

# **LBMA Responsible Gold Guidance – Version 6**

## **Summary Assessment Report**

*Based on ISO19011:2011*

ASSESSMENT INFORMATION	
<b>Refiner Name:</b>	Mint and Refinery Operation Department BANKO SENTRAL NG PILIPINAS
<b>Refiner Location:</b>	East Avenue, Diliman, 1101 Quezon City, Philippines
<b>Refiner Contact Person:</b> Name, Title: Email: Phone:	Ms. Ma. Cecilia Santos; Director mcsantos@bsp.gov.ph +63-2-988-4641
<b>Assessment period:</b>	27.11.2017 - 28.11.2018
<b>Lead auditor and audit team members</b>	Abdul Manan Aruli (AMA)
<b>Dates and places where the onsite assessment activities were conducted</b>	12 & 15 November 2018 – BSP-Quezon City, Manila 13 November 2018 – GBS Naga City 14 November 2018 – GBS Baguio City

Assessment scope:	
<i>Refiner location(s) included in the assessment scope</i>	Click here to enter text. Refiner: Mint and Refinery Operation Department East Avenue, Diliman, 1101 Quezon City, Philippines  Gold Buying Station: 1. Quezon City 2. Baquio 3. Davao 4. Naga 5. Zamboanga
<i>Assessment Period</i>	27.11.2017 - 28.11.2018
Assessment methodology:	
<p><i>Assessment was taken at Mint and Refinery Operation Department – Refinery Processing, Gold Buying Station (GBS) at Quezon City, GBS Naga City and GBS Baguio City. Each sections/area relevant for LBMA Responsible Gold Guidance was audited and verified by documentation review and management/employee interviews including the verification on production and refining facilities, raw material warehouse, finished goods warehouse and transaction area by observation during the facility tour. The scope of the assessment covers for Refiner's systems, policies, procedures, processes and activities:</i></p> <p>The evidence of compliance that was reviewed included:</p> <ul style="list-style-type: none"> <li>• The following areas of the facility were visited during the tour:             <ul style="list-style-type: none"> <li>o Gold-bearing Receiving Process</li> <li>o Gold-bearing Material Inventory Control Process</li> <li>o Quality Control Process</li> <li>o Finished Goods (Vault) Control Process</li> </ul> </li> </ul> <p>During facility tour, the assessment team could not visit refinery facilities for Chlorination Process,</p>	

Aqua Regia Process, Melting Process and Casting Process due to those areas are under rehabilitation.

The following interviews were conducted with management:

- o Ms. Ma. Cecilia DV. Santos (Director of Mint & Refinery Operations Department)
- o Mr. Jose H.N Filoteo (Asst. Materials Control Manager, MCD)
- o Ms. Elaine Kate Pagalilauan (Bank Officer IV, TSS)

□ *The following interviews with employees in Central Office in Quezon City were conducted:*

- o Ms. Ma. Cecilia DV. Santos (Director of Mint & Refinery Operations Department)
- o Mr. Jose H.N Filoteo (Asst. Materials Control Manager, MCD)
- o Ms. Elaine Kate Pagalilauan (Bank Officer IV, TSS)
- o Ms. Apple Catingco (Administrative Services Officer III)
- o Mr. Alexander C. Ubaldo (Asst. Production Manager, GOS)

*Naga City Branch:*

- o Ms. Marlyn J. Paje (Deputy Director/Compliance Officer)
- o Ms. Maria Cynthia P. Padua (Bank Officer IV/Acting Gold Buying Station Head)
- o Mr. Keith Eduard S. Hidalgo (Senior Research Specialist/ Acting Assay Officer III)
- o Mr. Neptalie D. Clacio Jr. (Administrative Services Officer III/ Acting Security of Materials Control Officer II)
- o Mr. Rhoel A. Guarin (Bank Officer IV/Financial Services Section Head)
- o Ms. Ma. Sarah Francia M. Anonas (Manager/Administrative Division Head)

*Baguio City Branch:*

- o Mr. Arsenio G. Bellen, Jr. (Bank Officer II)
- o Ms. Melody P. Hermosura (Bank Officer IV)
- o Ms. Shirley Ann E. Nierva (Senior Security Materials Control Officer)
- o Ms. Gina F. Delizo (Senior Accounting Specialist)

**Any significant or inherent limitations or areas not covered that were within the assessment scope:**

*During facility tour, the assessment team could not visit refinery facilities for Chlorination Process, Aqua Regia Process, Melting Process and Casting Process due to those area are under rehabilitation*

**Assessment criteria:**

- *The assessment team performed the LBMA Responsible Gold Guidance assessment refer to planned arrangements for the relevant management standards, legal and contractual requirements and other requirements to which the Refiner is committed.*
- *The assessment team took into account all relevant objective evidence provided by the Refiner. Relevant evidence was either qualitative or quantitative in as far as it is appropriate and sufficient to support the assessment team's conclusions. Appropriate evidence is evidence that is relevant and reliable. Sufficient evidence refers to the amount of evidence provided to allow the assessment team to reach a conclusion.*
- *There no any actual or potential gaps in the Refiner's systems in regards to the LBMA requirements which are in accordance to the level of risk each presents to the credibility and integrity of the LBMA Responsible Gold Programme for the responsible sourcing of gold-bearing materials.*
- *Since there is no finding during the assessment process, the team does not need to present and explain nonconformities to Senior Management and staffs during closing meeting.*
- *The assessment team identify improvement that had been done by the refiner such as:*
  - a) *Conduct of briefings to gold sellers in various GBS on the BSP Responsible Gold Sourcing Policy and its requirements for purposes of information dissemination.*
  - b) *Conduct of briefings/trainings to BSP employees on the BSP Responsible Gold Sourcing Policy and the implementation of the LBMA Responsible Gold Guidance version 7*
  - c) *Continuing upgrading and rehabilitation of the gold refinery plant to improve the facilities on environment and safety*



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- d) *Mr. Jose Horacio N. Filoteo and Ms. Elaine Kate Pagalilauan attended the 5<sup>th</sup> National Artisanal & Small Scale Gold Mining Summit with several audiences such as other government agencies, Gold Supplying Counter Parties, NGO's on 26-28 September 2018 in Quezon City. Ms. Elaine Kate Pagalilauan attended the OECD 12<sup>th</sup> Forum on Responsible Mineral Supply Chains on 17-19 April 2018 in Paris, France.*

<b>Assessment findings:</b>				
<i>Category/subcategory</i>	<i>Non-compliance/Observation: Include evidence found to substantiate the non-compliance as well as frequency of its occurrence.</i>	<i>Recommended corrective action</i>	<i>Timeframe for implementing corrective actions</i>	<i>Refiner comments</i>
Step 1.3	Observation:  Propose and Plan officers of the regional GBS to have the opportunity to attend trainings regarding the Responsible Gold Guidance either at the LBMA Headquarters or OECD Headquarters.	To be considered in year 2019's budget and planning	Starting from 02 January 2019 - continue	

<b>ASSESSMENT CONCLUSIONS</b>					
CATEGORY	Compliant	Non compliance – risk level			
		Low	Medium	High	Zero Tolerance
<b>Step 1:</b> Establish strong company management systems	5	0	0	0	0
<b>Step 2:</b> Identify and assess risk in the supply chain	3	0	0	0	0
<b>Step 3:</b> Design and implement a management strategy to respond to identified risks	2	0	0	0	0
<b>Step 4:</b> Arrange for an independent third-party audit of the supply chain due diligence	1	0	0	0	0
<b>Step 5:</b> Report on supply chain due diligence	1	0	0	0	0

	Compliant	Non Compliance – risk level			
		Low	Medium	High	Zero Tolerance
<b>Based on the above assessment conclusions, the overall rating of the Refiner's performance is determined to represent:</b>	12	0	0	0	0

**The Counties of Origin of mined gold:**

*The countries of origin of mined gold list:* Philippines

The Auditors confirm that:

- ✓ The information provided by the Refiner is true and accurate to the best knowledge of the Auditor(s) preparing this report.
- ✓ The findings are based on verified Objective Evidence relevant to the time period for the assessment, traceable and unambiguous.
- ✓ The Auditor(s) have acted in a manner deemed ethical, truthful, accurate professional, independent and objective.
- ✓ The Auditor(s) are properly qualified to carry out the assessment at this Refiner's facility.

Lead Auditor: Abdul Manan Aruli (AMA)

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Signature:

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Date: 2018-11-15

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