

Solid gold foundations



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Concerned with social responsibility, Philex Mining Corporation's founders' legacy lives on.

IMAGES | JAMES ONA

Philex Mining was incorporated in the Philippines in 1955 and was listed on the Philippine Stock Exchange in 1956. The company's current CEO and President, Eulalio B Austin Jr, credits the longevity and success of the gold- and copper-mining operations today to the company's founders, who ensured that things were done properly right from the start.

"Philex has been surviving for the last six decades because of the workforce's resilience and the company's constant adherence to the corporate ideals and culture of responsibility; always looking out for the safety of our people as well as the welfare of the communities and preservation of the environment around our areas of operation," Eulalio says. "We owe this to our founders, who ensured that the rights of our employees and of the indigenous people were always respected even before the mine was started. Our strict adherence to the highest safety standards, commitment to social development programs, and dutiful compliance to environmental standards are the secrets behind Philex Mining Corporation's long-term success." >>



Name Eulalio B Austin Jr
Company Philex Mining Corporation
Position CEO and President
HQ Pasig City, Philippines
Employees 2,000



“With this certification, we have affirmed our commitment to the environment and the safety of our people, which we believe are trademarks of a responsible miner.” - Eulalio B Austin Jr

COMPANY VALUES

“Among other things, the company is dedicated to doing business in accordance with the highest standards of ethics, and in accordance with its core values of integrity, teamwork, work excellence, respect for individuals, corporate responsibility, and social and environmental responsibility,” Eulalio explains. “These are always top of mind when we deal with colleagues and engage with customers, suppliers, competitors, business partners, government regulators, and other stakeholders, especially the communities in which we operate,” he says.

CORPORATE SOCIAL RESPONSIBILITY

Communities, both in and around its mine sites, are the focal point of Philex’s corporate social responsibility platform,

including the protection and rehabilitation of the natural environment surrounding them in all stages of mining—from exploration to operation, and all the way to mine decommissioning.

“Over the years, we maintained a solid track record for the various community development projects that we have initiated for the preservation of the environment and welfare of the local communities living around our operations,” he says. “This commitment, instilled by the founders of the company, runs in our DNA and is what sets us apart from other industry players, enabling us to establish an image of responsible mining in the country.”

In addition, the company adheres to an environmental policy, which states that Philex Mining—as a socially and

environmentally responsible company—is committed to the continuous improvement of its operations, avoiding or rehabilitating any adverse environmental impacts of its operations through the faithful compliance with all laws, legislations, and other regulations; and the promotion of environmental awareness and commitment for environmental protection among its workers at all levels.

ENVIRONMENTAL PROTECTION AND SAFETY

In relation to this, Philex maintains its own nurseries for reforestation purposes, which are capable of producing millions of seedlings. At the Padcal mine site alone, 2,000 hectares of land have been reforested, with a total of seven million trees having been planted in the region. Another successful rehabilitation site is Philex’s Sibutad project, which has been transformed into a popular tourist area, ideal for hiking, horseriding, and picnicking. The area has also been a regular awardee of the Philippine Government’s ‘Adopt-A-Mountain, Adopt-A-Mining Forest’ program, as well as the Presidential Mineral Industry Environmental Awards.

These initiatives enabled Philex to secure the government’s high environmental and safety standards through the IMS certification, which consists of ISO 14001:2004 and OHSAS 18001:2007 Integrated Management System (IMS). “This affirms the company’s successful programs on environmental protection and workplace safety. With this certification, we have affirmed our commitment to the environment and the safety of our people, which we believe are trademarks of a responsible miner,” Eulalio adds.

Overall, Philex’s success has been recognised locally and internationally through the numerous awards received

over the years, including those for corporate governance, which Eulalio sees as key for any mining company.

BUSINESS AS USUAL

On top of these accomplishments, one of Eulalio’s most significant achievements has been the resumption of Philex’s normal operations in 2014, after an environmental accident in 2012 following incessant rains brought about by two consecutive typhoons. In March 2013, the government issued a temporary lifting order to allow Padcal mine to address the impact of the accident, which eventually became a permanent licence to operate in August 2014, allowing Padcal to resume normal operations right away.

The support of the entire workforce and the board of directors was critical to the continued operations of the mine and has been strong up until this day, together

with the partnerships forged with the stakeholders.

STRONG PARTNERSHIPS

The strong, and often long-term, business relationships the company has developed with its key suppliers—many of which are considered more like friends than professional associates—is another key competitive advantage.

For instance, Philex keeps a long-term partnership with Pan Pacific Copper in Japan, which since the start has been buying the company’s concentrates. “When the business hit hard times, Pan Pacific stepped in to help, and this has never been forgotten,” Eulalio recalls.

“Specifically, during the time when Philex was in dire need of resources, Pan Pacific extended us a loan to operate a new mining level, which became the



basis of the life-of-mine contract we currently have with them. Every year, we renegotiate the smelter terms of our 60-per-cent-committed concentrate production, while the remaining 40 per cent is subject to bidding,” Eulalio explains.

For Eulalio, maintaining these bonds is the best way to ensure a constant supply of production inputs to operations and foster a mutually beneficial association with business partners. ■

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