listed company, Travelman, Inc., Asian Alliance Holding and Development Corp., Asian Alliance Investment Corp., Phil Equity, MORE and ISRI.

Luis R. Sarmiento, Director; President & CEO

Luis R. Sarmiento was elected as President & CEO of the Parent Company on June 28, 2019, after having been previously appointed as Senior SEVP & COO on October 1, 2018. He was also elected as President of ISRI and MORE on June 28, 2019. Prior to joining the Parent Company, he was the President of Orica Explosives Philippines, Inc., a global publicly-listed mining services company headquartered in Melbourne, Australia. He has served Orica in various capacity for 34 years and has become its highest ranking Filipino officer. He was also the President of Orica Nitrates, Inc. and a Director of Nitro Asia Company, Inc. A licensed mining engineer, Mr. Sarmiento served as President of the Philippine Mine Safety and Environment Association, President of the Philippine Association of Industrial Explosive, Inc., and Director of the Chamber of Mines of the Philippines. Previously, he was with the Mining Group Machinery Division of Engineering Equipment, Inc. He was conferred as Outstanding Mapuan Awardee in the field of mining engineer in 2005., as Outstanding Mining Engineer Awardee by the Philippine Society of Mining Engineer in 2008, and as Outstanding Mining Engineer of the Year Awardee by the Professional Regulations Commission in 2012. Mr. Sarmiento is a graduate of Mapua Institute of Technology with a degree of Bachelor in Science in Mining Engineering in 1979.

Walter W. Brown, Director and Chairman Emeritus

Walter W. Brown has been in the Board of Directors of the Company since October 2013 and was the President & CEO of the Company and the Chairman of ISRI until his retirement on June 28, 2019. Mr. Brown earned his Doctorate degree in Geology, Major is Geochemistry, from Stanford University after finishing his Masters degree in Economic Geology in the University of the Philippines. His experience encompasses a wide spectrum of industries from mining to the energy & power sector all the way to real estate business. Aside from his roles in the Company, he is also the Chairman of ABCI, a publicly-listed company; and Chairman of Palm Concepcion Power Corporation, which has a 2x135 MW coal-fired power plant in Concepcion, Iloilo. Mr. Brown was former President of Philex Mining Corporation, a publicly-listed company, and National Grid Corporation of the Philippines.

Stephen A. Paradies, Filipino

Mr. Paradies has been a Director of International Container Terminal Services, Inc. since December 1987. Currently, he is the Chairman of the Nomination Sub-Committee, Board Risk Oversight Committee and a member of Audit Committee, Corporate Governance Committee, Remuneration Sub-Committee, and Related Party Transactions Committee of ICTSI. He is also a Director of ICTSI Warehousing, Inc. and Sociedad Puerto Industrial Aguadulce S.A. In addition, Mr. Paradies is the Senior Vice President-Treasurer of Aboitiz & Company, Inc.; a Trustee of Bloomberg Cultural Foundation, Inc.; a Director of Union Properties, Inc.; Prime Metro BMD Corp., and Chairman of NapaGapa Beverages, Inc. Mr. Paradies received his Bachelor of Science degree, major in Business Management, from the Santa Clara University, California, USA.

Jose Eduardo J. Alarilla, Director

Jose Eduardo J. Alarilla is the Chairman of Mega Equipment International Corp.; Vice Chairman of Bloomberg Resorts Corporation, a publicly-listed company; President and CEO of Mega Subic Terminal Services, Inc.; and President of Manila Holdings and Management,

Inc., LVHI, DEI, Eiffle House, Inc., Alpha Allied Holdings Ltd. and Sureste Properties, Inc. He is also a Director of Bloomberry Resorts and Hotels, Inc., MORE and International Cleanenvironment Systems, Inc. He holds a Bachelor of Science in Mechanical Engineering from De La Salle University and Masters in Business Management from the Asian Institute of Management.

Joselito H. Sibayan, Independent Director

Joselito H. Sibayan became Independent Director of the Company in June 2014. He is the President and CEO of Mabuhay Capital Corporation, a firm which provides financial advisory services and capital raising solutions to its clients. Prior to forming Mabuhay Capital, he was Vice-Chairman of Investment Banking-Philippines; Philippine Country Manager for Credit Suisse First Boston; and Director of Philippine Postal Savings Bank. He has spent almost three decades in investment banking. He is concurrently a Director of ABCI, a publicly-listed company. He obtained his Masters degree from the University of California in Los Angeles and his BS Chemical Engineering from De La Salle University-Manila.

Valentino S. Bagatsing, Independent Director

Valentino S. Bagatsing was Principal Investment Officer for the International Finance Corporation (IFC), the private sector investment arm of the World Bank Group. Mr. Bagatsing was in-charge of Real sectors business development and relationship management for the Philippines. Prior to his return to Manila, he served as Resident Representative and Country Head for Nepal where he was concurrently Program Leader for Nepal Hydropower Joint Implementation plan of the World Bank group. Previously, he led IFC investment teams through landmark transactions in the Philippines and Lao PDR. He worked at the World Bank group from June 2006 to April 2019. He has also served various senior capacities in Investment, Mortgage and Commercial banking in the Philippines (1993-2006) and in the United States (1982-1992). A Certified Public Accountant, Mr. Bagatsing earned his MBA in Finance at the McLaren School of Business, University of San Francisco and his accounting degree at San Beda College, Manila. He is also a member of the Society of Fellows of the Institute of Corporate Directors (ICD) and the Financial Executives Institute of the Philippines (FINEX).

Gil A. Marvilla, SVP for Project Development

A Certified Public Accountant, Gil A. Marvilla's experience in the mining industry spans several decades. His professional expertise in mining was also involved in several mining projects of Brixton Energy & Mining Corporation and Lascogon Mining Corporation. At one time, he was the Country Manager for Philex Mining's project in Madagascar. He also served as the Country Manager of Monte Oro Mining Co., Ltd. based in Sierra Leone, in Africa; Chief Finance Officer of MORE; and Managing Director and VP for Finance & Administration in PT Brown Indonesia and ABCI.

Robert F. Wagtingan, VP-Resident Manager for Maco Operations (until April 16, 2021)

Robert F. Wagtingan is a graduate of Bachelor of Science in Mining Engineering from St. Louie University in Baguio. He has extensive experience in mining operations with several mining companies where he served under various capacity. He retired on April 16, 2021.

Rodulfo A. Palma, VP – Legal, Mine Compliance and Risks

Rodulfo A. Palma was an officer of the Natural Resources Development Corporation when he moved in 2003 to the Philippine Mining Development Corporation, both are GOCC attached to the DENR. He left PMDC in 2009 to engage in law practice and has provided consulting works for firms engaged in mineral exploration and development, agribusiness development and export, before he joined Apex in 2013 as Legal Officer for Maco Operations. From 2016 up to now, he is the President of the Alliance of Responsible Miners of Region XI, and the current President of the Compostela Valley Provincial Business Chamber, and Business Chamber of Maco, Inc. He has finished Bachelor of Arts major in Public Administration and Bachelor of Laws.

Eric S. Andal, VP for Geology & Exploration

Dr. Eric S. Andal completed his Undergraduate and Master's degree at the National Institute of Geological Sciences of the University of the Philippines-Diliman and his doctoral degree in Geology, specializing in Geochemistry, at the Graduate School of Natural Science and Technology of Kanazawa University in Ishikawa, Japan. After a short stint as Assistant Professor of Geology at the University of the Philippines-Baguio, in 2006 he joined Philex Mining Corporation as Senior Geologist and was assigned as Project Manager for Lascogon Mining Corporation and later concurrently as Exploration Project Manager of Silangan Mindanao Mining Co. Inc., both subsidiaries of Philex. He also had occasional participation in other Philex projects in the Philippines and abroad. In 2010 he worked with Atok Big-Wedge Company, Inc. as Exploration Geologist engaged in evaluation of local and foreign projects prior to joining Monte Oro Resources and Energy, Inc. (MOREI) as Head of the Exploration Group in Sierra Leone, West Africa. He was later assigned to MOREI's Special Projects team overseeing Paracale Gold Limited, and later Itogon-Suyoc Resources, Inc. where he served as Assistant Vice President for Operations.

Emelita C. Fabro, VP – Corporate Administration

Emelita Cruz Fabro began her career in the broadcasting industry and in the academe before moving to Vietnam to work in an NGO. Her involvement in this organization lead to her to a PR role in 2006 for a Canadian Mining company, Olympus Pacific Minerals. In 2009 she returned to the Philippines and took up a role in the Administration, Community Relations and HR in Apex Mining Corporation. She subsequently became the HR and Administration Group Manager for Silangan Mindanao Mining Co., Inc. a project owned by Philex Mining Corporation. She was a graduate of Bachelor of Mass Communication in Pamantasan ng Lungsod ng Maynila where she also took Masteral Units in Communication and in Education.

Silverio Benny J. Tan, Corporate Secretary

Silverio Benny J. Tan holds a Bachelor of Laws degree, cum laude, from the University of the Philippines College of Law and a Bachelor of Arts Major in Political Science, cum laude, from the University of the Philippines College Iloilo. He placed third in the 1982 Philippine Bar exams. He is a Partner in the law firm Picazo Buyco Tan Fider & Santos, and at one time its Managing Partner. He is the Chairman of the Board of Mapfre Insular Insurance Corporation. He is a Director and Corporate Secretary of PMHI, Bravo International Port Holdings Inc., Alpha International Port Holdings Inc., Eiffle House Inc., Cyland Corp., and Negros Perfect Circles Food Corp. He is also a Director of Celestial Corporation, Skywide Assets Ltd., Monte Oro Minerals (SL) Ltd., and Dressline Holdings Inc. and its subsidiaries and affiliates. He is the Corporate Secretary of Bloomberry Resorts Corporation, a publicly-listed company, Sureste Properties, Inc., BRHI, LVHI, DEI, OSA Industries Philippines Inc.,

Pilipinas Golf Tournaments, Inc., MORE and ISRI; and Assistant Corporate Secretary of International Container Terminal Services, Inc. (ICTSI), a publicly-listed company, and ICTSI Ltd.

Elisa R. Dungca, Asst. Corp. Secretary & AVP-Corporate Affairs

Elisa R. Dungca served as Deputy Risk Officer and Division Manager for Risk Management & Export at Philex Mining Corporation (PMC), a publicly-listed company, and was the Corporate Secretary and Director of Fidelity Stock Transfers, Inc., a subsidiary of PMC, prior to joining the Company in April 2017. She was the former Chief Officer for Administration and Finance of JVS Asia, Inc. which owns Marithe & Francois Girbaud clothing brand; Senior Financial Associate at Lazaro Bernardo Tiu & Associates, Inc.; Group Manager for Accounting MIS and Budget of Benguet Corporation, another publicly-listed company; and Senior Programmer of the Natural Resources Management Center of the Department of Environment and Natural Resources. She is concurrently the Assistant Corporate Secretary of ISRI. She received her Bachelor of Science in Industrial Engineering from the University of the Philippines and her Masters in Business Administration from the Pamantasan ng Lungsod ng Maynila.

Billy G. Torres, VP-Finance, Treasurer and Compliance Officer

A Certified Public Accountant, Mr. Billy G. Torres worked as a senior associate auditor of Isla Lipana & Co. before moving to Apex Maco mines as Comptrollership Head in 2012. He received his Bachelor of Science in Accountancy from Polytechnic University of the Philippines with Latin honors. He is concurrently the Treasurer of MORE and ISRI.

Significant Employees

There is no particular employee of the Company not an executive officer expected to make a significant contribution to the business on his own.

Family Relationships

There are no family relationships among officers and directors of the Company and its Subsidiaries.

Involvement in Certain Legal Proceedings

To the knowledge and information of the Company, none of its present members of the Board of Directors and officers are presently or during the last five years involved in any material proceeding, involving themselves and/or their property before any court of law or administrative body in the Philippines or elsewhere. To the knowledge and information of the Company, none of the members of its Board of Directors and officers has been convicted by final judgment of any offense punishable by laws of the Republic of the Philippines or of the laws of any other country.

Item 10. EXECUTIVE COMPENSATION

The officers of the Company are considered regular employees and are remunerated with a compensation package consisting of a 13-month base pay. They also receive whatever, if any, that the Board of Directors may approve and extend to its managerial, supervisory and R&F employees.

The aggregate compensation paid or incurred in 2020 and 2019, and estimated to be paid in 2021 to the Officers and members of the Board of Directors of the Company are as follows (in millions):

CEO and Four Most Highly Compensated Officers as a Group

Year	Salary
2021 (Estimated)	P46.4
2020	54.1
2019	75.6

Aggregate Compensation of All Officers and Directors as a Group

Year	Salary
2021 (Estimated)	P54.5
2020	69.5
2019	104.3

The aggregate compensation for the CEO and most highly compensated officers as a group paid in 2020 and 2019 are for Luis Sarmiento (CEO), Ramon Y. Sy, Gil A. Marvilla, Renato N. Migrino and Billy G. Torres. The estimated amount expected to be paid in 2021 are for Luis R. Sarmiento (CEO), Ramon Y. Sy, Gil A. Marvilla, Billy G. Torres and Rodolfo A. Palma.

Compensation of Members of the Board of Directors

The members of the Board of Directors of are paid P80,000, net of withholding tax, as per diem for each meeting (whether regular or special) of the board or of the stockholders as passed and approved during the special meeting of the Board of Directors on November 13, 2012. Apart from the foregoing, there are no arrangements regarding their compensation (whether direct or indirect) being as members of the Board of Directors.

Employment Contracts and Termination of Employment and Change-In-Control

Arrangements

The contractual relationship between the officers and the Company are as that of an employer-employee. The remuneration the officers received from the Parent Company is solely in the form of salaries and, if any, bonuses.

Warrants and Options Outstanding: Repricing

The directors and officers of the Company do not hold any outstanding warrants or options.

Item 11. SECURITY OWNERSHIP OF CERTAIN RECORD AND BENEFICIAL OWNERS

As of March 31, 2021, the following beneficially owns at least five percent (5%) of the issued and outstanding common shares of the Company:

Name of Record Owner	Name of Beneficial Owner	Citizenship	No. of Shares	%
Prime Strategic Holdings, Inc.	Enrique K. Razon Jr.	Filipino	2,511,329,207	40.32
Mindanao Gold Ltd.	Mindanao Gold Ltd.	Malaysian	597,051,165	9.59
MORE	MORE	Filipino	555,133,447	8.91
Lakeland Village Holdings, Inc.	Lakeland Village Holdings, Inc.	Filipino	474,613,599	7.62
Devoncourt Estates, Inc.	Devoncourt Estates, Inc.	Filipino	423,904,339	6.81

Except for the beneficial owners mentioned above, there is no other person or group known to the Company to be the beneficial owner of more than 5% of its voting securities. There is also no voting trust agreement involving shares of the Company.

Item 12. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The number of voting common shares beneficially owned or controlled, directly and indirectly, by the members of the board of directors and named officers follows:

Name of Beneficial Owner	Citizenship	No. of Shares	%
Ramon Y. Sy	Filipino	44,598,312	0.72
Walter W. Brown	Filipino	36,743,202	0.59
Luis R. Sarmiento	Filipino	1	0.00
Stephen A. Paradies	Filipino	549,900	0.01
Jose Eduardo J. Alarilla*	Filipino	898,517,938	14.43
Joselito H. Sibayan	Filipino	299	0.00
Valentino S. Bagatsing	Filipino	1	0.00
Gil A. Marvilla	Filipino	647,767	0.01
Robert F. Wagtingan**	Filipino	18,000	0.00
Rodulfo A. Palma	Filipino	—	—
Eric S. Andal	Filipino	—	—
Emelita C. Fabro	Filipino	—	—
Silverio Benny J. Tan	Filipino	17,606,747	0.28
Elisa R. Dungca	Filipino	—	—
Billy G. Torres	Filipino	—	—

*Indirectly through Lakeland Village Holdings, Inc. and Devoncourt Estates, Inc.

** Until April 16, 2021

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

In the normal course of business, the Company transacted with companies that are considered related parties. A summary of the more significant transactions with related parties is shown in Note 15 of the audited consolidated financial statements for the year ended December 31, 2020.

Other than the corporate guarantee issued by the Company over the bank loan of ISRI, there have been no guarantees provided for any related party receivables and payables. For the years ended December 31, 2020 and 2019, the Company has not made any provision for doubtful accounts relating to amounts owed by related parties. This assessment is undertaken at each financial year through examining the financial position of the related parties and the market in which the related parties operate.

Part IV – CORPORATE GOVERNANCE

Item 13. CORPORATE GOVERNANCE

As a publicly-listed Philippine corporation, the Company conforms to the corporate governance rules, requirements, and regulations of the SEC, PSE and all pertinent government regulatory bodies.

The Parent Company filed a copy of its 2019 Integrated Annual Corporate Governance Report (I-ACGR) to the Philippine SEC on August 27, 2020 and is posted in the Company website. The I-ACGR for 2020 will be filed with the SEC before May 31, 2021.

Part V – EXHIBITS AND SCHEDULES

Item 14. EXHIBITS AND REPORTS ON SEC FORM 17-C

A. Exhibits

- i. Statement of Management Responsibility for Financial Statements
- ii. Report of Independent Auditors
- iii. Audited Consolidated Financial Statements and Notes for the year ended December 31, 2020
- iv. Supplementary Schedules

B. Reports on SEC Form 17-C in 2020

Date Filed	Particulars
January 15	Change in Directors and/or Officers (Resignation, Removal or Appointment, Election and/or Promotion)
March 16	Material Information/Transactions – Risk and impact of COVID-19 on the Company’s Business Operations
April 3	Notice of Annual Stockholders’ Meeting
June 1	Press Release: Apex Mining Reports 28% 2019 Earnings Growth
June 23	Annual Report
June 23	Press Release: Apex Mining Reports 58% Higher Q1 2020 Earnings
July 27	Change in Shareholdings of Directors and Principal Officers
July 30	Material Information/Transactions – Declaration of Sangilo Mine Commercial Operation
July 30	Results of Annual Stockholders’ Meeting
July 30	Results of Organizational Meeting of the Board of Directors
August 7	Change in Shareholdings of Directors and Principal Officers
August 7	Change in Stock Transfer Agent
August 14	Press Release: Apex Mining Reports 298% 1H 2020 Earnings
October 15	Change in Directors and/or Officers (Resignation, Removal or Appointment, Election and/or Promotion)
October 26	Material Information/Transactions – Sangilo COVID-19 disclosure
November 16	Press Release: Apex Mining Record Nine Months 2020 Earnings
December 14	Material Information/Transactions – Maco COVID-19 disclosure

SIGNATURES

Pursuant to the requirement of Section 17 of the Code and Section 141 of the Corporation Code, this report is signed on behalf of the issuer by the undersigned, thereunto duly authorized, in the City of Pasig on May 17, 2021.

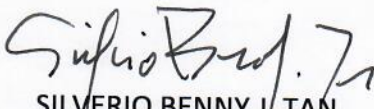
By:



LUIS R. SARMIENTO
President & CEO



BILLY G. TORRES
VP-Finance, Treasurer and Compliance Officer




SILVERIO BENNY J. TAN
Corporate Secretary

SUBSCRIBED AND SWORN to before this MAY 17 2021, affiant(s) exhibiting to me their respective Passports, to wit:

<u>Names</u>	<u>Passport No</u>	<u>Date and Place of Issue</u>
Luis R. Sarmiento	PO745744A	10/25/2016 DFA Manila
Silverio Benny J. Tan	P4294418B	01/04/2020 DFA NCR East
Billy G. Torres	P6369014A	03/10/2018 DFA NCR North

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Page No. 88
Book No. 45
Series of 2021


ATTY. JAMES K. ABUGAN
NOTARY PUBLIC
APPT. NO. 0442-19
Until 06/30/2021
IBP No. 134105 Dec. 9, 2020 Rizal Chapter
Roll No. 26890 Lifetime
MCLE No. VI-0012875 until 4/14/2022
TIN No. 116-239-956
PTR No. 4574511 01/04/2021
Tel. No. 631-40-90
Rm. 314 J&B Bldg., 251 EDSA,
Mandaluyong City

Annex A: Sustainability Report Disclosures

Contextual Information

Company Details	
Name of Organization	Apex Mining Co., Inc. (APX)
Location of Headquarters	3304B West Tower, PSE Centre, Exchange Road, Ortigas Center, Pasig City
Location of Operations	Maco, Davao de Oro
Report Boundary: Legal entities included in this report	Head Office, Pasig City Maco Gold Mine, Davao de Oro
Business Model, including Primary Activities, Brands, Products, and Services	Exploration, mining, and production of gold and silver bullions
Reporting Period	January 1 to December 31, 2020
Highest Ranking Person responsible for this report	Luis R. Sarmiento President and CEO

Materiality Process

Explain how you applied the materiality principle (or the materiality process) in identifying your material topics. ¹
<p>APX's sustainability report is based on the framework of the Global Reporting Initiative (GRI) standards.</p> <p>Emerging as highly critical are the following: community, corporate governance, employee safety, and environmental management.</p> <p>APX started the process of identifying the most material topics to our business operation and stakeholders in 2019.</p>

¹ See [GRI 102-46](#)(2016) for more guidance.

ECONOMIC

Economic Performance

Direct Economic Value Generated and Distributed

Disclosure	Amount (in thousands)	Units
Direct economic value generated (revenue)	6,253,155	PhP
Direct economic value distributed:		
a. Operating costs	3,201,931	PhP
b. Employee wages and benefits	618,902	PhP
c. Payments to suppliers	3,849,364	PhP
d. Interest payments to loan providers	313,204	PhP
e. Taxes paid to government	1,120,299	PhP
f. Investments in community (e.g. donations, CSR)	53,997	PhP

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<p>APX's operations:</p> <ul style="list-style-type: none"> provide employment opportunities, direct and indirect, to the host and neighboring communities, and through various contractors and suppliers generates business for other enterprises <p>APX pays taxes to the local and national government.</p> <p>APX provides funds for community development and environmental protection and enhancement.</p>	<p>Employees, host and neighboring communities, suppliers, contractors, and local and national government</p>	<p>APX practices sustainable and responsible mining.</p> <p>Its mission is to promote the well-being of stakeholders by embracing safety as a way of life, achieving world-class environment standards, and upholding a holistic approach to wellness.</p> <p>A strategic business plan anchored on APX's core values:</p> <ol style="list-style-type: none"> Rapid growth of resources is assured Outstanding mining image is maintained Optimal production is achieved Adequate fund is properly secured Outstanding external relationships is sustained Indigenous peoples' good relations is maintained

		7. All risks are identified and managed 8. Five-star systems is supported 9. World standard environmental practices 10. High performance, one team is demonstrated
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<p>General threats:</p> <ul style="list-style-type: none"> • dip in world market prices of gold and silver • lawless groups in the vicinity of the mine sites. • destructive weather conditions • legislations prejudicial to the mining sector <p>COVID-19 threat:</p> <ul style="list-style-type: none"> • restricted mobility 	<p>Employees, stockholders, lenders, suppliers, host communities</p>	<ul style="list-style-type: none"> • Annual business and strategic planning. • Monthly management review of performance against targets and objectives. • Monitoring of production and operating costs. • Constant virtual meetings between Management and Board of Directors to ensure continuous operations. • APX maintains its security on high alert status, ensures sufficient security forces manning the tenements, and coordinates with Armed Forces of the Philippines (AFP). • Implements regular identification, monitoring and reporting procedures of safety hazards and risks, including threats of unfavorable weather conditions.
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<p>High prices of gold and silver in world market.</p>	<p>Employees, host communities, suppliers, contractors, and local and national government</p>	<ul style="list-style-type: none"> • Periodic review of short and long term plans to optimize the opportunity of high gold and silver prices. • APX has a short-term gold forward agreement available with refiner/buyer as protection against gold price volatility.

Climate-related risks and opportunities²

Governance Disclose the organization's governance around climate related risks and opportunities	
a) Describe the board's oversight of climate-related risks and opportunities	Enterprise Risk Management (ERM) Committee: <ul style="list-style-type: none"> • composed of members of the Board of Directors (BOD). • ensures effective and integrated risk management process in place • periodically revisits risk management strategies to anticipate emerging or changing material exposures The VP/Resident Manager of Maco and the VP for Geology & Exploration regularly report to the BOD on business risks, including climate-related risks, that pose material adverse effects to Maco operations.
b) Describe management's role in assessing and managing climate-related risks and opportunities	Management adheres to best practices in risk management: <ul style="list-style-type: none"> • to ensure safe workplace for employees, and • to protect APX properties
Strategy Disclose the actual and potential impacts ³ of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material	
a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term	Climate-related risks: heavy rains, floods, landslides, and fire. Negative impact: reduced revenue due to business interruption, increased costs, higher cost of capital, and non-availability of insurance.
b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning	Hazards and risks normally encountered in exploration, development and production of precious metals (unusual and unexpected geologic formations, seismic activity, rock bursts, cave-ins, flooding and other conditions involved in the drilling and removal of material) could result in damage to, or destruction of, mines and other infrastructures. Power shortages and outages may lead to increase in generator use and/or shutdown of operations. Supply chain disruptions may result in delivery delays of supplies and equipment, and services.

² Adopted from the Recommendations of the Task Force on Climate-Related Financial Disclosures. The TCFD Recommendations apply to non-financial companies and financial-sector organizations, including banks, insurance companies, asset managers and asset owners.

³ For this disclosure, impact refers to the impact of climate-related issues on APX.

c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios including a 2°C or lower scenario	<p>APX has a Central Safety, Health and Environment Committee (CSHEC):</p> <ul style="list-style-type: none"> • composed of department heads from key functional areas of APX's operation, and Employees' Representatives • headed by a Chairman as Chief Risk Manager • has oversight responsibilities regarding risk management
Risk Management Disclose how the organization identifies, assesses, and manages climate-related risks	
a) Describe the organization's processes for identifying and assessing climate-related risks	<p>Management evaluates the risk management plan proposed by CSHEC.</p> <p>The CSHEC reviews the risk management strategies in view of emerging risk exposures.</p>
b) Describe the organization's processes for managing climate-related risks	<p>The CSHEC meets monthly to identify, assess, and report on the different safety and climate related risks which would impact the mining operations, or have already taken place:</p> <ul style="list-style-type: none"> • risks are rated as to priority - high, medium, and low • high risks are immediately discussed and control measures are set-up • committee reports are submitted to top management and disseminated to all departments for information and action
c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management	<p>The risk management processes are integrated into the organization as proven by the following certifications:</p> <ul style="list-style-type: none"> • ISO 9001 : 2015 for Quality Management System • ISO 14001 : 2015 for Environmental Management System • OHSAS 18001 : 2007 for Occupational Health and Safety Assessment Series (granted in March 2018 by Certification International, valid for three years until March 2021 subject to satisfactory results of annual audits)
Metrics and Targets Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material	
a) Disclose the metrics used by the organization to assess climate-related risks and	<p>Below are the metrics being used to assess the magnitude of climate-related impacts on its operations:</p> <ul style="list-style-type: none"> • Hours of generator use

opportunities in line with its strategy and risk management process	<ul style="list-style-type: none"> • Number of days of operations interruption due to climate-related risks • Rainfall and flooding alerts • Delays in deliveries/number of times that stock outs were experienced • Safe Man Hours
b) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets	Constant monitoring and reporting of resource utilization and consumption aim to produce optimal resource efficiencies and safe man hours.
	Constant monitoring of logistics and supply chain performance aims to produce an optimal and efficient model to secure reliable supply and inventory of materials and parts

Procurement Practices

Proportion of spending on local suppliers

Disclosure	Quantity	Units
Percentage of procurement budget used for significant locations of operations that is spent on local suppliers*.	7	%

**Local suppliers are those selling locally produced materials and services.*

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<p>In 2020, APX procured Php 80.9 million (7% of its total purchases) from local suppliers supported by management in prioritizing engagement with local suppliers</p> <p>Example of procured services and products from local community are ventilation tubes, mine and office uniforms, corporate giveaways, timber products, food supplies, and other services such as vehicle maintenance, pest</p>	<p>Local Supplier</p> <p>End-user</p> <p>Buyer</p>	<p>Prioritize and deal with local suppliers who comply with business regulatory requirements and APX quality policy.</p>

control, and septic tank cleaning.		
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<p>Continuity and capability of local suppliers to provide materials and services.</p> <p>During the pandemic, risks include:</p> <ul style="list-style-type: none"> • Limited production capacity and product availability • Logistics and trucking 	<p>End-users</p> <p>Suppliers</p>	<p>Provide initial assistance to set-up production facility.</p> <p>Include in the sourcing initiative alternative local suppliers.</p> <p>Continuously improve material forecasting and purchasing plans to consider production and delivery lead-times, (e.g. Timber).</p> <p>Entered into Vendor Managed Inventory (VMI) (e.g. V-Belts and splicing services).</p> <ul style="list-style-type: none"> • Reduced delivery lead-time. • Reduced Safety stock level. <p>Full compliance to Covid19 protocol on logistics and trucking:</p> <ul style="list-style-type: none"> • Engaged local trucking for direct delivery to mine site. <p>Maintained regular trips of company supply trucks to Tagum Warehouse.</p>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
Livelihood opportunities	Local Community	Provide support for local livelihood programs through the SDMP.

Anti-corruption

Training on Anti-Corruption Policies and Procedures

Disclosure	Quantity	Units
Percentage of employees to whom the organization's anti-corruption policies and procedures have been communicated to	100	%

Percentage of business partners to whom the organization's anti-corruption policies and procedures have been communicated to	100	%
Percentage of directors and management that have received anti-corruption training	100	%
Percentage of employees that have received anti-corruption training	100	%

Employee Code of Conduct was discussed during employee onboarding.

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<p>APX's Code of Conduct:</p> <ul style="list-style-type: none"> • printed brochures and electronic (on Apex website) • disseminated to all employees across the organization <p>The members of the Board of Directors are veteran businessmen and experienced chief executives of utmost integrity.</p> <p>The Directors attend Corporate Governance seminars every year.</p>	<p>Employees</p> <p>Suppliers/Contractors</p>	<p>Year-round campaign to remind employees of key policies and ensure that awareness remains high:</p> <ul style="list-style-type: none"> • anti-corruption policies and procedures are discussed during employee on-boarding • channels to reach employees: pep talks, meetings, email blasts, intranet, website • policies on Related Party Transactions (RPT) and Conflict of Interest (COI) Disclosure Policies are communicated to all vendors through Dun & Bradstreet • any material infraction in the Code of Conduct and Ethics is reported and discussed during the Board meetings
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<p>a. Company reputation - if the corruption incident is made public</p> <p>b. Financial loss to APX – if incident involves purchases</p> <p>c. Demoralization among employees - if incident is not immediately addressed</p>	<p>Employees</p> <p>Suppliers/Contractors</p>	<p>The HR Dept. monitors employees' compliance to the Code of Conduct & Ethics.</p> <p>In 2020:</p> <ul style="list-style-type: none"> • Zero cases of corruption • 81 Code violations investigated: <ul style="list-style-type: none"> - 19 absences without leave - 25 property damages

		<ul style="list-style-type: none"> - 8 theft - 1 working under the influence of alcohol - 10 safety disobedience, - 18 negligence
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
APX is always seeking fresh ways to communicate its anti-corruption policies to the employees.	<p>Employees</p> <p>Suppliers/Contractors</p>	<p>Utilize communication technology.</p> <p>More pep talks to remind employees of the Code of Conduct Policy.</p>

Incidents of Corruption

Disclosure	Quantity	Units
Number of incidents in which directors were removed or disciplined for corruption	0	#
Number of incidents in which employees were dismissed or disciplined for corruption	0	#
Number of incidents when contracts with business partners were terminated due to incidents of corruption	0	#

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
There were no incidents of corruption for 2020.	None	<p>Institutional policies:</p> <ul style="list-style-type: none"> • Code of Business Conduct and Ethics • Conflict of Interest Policy • Fair Dealings/ Insider Trading Policy • Material Related Party Transactions
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach

Financial loss Substandard material deliveries Penalties for violations of law	Employees Suppliers Contractors	Strict implementation of penalties and sanctions for violators. Vision- Mission-Goal and The Malasakit Values orientation. Policies disseminated to accredited suppliers and those applying for accreditation: <ul style="list-style-type: none"> • Conflicts of Interest • Disclosure Agreements • Related Party Transaction • Data Privacy Act • No gift giving policy
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
Zero-tolerance for corruption can lead to: <ul style="list-style-type: none"> • more stringent safety and security procedures; and • conduct of investigation and interrogation for speculative or unconfirmed information 	Employees Suppliers Contractors	Review of policies and procedures during Management meetings, IMS Committee and Management reviews, and monthly CSHEC meetings.

ENVIRONMENT

Resource Management

Energy consumption within the organization

Disclosure	Quantity	Units
Energy consumption (renewable sources)	38,608*	MWh
Energy consumption (gasoline)	33,895	liters
Energy consumption (LPG)	none	GJ
Energy consumption (diesel)	3,949,109	liters
Energy consumption (electricity)	79,623	MWh

**By sourcing energy through Power Sector Assets and Liabilities Management (PSALM).*

Reduction of energy consumption

Disclosure	Quantity	Units
Energy consumption (renewable sources)	N/A	GJ
Energy consumption (gasoline)	N/A	GJ
Energy consumption (LPG)	N/A	GJ
Energy consumption (diesel)	N/A	GJ
Energy consumption (electricity)	N/A	kWh

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<p>APX recognizes efficient use of all energy resources.</p> <p>In 2020, APX consumed 38,608 MWh of electricity from renewable sources, which is 48% of the total 79,623 MWh electricity consumption.</p>	<p>Energy Suppliers</p> <p>Local Community</p>	<p>Implements energy-saving programs:</p> <ul style="list-style-type: none"> • turning off lights, computers, and air-conditioning units when not in use • generator sets are used as standby units for when there are unexpected power outages and scheduled repairs only.
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<p>Unavailability of cheap sources of power and fuel.</p> <p>Alternative energy sources may entail higher cost, and untested networks or systems.</p>	<p>Energy Suppliers</p> <p>Local Community</p>	<p>APX extensively evaluates suppliers' systems before securing long-term contracts.</p> <p>APX continuously implements cost reduction initiatives through its Integrated Management System's Energy Conservation Program (EnerCon).</p>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<p>With so many suppliers, APX can negotiate for favorable terms for power and fuel supplies.</p>	<p>Energy Suppliers</p> <p>Local Community</p>	<p>APX maintained an 11MW contracted capacity for FDC (4MW) and PSALM (7MW) in 2020.</p>

Negotiated contracts plus internal generator capability allow APX to optimize its energy mix.		
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Water consumption within the organization

Disclosure	Quantity	Units
Water withdrawal	67,581,488	Cubic meters
Water consumption	7,766,118	Cubic meters
Water recycled and reused	464,649	Cubic meters

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
In 2020, APX consumed a total of 7,766,118 cubic meters of water for domestic, industrial and UG (underground) use.	Employees Local community	Water-saving initiatives: <ul style="list-style-type: none"> • faucet and gate are installed in all outlets and controlled by a maintenance plumber during non-peak hours to ensure that the supply of water will be supervised and will be made available only when it is needed • catch basins and reservoirs • drainage of clean excess water directly back to bodies of water • regular monitoring of water discharge through the flowmeter device and bucket method
Water naturally flowing out in the underground mines is	Employees	APX constructed dewatering sumps for excess water coming

pumped out to allow underground mining: <ul style="list-style-type: none"> in 2020, 67,278,890 cubic meters of water was pumped out to prevent flooding of the underground mine. 	Local community	from underground. The pumped-out water passes through the constructed series of underground silt traps to allow settlement of suspended solids, then in a large settling pond located at the main portal, and finally released to the river.
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
Underground operations may develop leakages that can lead to soil and groundwater contamination.	Employees Local community	Mitigations: <ul style="list-style-type: none"> contaminated water from underground pass through silt traps and sumps before being discharged bund walls in critical areas at the Mill Plant to contain possible spillages
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
APX recycles water for its day-to-day operations.	Employees Local community	Clear water is discharged from the tailings storage facility (TSF)) through its toe drain. The discharged water or excess water is then recycled and delivered back to the Mill Plant for use in operations.

Materials used by the organization

Disclosure	Quantity	Units
Materials used by weight or volume		
a. Renewable (Water)	464,649	Cubic meters
b. non-renewable (Sodium Cyanide)		
<ul style="list-style-type: none"> Sodium Cyanide 	1,301,270	Kg
<ul style="list-style-type: none"> Activated Carbon 	82,275	Kg
<ul style="list-style-type: none"> Lime 	936,400	Kg
Percentage of recycled input materials used to manufacture the organization's primary products and services (water)	6	%

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
Interruption of milling and mining operations.	Employees Local Community Suppliers	Enhancement and protection of water shed and tributaries. Secure short and long term supply agreements for reagents Optimum usage of materials used in the operation.
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
Depleted water supply during dry season Shortage in supply due to market demand	Employees Local Community Suppliers	Regular monitoring of water level and identification of alternative water sources. Secure short and long term supply agreements for reagents. Maintain 3-month inventory level.
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
Process improvement to reduce materials consumption and increase gold and silver recovery	Operations Local Community Suppliers	Attend conferences regarding new mining technologies. Organize the Corporate Technical Services department focusing on process improvements among others.

Ecosystems and biodiversity (whether in upland/watershed or coastal/marine)

Disclosure	Quantity	Units
Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	1	#

Habitats protected or restored	<ol style="list-style-type: none"> 1. Mangrove Forests in Bucana, Maco (3 ha) 2. Bongabong, Pantukan (7 ha) 	ha
IUCN ⁴ Red List species and national conservation list species with habitats in areas affected by operations	<ol style="list-style-type: none"> 1. Malayabas (<i>Tristanniopsis decorticata</i>) 2. Kalantas (<i>Toona calantas</i> Merr.) 3. Yakal (<i>Shorea astylosa</i>) 4. Apitong (<i>Dipterocarpus grandiflorus</i>) 5. Red Lauan (<i>Shorea negrosensis</i>) 6. White Lauan (<i>Shorea contorta</i>) 7. Mayapis (<i>Shorea palosapis</i>) 8. Almaciga (<i>Agathis philippinensis</i>) 9. Narra (<i>Pterocarpus indicus</i>) 10. Batikuling (<i>Litsea leytensis</i>) 11. Alupag (<i>Euphoria didyma</i>) 12. Pahutan (<i>Mangifera monandra</i>) 13. Antipolo (<i>Artocarpus blancoi</i>) 14. Tree Fern (<i>Cyathea contaminans</i>) 15. Kalingag (<i>Cinnamomum mercadoi</i>) 16. Dawn Bat (<i>Eonycteris robusta</i>) 17. Philippine Sailfin Lizard (<i>Hydrosaurus pustulatus</i>) 	

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
There are no significant impacts identified.		
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
Top three risks: <ul style="list-style-type: none"> • wildlife hunting • slash-and-burn farming • illegal cutting of trees by the neighboring communities 	Employees Regulatory bodies: Department of Environment and Natural Resources - Mines and Geosciences Bureau (DENR-MGB) Local communities	APX's biodiversity conservation efforts: <ul style="list-style-type: none"> • guards against illegal activities within the tenement to preserve the foraging and roosting sites of avifaunal species (in partnership with the DENR-MGB) • information education campaign (IEC) on the

⁴ International Union for Conservation of Nature

		Protection of Wildlife and other identified man-made illegal activities (e.g. kaingin, poaching and illegal cutting of trees) directed at employees and the residents of the host and neighboring communities
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
APX conducts biodiversity-focused programs as part of its Annual Environmental Protection and Enhancement Plan (AEPEP).	<p>Employees</p> <p>Regulatory bodies: Department of Environment and Natural Resources - Mines and Geosciences Bureau (DENR-MGB)</p> <p>Local communities</p>	<p>APX has monitoring/surveillance personnel tasked to ensure the proper implementation of wildlife protection initiatives within its tenement.</p> <p>2020 activities:</p> <ul style="list-style-type: none"> • developed 11.58 hectares • planted 7,281 seedlings of fast-growing species, Bamboo and Dipterocarp species. • donated 15,411 assorted seedlings to farmers and government agencies under the National Greening Program

Environmental Impact Management

Air Emissions

GHG

Disclosure	Quantity	Units
Direct (Scope 1) GHG Emissions	10,503	Tonnes CO ₂ e
Energy indirect (Scope 2) GHG Emissions	39,711	Tonnes CO ₂ e
Emission of ozone-depleting substances (ODS)	0	Tonnes CO ₂ e

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
APX emitted a total of 50,242 Tonnes CO ₂ e of GHG in 2020.	<p>Employees</p> <p>Regulatory bodies:</p>	APX's GHG Reduction Plan is currently being implemented and will be evaluated after three years to determine significant results.

	Department of Environment and Natural Resources - Mines and Geosciences Bureau (DENR-MGB) Local communities	APX mitigation activities: <ul style="list-style-type: none"> • limit the use of ozone-depleting substances in all activities and equipment. • Pollution control devices • regular maintenance of equipment is conducted
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
There are no significant risks identified		
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
Reduction of GHG emissions through the effective implementation of GHG reduction programs/ projects and policies.	Employees Regulatory bodies: Department of Environment and Natural Resources - Mines and Geosciences Bureau (DENR-MGB) Local communities	APX's Action Plan to reduce its GHG emissions includes both short- and long-term efforts: <ul style="list-style-type: none"> • maintain existing reduction measures using energy and cost-saving technologies • improve the productivity of logistical facilities and equipment • implement low-carbon mine design and processes. • use low-carbon transport management system • conduct an audit of energy and GHGs tracking systems • forest rehabilitation, protection, and management • energy conservation education and promotion • community energy planning • energy efficiency financing assistance program

Air Pollutants

Disclosure	Quantity	Units
PARTICULATE MATTER 10μg (PM 10)		
Salakot Area	62	μ g/Nm ³
Masarita Main substation	7	
Maligaya Area	76	
Level 2 Area	28	
Level 840/870 area	25	

Tailings Dam Area	31	
Level 4 Area	31	
Tagbaros (Level 363) Area	46	
<i>DENR Regulatory Limit</i>	<i>150</i>	
Persistent organic pollutants (POPs)	0	kg
Volatile organic compounds (VOCs)	0	kg
Hazardous air pollutants (HAPs)	0	kg

Note: NO_x and SO_x measurement for the CY-2020, there were no source emission monitoring conducted by third party contractor due to covid-19 pandemic. However, in-house PM₁₀ monitoring was conducted by APX in (8) locations within the mine site. A request letter was endorsed to EMB-RXI for the postponement and rescheduling of the said activity on 1st semester of CY-2021.

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
APX ensures that our air emissions are within the regulatory limits set by the DENR.	<p>Employees</p> <p>Regulatory bodies: Department of Environment and Natural Resources - Mines and Geosciences Bureau (DENR-MGB)</p> <p>Local communities</p>	<p>APX's strategies in managing air pollutants:</p> <ul style="list-style-type: none"> • water spraying on haul roads • silt scraping • installation and maintenance of tire wash • installation and maintenance of dust boxes (dust collector system at prep. lab.) • motor vehicle maintenance • observance of speed limits • air quality monitoring • tree planting along barangay and mine access roads
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
There are no significant risks identified.		
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
Conduct regular monitoring of air emissions to better assess the effectiveness of our efforts to maintain good air quality in the mine site and in the surrounding communities.	<p>Employees</p> <p>Regulatory bodies: (DENR-MGB)</p> <p>Local communities</p>	APX conducted an in-house ambient air quality monitoring using a PM ₁₀ measuring device (third-party source emission testing was not possible due to COVID-19 pandemic).

Solid and Hazardous Wastes

Solid Waste

Disclosure	Quantity	Units
Total solid waste generated	72,004	kg
Reusable	0	kg
Recyclable	10,004	kg
Composted	56,000	kg
Incinerated	0	kg
Residuals/Landfilled	6,000	kg

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<p>APX has an effective solid waste management system in place.</p> <p>In 2020:</p> <ul style="list-style-type: none"> 78% of solid waste were composted 14% were recycled 8% were disposed of in landfills. 	<p>Employees</p> <p>Regulatory bodies: Department of Environment and Natural Resources - Mines and Geosciences Bureau (DENR-MGB)</p> <p>Local communities</p>	<p>Proper waste disposal:</p> <ul style="list-style-type: none"> biodegradables are turned into vermicompost or mulch to augment mine rehabilitation activities recyclables are sold to third-party buyers residual waste are transported and temporarily stored at the Maco Residual Containment Area.
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
There are no significant risks identified.		
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
APX recycles and reuses materials that are still in good condition.	<p>Employees</p> <p>Regulatory bodies: Department of Environment and Natural Resources - Mines and Geosciences Bureau (DENR-MGB)</p>	Rock bolts and worn-out pipes are recycled and reused for ongoing engineering projects.
APX seeks to contribute to the decrease in the amount of waste being landfilled and generate income at the same time.		<p>APX sells scrap waste to third-party buyers to divert waste from the scrap yard and the MRF.</p> <p>In 2020, a total of 266,234 kilos of scrap and recyclable materials was sold to a third party buyer.</p>

Hazardous Waste

Disclosure	Quantity	Units
Total weight of hazardous waste generated		
Used batteries	424	Pcs
Oil contaminated materials	100	Drums
Pathological waste	57	Kg
Busted lamps	159	Pcs
Used oil	55,000	Liters
Waste with cyanide	647,329	Tons
Total weight of hazardous waste transported*	50,400	Liters

**For 2020, only used oil was transported to accredited third-party transporters and treaters as other hazardous waste are still stored until they reach the required quota.*

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
APX's operation generates hazardous waste.	<p>Employees</p> <p>Regulatory bodies: Department of Environment and Natural Resources - Mines and Geosciences Bureau (DENR-MGB)</p> <p>Local communities</p>	<p>Hazardous waste management strategies:</p> <ul style="list-style-type: none"> • three-chamber oil-water separator facility and temporary used oil storage area at mechanical shops • assay laboratory chemical waste treatment • hazardous waste segregation • temporary hazardous waste storage facility • DENR-accredited hazardous waste transporter and treater • The cyanide neutralization process involved the treatment of Sodium Metabisulfite (SMBS) at tailings hopper before it was being pumped at the TSF for final disposal.
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach

Hazardous wastes are a health risk to people and a threat to the surrounding flora and fauna.	<p>Employees</p> <p>Regulatory bodies: Department of Environment and Natural Resources - Mines and Geosciences Bureau (DENR-MGB)</p> <p>Local communities</p>	<p>Hazardous waste management mitigation measures:</p> <ul style="list-style-type: none"> • process optimization • use of new emission-control technologies.
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<p>APX generates income from used batteries and used oil.</p> <p>Lessen storage of hazardous materials</p>	<p>Employees</p> <p>Accredited buyers</p> <p>Local Community</p>	<p>APX is exploring the use of environment-friendly and biodegradable materials to reduce its generation of hazardous waste.</p> <p>APX has contracted a government-accredited third-party transporter and treater for the disposal of hazardous waste (ex. oil and used lead acid batteries).</p>

Effluents

Disclosure	Quantity	Units
Total volume of water discharges	59,815,370	Cubic meters
Percent of wastewater recycled	6	%

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
In 2020, APX discharged 59,815,370 cubic meters of water into TSF.	<p>Employees</p> <p>Regulatory bodies: Department of Environment and Natural Resources - Mines and Geosciences Bureau (DENR-MGB)</p> <p>Local communities</p>	<p>APX ensures water resource efficiency by managing and reducing the amount of water discharge through the recycling of wastewater from the TSF and utilizing it for milling operations.</p> <p>APX also monitors the volume of water discharge through the</p>

		<p>flowmeter device installed in the TSF toe drain and through the bucket method for other discharge outlets.</p> <p>In 2020, the volume of recycled water from the toe drain back to the mill plant was about 464,649 cu.m. (6 % the total vol. of water discharged).</p>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<p>In the future, stricter government regulations on the quality of water discharges by mining companies which may incur additional cost.</p>	<p>Regulatory bodies: Department of Environment and Natural Resources - Mines and Geosciences Bureau (DENR-MGB)</p> <p>Local communities</p>	<p>APX continuously monitors its water discharge parameters and improves existing practices by employing new technologies and better controls.</p> <p>Employed and maintained existing structures such as oil/water separator facility, settling ponds, polishing pond and earth sumps to mitigate the impact of water pollution in nearby water bodies.</p>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<p>Employ continuous improvement in managing its natural resources and hazardous wastes.</p>	<p>Employees</p> <p>Regulatory bodies: Department of Environment and Natural Resources - Mines and Geosciences Bureau (DENR-MGB)</p> <p>Local communities</p>	<p>APX has a Water Treatment Facility equipped with a settling pond and an oil-water separator installed in significant discharge points such as mechanical repair bays and used oil storage facilities.</p> <p>It also has a TSF, which is a containment facility for wastewater discharges from milling operations.</p>

Environmental Compliance

Non-compliance with Environmental Laws and Regulations

Disclosure	Quantity	Units
Total amount of monetary fines for non-compliance with environmental laws and/or regulations	0	Php
No. of non-monetary sanctions for non-compliance with environmental laws and/or regulations	0	#
No. of cases resolved through dispute resolution mechanism	0	#

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
There are no significant impacts identified.		
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
There are no significant risks identified.		
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
Strict compliance to the government's environmental regulations ensures that APX is able to maintain its good reputation and promote responsible mining. Non-issuance of notice of violations by regulatory bodies would ensure that APX's operations will proceed smoothly.	<p>Employees</p> <p>Regulatory bodies: Department of Environment and Natural Resources - Mines and Geosciences Bureau (DENR-MGB)</p> <p>Local communities</p>	APX presents its environmental initiatives and programs through its AEPEP.

SOCIAL

Employee Management

Employee Hiring and Benefits

Employee Data (as of December 31, 2020)

Disclosure	Quantity	Units
Total number of employees ⁵	1,728	#
a. Number of female employees	136	#
b. Number of male employees	1,592	#
Attrition rate ⁶	10.92	%
Ratio of lowest paid employee against minimum wage	0	%
Total number of workers through contractors	1,231	#
a. Number of female workers	141	#
b. Number of male workers	1,090	#

Employee Benefits

List of Benefits	Y/N	% of female employees who availed for the year	% of male employees who availed for the year
SSS	Y	95	98
PhilHealth	Y	95	99
Pag-ibig	Y	95	98
Parental leaves	Y	10	7
Vacation leaves	Y	100	100
Sick leaves	Y	47	65
Medical Benefits (aside from PhilHealth)	Y	45	59
Housing assistance (aside from Pag-ibig)	Y	17	5
Retirement fund (aside from SSS)	Y	1	3
Work from home (20 employees)	Y		
Flexible-working Hours (9am to 5pm for Head Office Only)	Y	0.6	1.1

⁵ Employees are individuals who are in an employment relationship with the organization, according to national law or its application (GRI Standards 2016 Glossary)

⁶ Attrition rate = (no. of new hires – no. of turnover)/(average of total no. of employees of previous year and total no. of employees of current year)

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
<p>APX provides competitive salary and benefits packages.</p> <p>In 2020, APX provided productive employment to 1,729 people.</p>	<p>APX enhances its competitive salary and benefits packages with the following:</p> <ul style="list-style-type: none"> • Medical, dental and hospitalization • Meal allowance for supervisor employees and Rice Allowance for Rank & File employees • Free Uniform for surface and underground employees • Mobile Phone allowance ranging from 500 to 2,000 per month • Medicine & Laboratory reimbursement annually of up to 8,000 per month • Hospitalization Benefit according to Job Level which ranges from 100k to 250. These includes also their dependents. • St. Peter Life Plan in case of Employee Death • Mortuary Fund Benefit <p>In 2020, HR re- aligned employee benefits to allow for flexibility in the process of salary pay-outs and to accommodate several re-designed policies.</p> <p>Mitigation measures against COVID-19:</p> <ul style="list-style-type: none"> • flexible work arrangement • work-from-home schemes • reduced number of working hours • freeze hiring <p>Offered voluntary retirement to Employees, paying 1.5 months for every year of service. 79 Employees availed.</p>
What are the Risk/s Identified?	Management Approach
<p>a. Employee attrition in 2020 was 10.92%</p> <p>b. Reduced manpower in the mine site</p>	<p>Employee engagement programs:</p> <ul style="list-style-type: none"> • Supervisory Development Program - 63 employees participated in 2020 • Health Wellness Programs - gym, Zumba sessions, non- body contact sports (tennis, badminton, walking and biking)

What are the Opportunity/ies Identified?	Management Approach
APX provides employment opportunities to its host and neighboring communities.	<p>APX provides scholarship programs and skills training to residents of its host and neighboring communities. Upon completion of the program or training, they are hired either directly by APX or indirectly through contractors when their particular skill set is required by APX.</p> <p>2020 highlights:</p> <ul style="list-style-type: none"> • APX absorbed 33 scholars of the Center for Industrial Technology and Enterprise (CITE) • P13.89 million spent in support of various school activities and scholarships in the local communities

Employee Training and Development

Disclosure	Quantity	Units
Total training hours provided to employees	30,184	Hours
a. Female employees	1,872	Hours
b. Male employees	28,312	Hours
Average training hours provided to employees		
a. Female employees	43	hours/employee
b. Male employees	40	hours/employee

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
Training opportunities to employees - technical operations of equipment; development of soft skills; continuing education for professional/licensed employees	In 2020, APX provided 30,184 hours of training to its employees.

	Type of Training Intervention/s	PAX
	INTERNAL TRAININGS CONDUCTED	
	Effective Memo Writing Seminar/Workshop	50
	Supervisory Development Program 2 - Essentials of Performance	63
	Jumbo Drill Operation Training	14
	Miner Training	5
	UG Equipment Operation Training (LHD/LPT, Jumbo Drill)	19
	MT220 Operation Training (AC Type)	45
	Volvo Truck FM4 Drivers' Training	7
	Single Toggle Jaw Crusher Training	7
	Jumbo Drill Operation Refresher Course	43
	Miner Blaster Refresher Course	97
	LHD/LPT Refresher Course	133
	Defensive Driving Technique	135
	Safe Heavy Equipment Refresher Course	46
	Shotcrete/Mixcrete Operation Refresher Course	44
	Forklift Operation Refresher Course	15
	Backhoe Loader Operation Refresher Course	20
	EXTERNAL TRAININGS	
	Management Essentials	5
	Road Safety Webinar	2
	PMRC: Elements of Mining Feasibility Studies	8
	Forest Trek (A deep Search into the Forest for the Nation's Healing and Recovery)	3
	Proactive Labor Relations in Non-unionized Environment	3
	SANOFI Global/Local SCM Approach in Response to COVID-19	7
	IIEE 45th Virtual Annual Convention	21
	Virtual GeoCon 2020: 75 Years of Geosciences in the Philippines: Opportunities, Advances and Frontiers	18
What are the Risk/s Identified?	Management Approach	
Technical employees are not familiar with latest technology.	<p>Performance monitoring</p> <p>Skills effectiveness assessments</p> <p>Training</p>	
What are the Opportunity/ies Identified?	Management Approach	
Performance evaluation	<ul style="list-style-type: none"> Annual performance reviews in November exemplary employees are sent to attend national trainings and even to visit supplier factories abroad 360-Degree Performance Review for candidates for promotion. 	
Recognition of exemplary work		
	Special recognitions: Safest Worker and Honesty	

Labor-Management Relations

Disclosure	Quantity	Units
% of employees covered with Collective Bargaining Agreements	N/A	%
Number of consultations conducted with employees concerning employee-related policies	2	#

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
APX is a non-unionized organization.	<p>APX strengthens its relationship with its workers through the AMCINERO:</p> <ul style="list-style-type: none"> • Labor Management Cooperation Council (in compliance with the mandate of the Mines and Geosciences Bureau) • employee representatives are elected from each department to represent their fellow employees in social dialogues • help APX in policymaking
What are the Risk/s Identified?	Management Approach
Mismanaged labor relations could lead to employee conflict, and a high rate of attrition (which is costly for APX).	<p>Industrial Relations Office and an Industrial Relations Officer handle workers' disputes and grievances.</p> <p>A designated Counselor handles counselling to employees.</p> <p>Strategic communication of new policies to employees:</p> <ul style="list-style-type: none"> • multi-channel (email, bulletin boards, pep talks) • new policies are only implemented two (2) weeks after it has been cascaded to employees <p>In 2020, HR assigned a staff dedicated to answer employee queries on the uncertainties brought about by the pandemic.</p>

What are the Opportunity/ies Identified?	Management Approach
APX gives value to employee feedback.	Through the AMCINERO, APX is able to encourage the involvement of its employees in decision-making and policymaking. This active involvement also allows the employees a more thorough understanding of changes that are set to be generated by such new policies.

Diversity and Equal Opportunity

Disclosure	Quantity	Units
% of females in the workforce	7	%
% of males in the workforce	93	%
Number of employees from indigenous communities and/or vulnerable sector*	13	%

**Vulnerable sector includes, elderly, persons with disabilities, vulnerable women, refugees, migrants, internally displaced persons, people living with HIV and other diseases, solo parents, and the poor or the base of the pyramid (BOP; Class D and E).*

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
The high percentage of male employees (versus females) in APX is a function of the mining industry's nature to be typically male-dominated and not due to a preference for a specific gender.	APX is non-discrimination recruitment and promotion.
What are the Risk/s Identified?	Management Approach
There is no significant risk identified.	APX provides equal treatment to all and nurtures a work environment that is free from any form of discrimination.
What are the Opportunity/ies Identified?	Management Approach
Equality and non-discrimination policies must be applied to all aspects of the business.	APX's inclusive policy applies to its recruitment, training, promotion, working conditions, compensation, benefits, and all other aspects of employment and employee relations.

Workplace Conditions, Labor Standards, and Human Rights

Occupational Health and Safety

Disclosure	Quantity	Units
Total Man-Hours	6,399,739	Man-hours
No. of work-related injuries/illnesses	34	#
No. of work-related fatalities	0	#
No. of safety drills	4	#

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
<p>APX has a Comprehensive Safety Program:</p> <ul style="list-style-type: none"> • zero fatalities in 2020 • policies and guidelines against COVID-19 were formulated following IATF guidelines 	<p>The Comprehensive Safety Program is comprised of the following:</p> <ol style="list-style-type: none"> A. Leadership and Administration Management provides a safe and healthy workplace; leads in the implementation of safety policies. B. Organizational Rules and Policy (core safety values): <ul style="list-style-type: none"> • Quality, Environment, Safety and Health Policy • Employee Safety Orientation • HIV/AIDS Workplace Policy and Program • Drugs and Alcohol Policy • TB Treatment and Prevention Control Policy C. Safety Meetings – monthly; to identify safety points that can be incorporated into daily work routines D. Management and Employee Training – new worker orientation, refresher course, skill safety training, or in-house/external training sessions E. Proper Housekeeping - 5S F. Health Control and Services – APX provides first aid and minor medical treatment to its employees and host and neighboring communities; employs physicians, nurses, dentists, dieticians, pharmacists, and midwives; has an ambulance on-site G. Provision of Personal Protective Equipment (PPE) H. Monitoring - safety officers inspect and

	<p>monitor working areas; may stop any activities on-the-spot if unsafe acts or conditions are observed</p> <p>I. Emergency Response and Preparedness Program (ERPP) – MGB-approved ERPP is the framework of APX’s safety in the workplace</p> <p>J. Safety Promotions – IEC for the employees and communities</p> <p>K. Safety Incentives – monetary incentives to employees who apply the best safety practices in the workplace</p> <p>L. COVID-19 Guidelines and Protocols</p>
What are the Risk/s Identified?	Management Approach
<p>The risks associated with its operations are classified into four types:</p> <ol style="list-style-type: none"> <u>Chemical</u> <ul style="list-style-type: none"> - This includes excessive airborne concentrations of acids/mist, solvents/vapors/gases, dust/particulates, heavy metals or fumes. <u>Physical</u> <ul style="list-style-type: none"> - This includes noise, inadequate illumination, extreme temperatures, radiation, extreme pressure, vibration, poor ventilation. <u>Biological</u> <ul style="list-style-type: none"> - This includes bacteria, virus, fungi, molds, and microorganisms. <u>Ergonomic</u> <ul style="list-style-type: none"> - This includes improperly designed tools or work areas, improper lifting or reaching, poor visual conditions, and repeated motion in an awkward position. 	<p>APX applies the Hazard Identification, Risk Assessment and Control (HIRAC) and Job Hazard Analysis (JHA) in its operations.</p> <p>Hazard control measures are:</p> <ol style="list-style-type: none"> <u>Elimination</u> <ul style="list-style-type: none"> - The hazard is eliminated through design. <u>Substitution</u> <ul style="list-style-type: none"> - The hazard is prevented or minimized by using a different equipment or tool. <u>Engineering controls</u> <ul style="list-style-type: none"> - The hazard is prevented or minimized through isolation and guarding. <u>Administrative controls</u> <ul style="list-style-type: none"> - The hazard is prevented or minimized through training and work scheduling. This prevents mistakes caused by lack of knowledge or adequate rest. <u>PPE</u> <ul style="list-style-type: none"> - The hazard is prevented or minimized through the use of PPEs. This is considered as a last resort by APX. <p>For cases of human negligence or non-compliance, APX issues a disciplinary action.</p>
What are the Opportunity/ies Identified?	Management Approach

Improvement of the Comprehensive Safety Program through continuous training and consultation during the formulation of the Annual Safety & Health Program (ASHP).	In 2020, APX provided 25 training activities on health, safety, and disaster preparedness (first aid, blasting, refresher course for operators, mechanized lifting, scaffolding, fire safety, working at height, electrical safety, behavior-based safety (BBS), and supervisor development program, mine rescue, rope rescue, water search & rescue).
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COVID-19 RESPONSE AND PROTOCOL

Disclosure	Quantity	Units
Positive in 2020	84 (62-AMCI; 22-Contractor)	Person
Recovered / Cleared as of 2020	28 (22-AMCI; 6-Contractor) <i>As of 27 January 2021, all positive cases have recovered.</i>	Person
Death	0	Person

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
Policies and guidelines to mitigate negative impact of COVID-19 were implemented and updated in accordance with the guidelines set by Company's COVID Management Team (CMT), the Local & National IATF and the Regulatory Agencies.	Employees, Suppliers	APX coordinated with LGUs, MHOs and other government agencies for the proper guidance and implementation of measures to contain the transmission of COVID-19 virus.
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
Failure of production	Employees, contractors, suppliers, and host & neighboring communities	APX implemented the following: <ul style="list-style-type: none"> Isolation of positive cases and quarantine of employees identified as close contacts Lock down and applied skeletal force / manpower Applied 7-7 work schedule during skeletal force/manpower - COVID-19 protocols

What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
Continued operations despite lockdowns	Employees, contractors, suppliers, and host & neighboring communities	Implemented all established guideline and procedures for COVID 19

Labor Laws and Human Rights

Disclosure	Quantity	Units
No. of legal actions or employee grievances involving forced or child labor	0	#

Do you have policies that explicitly disallows violations of labor laws and human rights (e.g. harassment, bullying) in the workplace?

Topic	Y/N	If Yes, cite reference in APX policy
Forced labor	Y	Republic Act 9208 (Anti-Trafficking in Persons Act) Philippine Constitution (Sec. 18.(2), Article III of the Constitution) - prohibition on involuntary servitude
Child labor	Y	Anti-Child Labor Policy Republic Act 7658 (An Act Prohibiting the Employment of Children below 15 Years of Age in Public and Private Undertakings) Republic Act 9231 (Special Protection of Children Against Child Abuse, Exploitation and Discrimination Act)
Human Rights	Y	Philippine Constitution (Article III “Bill of Rights” of the Constitution) Anti-Sexual Harassment in the Workplace Policy, including the amendment to Republic Act 7677 (Safe Streets and Public Spaces Act) Republic Act 11313 (Bawal Bastos Law)
Security of Tenure	Y	Labor Code of the Philippines Book 6 Article 279

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
<p>APX's Code of Business Conduct and Ethics is aligned with labor laws and human rights policies.</p> <p>APX was recognized by the Department of Labor and Employment (DOLE) Region XI as a Lifetime awardee of "Child Labor-Free Establishment"</p>	<p>APX's Code of Business Conduct and Ethics is implemented in conjunction with other company policies and Philippine Labor Laws.</p> <p>APX treats all employees equally, recognizing the diversity (age, gender, ancestry, culture, religion, education, physical and mental abilities) of its workforce.</p>
<p>APX has two active labor cases as of June 2020, involving illegal dismissal and salary incentives.</p>	<p>The AMCINERO foster harmonious relationship between employees and management.</p> <p>In cases of violations, APX continues to execute administrative proceedings affording due process to erring employees. It also respects the right of dismissed employees to file a labor case, if they deem it necessary.</p>
What are the Risk/s Identified?	Management Approach
<p>Non-utilization of the grievance channels by the employees will limit APX's capability to resolve their concerns – potentially leading to a high attrition and low employee morale.</p>	<p>Employee Welfare Office under the Human Resources (HR) Department:</p> <ul style="list-style-type: none"> • venue where for employees raise their concerns and arrange for dialogues and consultations • counseling sessions are also done to ensure emotional and psychological stability of the concerned employee <p>Grievance Committee:</p> <ul style="list-style-type: none"> • composed of representatives from Human Resources, Legal, concerned Department Managers • implements provisions of the Grievance Policy • ensures a transparent and respectful process of addressing grievances

People intentionally ignoring the policies and violating the rules.	<p>APX follows due process for cases of policy violations:</p> <ul style="list-style-type: none"> • serving the twin notices: notice to explain and schedule of hearing and notice of decision • violators are sanctioned based on the Employee's Code of Discipline after <p>Whistleblowers are protected by APX Whistleblower Protection policy.</p>
What are the Opportunity/ies Identified?	Management Approach
There are no significant opportunities identified.	

Supply Chain Management

Do you have a supplier accreditation policy? If yes, please attach the policy or link to the policy:

Yes

Do you consider the following sustainability topics when accrediting suppliers?

Topic	Y/N	If Yes, cite reference in APX policy
Environmental performance	N	
Forced labor	N	
Child labor	N	
Human Rights	N	
Bribery and corruption	Y	Conflict of Interest (COI) Disclosure, Related Party Transaction (RPT) Code of Business Conduct & Ethics

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
No instance of bribery and corruption in 2020.	<p>Part of the Accreditation policy includes:</p> <ul style="list-style-type: none"> • Accomplishment of COI disclosure and RPT form. • Supplier compliance to PO Terms & Conditions. • Supplier compliance to regulatory requirements, APX Code of Business Conduct and Ethics.

What are the Risk/s Identified?	Management Approach
Accreditation Process does not include review of supplier's Environmental performance, Forced Labor, Child Labor and Human Rights policy.	Suppliers are required to comply to the regulatory requirements and submit a copy documenting compliance to APX prior to engaging such suppliers to mitigate risks.
What are the Opportunity/ies Identified?	Management Approach
APX will improve its accreditation process to include review of supplier's Environmental Performance, Forced Labor, Child Labor and Human Rights Policy.	As part of improving pre-qualification accreditation process through Dun & Bradstreet, the accreditation form will now include supplier information on their Environmental Performance, Forced Labor, Child Labor and Human Rights Policy and submission of relevant documents from regulating agencies.

Relationship with Community

Significant Impacts on Local Communities

Operations with significant (positive or negative) impacts on local communities (exclude CSR projects; this has to be business operations)	Location	Vulnerable groups (if applicable)*	Does the particular operation have impact on indigenous people (Y/N?)	Collective or individual rights that have been identified that or particular concern for the community	Mitigating measures (if negative) or enhancement measures (if positive)
Mining operations	Masara, Maco, Davao de Oro	PWDs Financially disadvantaged Indigenous peoples (IPs)	Yes	Right to work	APX employs 226 individuals belonging to indigenous communities and 283 from far-flung areas that have, otherwise, limited employment options. To mitigate the impact of air emissions to the surrounding communities, APX

				<p>Right to a healthy environment</p>	<p>implemented the following control measures, to wit:</p> <p>-Road watering/spraying using water tanker truck at mine access road during prolonged dry season to control dust emissions brought about by moving vehicles and equipment;</p> <p>-Regular Preventive Maintenance Schedule (PMS) of Service Vehicle, Equipment and Stationary Air Pollution Sources (e.g. Generator sets and Boilers);</p> <p>-Installed Air Pollution Control Device (e.g. Lead fume scrubber, Acid scrubber and dust collector system at Mill plant, Assay and Sample Prep laboratory; and</p> <p>-Conducted Enrichment Planting and Tree Planting within the Tenement.</p> <p>Moreover, AMCI has a Carbon footprint of 50,242 TonnesCO₂e while the total carbon stock or the capacity to absorb carbon emission is 476,827 C. This means that the present emission of AMCI and its current forest stand. AMCI is carbon negative by 426,585 TonnesCO₂e.</p> <p>Finally, generated hazardous waste from the operations was safely stored at the Hazardous waste storage facility located</p>
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					<p>within the vicinity of APX.</p> <p>To comply with the Government regulations, APX hired a third-party Accredited Transporter and Treater which is the GENETRON MARKETING INT'L to handle properly the transporting, disposal, and treatment of hazardous waste. For 2020, a total of 252 drums of used oil were disposed and treated.</p>
Underground Mining Operation	Masara, Maco, Davao de Oro	Children and youth, elderly, PWDs, financially disadvantaged	Yes	Right to a healthy environment	Wastewater discharge is monitored in various strategic locations inside the tenement to ensure that it is within the Department of the Environment and Natural Resources (DENR) standards.
Milling Operations	Masara, Maco, Davao de Oro	Children and youth, Elderly PWDs Financially disadvantaged	Yes	Right to a healthy environment	APX's Tailings Containment Dam engaged the expertise of Sta. Clara International and Engineering Development Corporation of the Philippines (EDCOP) in the design, engineering, and construction of a multi-million Tailings Containment Dam in the mine site. The Tailings Dam is closely monitored by APX, Sta. Clara and EDCOP to ensure that its construction and operation is in accordance to the national and global standards.

**Vulnerable sector includes, elderly, persons with disabilities, vulnerable women, refugees, migrants, internally displaced persons, people living with HIV and other diseases, solo parents, and the poor or the base of the pyramid (BOP; Class D and E).*

For operations that are affecting IPs, indicate the total number of Free and Prior Informed Consent (FPIC) undergoing consultations and Certificate Preconditions (CPs) secured and still operational and provide a copy or link to the certificates if available: _

Certificates	Quantity	Units
FPIC process is still undergoing	0*	#
CP secured	1	#

**FPIC process was completed for MPSA 225 and MPSA 234 before APX started its operations and resulted to a Certificate of Precondition*

What are the Risk/s Identified?	Management Approach
The absence of an FPIC from the community, LGU, IPs, and other stakeholders is a violation of RA 7942 and will compromise APX's operations and reputation.	<p>The Management went through the FPIC process with all stakeholders before it started its operations in 2006.</p> <p>The Management received proper consent to operate with the signing of the Mineral Production Sharing Agreement (MPSA) with the stakeholders.</p>
What are the Opportunity/ies Identified?	Management Approach
APX's collaboration with the mining community where it operates -- from the planning of development programs, projects and activities to its implementation and monitoring, deepens their sense of belongingness and ownership to the projects which encourages them to give full support to APX's operation even during the pandemic.	APX ensures strict compliance to all regulatory and statutory laws by integrating them into its Mission, Vision and Work Culture.

Customer Management

Customer Satisfaction

Disclosure	Score	Did a third party conduct the customer satisfaction study? (Y/N)
Customer Satisfaction	Excellent	N

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
APX deals with only one buyer of the gold and silver bullions it produces.	<p>A quarterly survey is being conducted for the customer satisfaction as part of the requirements of APX's Integrated Management System.</p> <p>APX is covered by a refining and transportation agreement renewable every two years.</p>
What are the Risk/s Identified?	Management Approach
Non-renewal of refining and transportation agreement with current buyer.	There are other available refiners/customers who may accept, refine and buy the Company's product since gold and silver are high demand commodities.
What are the Opportunity/ies Identified?	Management Approach
None	

Health and Safety

Disclosure	Quantity	Units
No. of substantiated complaints on product or service health and safety*	0	#
No. of complaints addressed	0	#

**Substantiated complaints include complaints from customers that went through the organization's formal communication channels and grievance mechanisms as well as complaints that were lodged to and acted upon by government agencies.*

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
The bullions are shipped to only one buyer.	
What are the Risk/s Identified?	Management Approach
N/A	
What are the Opportunity/ies Identified?	Management Approach
N/A	

Marketing and Labelling

Disclosure	Quantity	Units
No. of substantiated complaints on marketing and labelling*	0	#
No. of complaints addressed	0	#

*Substantiated complaints include complaints from customers that went through the organization's formal communication channels and grievance mechanisms as well as complaints that were lodged to and acted upon by government agencies.

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
APX deals with only one buyer of the bullions that it produces.	
What are the Risk/s Identified?	Management Approach
N/A	
What are the Opportunity/ies Identified?	Management Approach
N/A	

Customer privacy

Disclosure	Quantity	Units
No. of substantiated complaints on customer privacy*	0	#
No. of complaints addressed	0	#
No. of customers, users, and account holders whose information is used for secondary purposes	0	#

*Substantiated complaints include complaints from customers that went through the organization's formal communication channels and grievance mechanisms as well as complaints that were lodged to and acted upon by government agencies.

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
APX deals with only one buyer of the bullions that it produces.	
What are the Risk/s Identified?	Management Approach
N/A	
What are the Opportunity/ies Identified?	Management Approach
N/A	

Data Security

Disclosure	Quantity	Units
No. of data breaches, including leaks, thefts and losses of data	0	#

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
APX deals with only one customer	
What are the Risk/s Identified?	Management Approach
N/A	
What are the Opportunity/ies Identified?	Management Approach
N/A	

UN SUSTAINABLE DEVELOPMENT GOALS

Product of Service Contribution to UN SDGs

Key products and services and its contribution to sustainable development.

Key Products and Services	Societal Value / Contribution to UN SDGs	Potential Negative Impact of Contribution	Management Approach to Negative Impact
Gold and Silver Bullions	#8 Decent Work and Economic Growth #9 Industry, Innovation, and Infrastructure	Production of gold and silver bullions requires opening of underground tunnels, removal of ores from the source and milling them until the metals are extracted. Management ensures resources are available and deployed to minimize the impact of APX's operation on the environment and nearby community. It strictly complies with existing mining laws and ordinances and regularly coordinates with the relevant government agencies for monitoring, reporting and other administrative tasks.	

**None/Not Applicable is not an acceptable answer. For holding companies, the services and products of its subsidiaries may be disclosed.*