

COVER SHEET

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SEC Registration Number

D M C I H O L D I N G S , I N C .

(Company's Full Name)

3 R D F L R . D A C O N B L D G . 2 2 8 1
 P A S O N G T A M O E X T . M A K A T I C I T Y

(Business Address: No., Street City / Town / Province)

HERBERT M. CONSUNJI

Contact Person

888-3000

Company Telephone Number

(Last Wednesday of July)

1 2 3 1
 Month Day
 Fiscal Year

SEC 17-C
 FORM TYPE

0 8 0 5
 Month Day
 Annual Meeting

N.A.
 Secondary License Type, If Applicable

C F D
 Dept Requiring this Doc

Amended Articles Number / Section

Total No. of Stockholders

Total Amount of Borrowings

Domestic Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document ID

Cashier

STAMPS

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SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER

1. May 14, 2015
Date of Report (Date of earliest event reported)
2. SEC Identification Number AS095-002283
3. BIR Tax Identification No. 004-703-376
4. DMCI Holdings, Inc.
Exact name of issuer as specified in its charter
5. Philippines
Province, country or other jurisdiction of incorporation
6. (SEC Use Only)
Industry Classification Code:
7. 3/F Dacon Building, 2281 Don Chino Roces Avenue, Makati City
Address of principal office
- 1231
Postal Code
8. (632) 888-3000
Issuer's telephone number, including area code
9. Not applicable
Former name or former address, if changed since last report
10. 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>No. of Shares Outstanding</u>	<u>Amount</u>
Common Shares	13,277,470,000	Php13,277,470,000.00
Preferred Shares	3,780	3,780.00
TOTAL	13,277,473,780	Php13,277,473,780.00

11. Indicate the item numbers reported herein: Item 9

Item 9. Other Matters

This is to inform the investing public that at the meeting of the Board of Directors held today, May 14, 2015, the Board approved the following:

1. Consolidated Financial Statements for the period March 31, 2015.

Net Income	1Q 2015 (in Php Mn)	1Q 2014 (in Php Mn)	VARIANCE (in Php Mn)	INC/DEC
Semirara Mining and Power Corp.	1,421	1,144	277	24%
DMCI Homes	845	762	83	11%
Maynilad	545	495	50	10%
D. M. Consunji, Inc.	196	161	35	22%
DMCI Power (SPUG)	74	52	22	42%
DMCI Mining	(24)	(17)	(7)	-42%
Parent and Others	2	(7)	9	129%
Total	3,059	2,590	469	18%

1. Declaration of Cash Dividends

The Board approved the declaration of (1) **regular cash dividends** in the amount of P0.24 per common share or a total of P3,186,592,800.00; and (2) **special cash dividends** of P0.24 per common share or a total of P3,186,592,800.00, or a grand total of P6,373,185,600.00 out of the unrestricted retained earnings of the Corporation as of December 31, 2014, in favor of the common stockholders of record as of May 29, 2015, and payable on June 10, 2015.

2. Annual Stockholders' Meeting (ASM)

The Corporation will hold its Annual Stockholders' Meeting on July 29, 2015, Wednesday, at 9:30am at the Turf Room, Manila Polo Club, McKinley Road, Forbes Park, Makati City. The Record Date for the ASM is set on June 17, 2015. The Board has appointed Castillo Laman Tan Pantaleon and San Jose Law Offices (CLTPSJ) and Securities Transfers Services, Inc. (STSI) as Committee of Inspectors while the Sycip, Gorres, Velayo & Co. (SGV) was appointed as Board of Canvassers.

3. Board Committees

The following board committees were appointed by the Board of Directors:

Audit	Honorio O. Reyes-Lao – <i>Chairman (Independent Director)</i> Antonio Jose U. Periquet (<i>Independent Director</i>) Cesar A. Buenaventura (<i>Non-Executive Director</i>)
Compensation and Remuneration	Antonio Jose U. Periquet – <i>Chairman (Independent Director)</i> Honorio O. Reyes-Lao (<i>Independent Director</i>) Ma. Edwina C. Laperal (<i>Executive Director</i>)
Nomination and Election	Honorio O. Reyes-Lao – <i>Chairman (Independent Director)</i> Antonio Jose U. Periquet (<i>Independent Director</i>) Jorge A. Consunji (<i>Non-Executive Director</i>)

Risk Oversight	Antonio Jose U. Periquet – Chairman (<i>Independent Director</i>) Honorio O. Reyes-Lao (<i>Independent Director</i>) Herbert M. Consunji (<i>Executive Director</i>)
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4. **Subject to stockholders' ratification, the amendment of the following provisions of the By-laws:**

(a) Article III, Sec. 3 (last par) to provide that all nominations to the board should be submitted to the Board of Directors, with the consent of the nominees, at least **60 days** prior to the scheduled date of annual stockholders' meeting, in order to give the Nomination Committee sufficient time to screen the qualifications of the nominees;

(b) Article III, Sec. 8 (Notice of Meetings) to provide that notice of regular or special meeting shall be given by the Corporate Secretary by delivering the notice by hand, by mail or by **electronic mail**, at least **five (5) business days** before the scheduled date of board meeting;

(c) Article III, Sec. 9 to indicate that decisions of the Board shall require the affirmative vote of at least **2/3 of the members of the Board**.

(d) Article III, Sec. 11, to indicate that any resignation of a director should be in writing and delivered to the **Chairman of the Board** and the Corporate Secretary.

(e) Article IV, Sec. 1, to add in the definition of independent directors that he/ she should be independent of the substantial shareholders of the corporation, thus: "an independent director" shall mean a person who apart from his fees and shareholdings, is independent of management and **substantial shareholders** free from any business or other relationship which could, or could reasonably be perceived to, materially interfere with his exercise of independent judgment in carrying out his responsibilities as a director of the Corporation...xxx"

(f) Article VI, Sec. 1 – to add the **Risk Oversight Committee** as one of the Board committees.

(g) Article VI, Sec. 5- to add the composition and duties of the Risk Management Committee.

5. **Corporate Governance Charters and Policies (attached)**

- a. Board Charter
- b. Risk Oversight Charter
- c. Health, Safety and General Welfare Of the Employees Policy
- d. Board Diversity Policy
- e. Creditors' Rights Policy
- f. Executive Succession Policy
- g. Amendment to Code of Business Conduct and Ethics
- h. Amended Audit Committee Charter
- i. Amended Nomination and Election Committee Charter
- j. Amended Related Party Transactions

6. The Board likewise reviewed the following:

- a. Vision
- b. Mission
- c. Corporate Values
- d. Corporate Objectives
- e. Corporate Strategies

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

DMCI Holdings, Inc.
Issuer


Brian T. Lim
Finance Officer

May 14, 2015



BOARD CHARTER

INTRODUCTION

Complementary to Law and Articles

The Board Charter (the “Charter”) governs the relationship between the board committees and the board as contained in the charters of the committees which have been approved and adopted by the board. The Charter is intended to complement or supplement the Corporation Code of the Philippines, the Corporation’s articles of incorporation and by-laws, issuances of the Securities and Exchange Commission (SEC), Philippine Stock Exchange, Inc. (PSE) and other applicable laws, rules and regulations.

SECTION 1: BOARD COMPOSITION

- 1. Number of Directors** – The Corporation’s Board is composed of nine (9) directors, two (2) of which shall be Independent Directors, who are elected by the stockholders.¹
- 2. Positions** - The membership of the Board may be a combination of executive and non-executive directors (which include independent directors). The non-executive directors should possess such qualifications and stature that would enable them to effectively participate in the deliberations of the Board.²
- 3. Committees** - The Board shall constitute the proper committees to assist it in good corporate governance. Pursuant to the Corporation’s Manual on Corporation Governance, the Board must have the following committees: (a) Audit and Risk (b) Nomination and Election and (c) Compensation and Remuneration.
- 4. Board Profile** – The Board, in consultation with the Nomination Committee, shall be responsible to review the profile of its size and composition, considering the nature of

¹ Manual on Corp. Governance 3.1

² Manual on Corp. Governance 3.1

its business and subsidiaries, and the desired expertise and background of the board members.

- 5. Independence** – The Board shall have at least two (2) independent directors or consist at least 20% of the members of the board as required by the rules of the SEC and the PSE. Provided further, the Corporation may choose to have more independent directors in the Board than as required in the Corporation’s By-Laws.

For this purpose, an "independent director" shall mean a person who apart from his fees and shareholdings, is independent of management and substantial shareholders free from any business or other relationship which could, or could reasonably be perceived to, materially interfere with his exercise of independent judgment in carrying out his responsibilities as a director of the Corporation.³

SECTION 2: ELECTION OF THE BOARD

- 1. Nomination of Directors** - Candidates for the Board of Directors shall be nominated by a stockholder of the Corporation. Pursuant to the Corporation Code, any stockholder who holds at least one (1) share of stock shall be entitled to nominate and elect a candidate for Board position. The stockholder shall submit a nomination letter to the Nomination and Election Committee (NOMELEC) together with the written consent of the nominee. The NOMELEC shall review and pre-screen the qualifications of each candidate in accordance to the qualifications and disqualifications set in the Corporation’s By-Laws and Manual on Corporate Governance. The NOMELEC must ensure that these qualifications are aligned with the corporate strategic direction of the Corporation. The shortlist of candidates shall be disclosed in the Definitive Information Statement to be distributed to the stockholders.
- 2. Manner of Election** – A majority of the outstanding shares of stocks in person or represented by proxy, shall be sufficient at a stockholders’ meeting to constitute a quorum for the election of directors. A person who holds at least one (1) common share of stock of the Corporation is eligible to be nominated and elected as a director.⁴

³ Amended By-Laws Article IV

⁴ Amended By-Laws Article III

3. **Term of Office** – The elected members of the board of directors shall hold office for one (1) year, until their successors are elected and qualified.⁵
4. **Term limits for Independent Directors** – The Independent Directors can serve as such for five (5) consecutive years, provided that service for a period of at least six (6) months shall be equivalent to one (1) year, regardless of the manner by which the Independent Director position was relinquished or terminated.⁶
5. **Re-election of Independent Directors** – After completion of the five-year service period, an Independent Director shall be ineligible for election as such in the same company unless the Independent Director has undergone a “cooling off” period of two (2) years, provided that during such period, the Independent Director concerned has not engaged in any activity that under existing rules disqualifies a person from being elected as Independent Director in the same company.⁷

An Independent Director re-elected as such in the same company after the “cooling off” period can serve for another four (4) consecutive years⁸

After serving as Independent Director for nine (9) years⁹, the Independent Director shall be perpetually barred from being elected as such in the same company without prejudice to being elected as Independent Director in other companies outside of the business conglomerate, where applicable, under the same conditions provided for in the rules and regulations of the Securities and Exchange Commission (SEC).

6. **Resignation** - Any director of the Corporation may resign at any time by giving written notice to the Chairman of the Corporation. The resignation of any director shall take effect as of the date of its acceptance by the Board of Directors.¹⁰

SECTION 3: BOARD MEETINGS

1. **Regular Meetings** - Regular meetings of the Board of Directors shall be held every quarter on such date, time and at principal office or such place as may be determined by the Board of Directors. Special meetings of the Board of Directors may be called by the

⁵ Amended By-Laws Article III

⁶ SEC Memo Circular No. 9

⁷ SEC Memo Circular No.9

⁸ ACGS E.2.6

⁹ ACGS E.2.6

¹⁰ Amended By-Laws Article III Section 11

Chairman of the Board, the Vice Chairman, the President and Chief Executive Officer, or a majority of the Board of Directors of the Corporation.¹¹

The Corporate Secretary shall schedule all regular board and committee meetings at the start of the financial year.

2. **Board Attendance** – Each director must attend at least 75% of all the board meetings held during the year¹².
3. **Organizational Meetings** -The Board of Directors shall meet for the purpose of organization, election of officers and the transaction of other business, as soon as practicable after each annual election of directors or on the same day, and if practical at the same place at which regular meetings of the stockholders are held.¹³
4. **Notice of Meetings** – Notice of either regular or special meetings shall be sent to each director at least five (5) business days before the date of meeting. The notice of meeting shall include the time and place of the meeting and the agenda subjects to be discussed. Each Director is free to raise at any Board meeting subjects that are not on the agenda for that meeting. Subject to any applicable notice requirements, Directors having items to suggest for inclusion on the agenda for future Board meetings should advise the Chairman well in advance of such item.¹⁴
5. **Quorum** - A quorum at any meeting of the directors shall consist of a majority of the number of directors, provided, however that an independent director shall always be in attendance.¹⁵ For major board decisions, a minimum quorum of at least 2/3 is required¹⁶.
6. **Conduct of the Meetings** –
 - a. **Board of Directors** - Meetings of the Board of Directors shall be presided over by the Chairman of the Board, or in his absence, the Vice-Chairman, or in the absence of the latter, the President and Chief Executive Officer, or if none of the foregoing is in office and present and acting, by any other director chosen by the

¹¹ Amended By-Laws Article III Section 7

¹² ACGS E.3.3

¹³ Amended By-Laws Article III Section 6

¹⁴ Amended By-Laws Article III Section 8

¹⁵ Amended By-Laws Article III Section 9

¹⁶ ACGS E.3.4

Board. The Corporate Secretary shall act as secretary of every meeting, and if he is unable to do so, the Chairman of the meeting shall appoint a secretary of the meeting.¹⁷

- b. **Board Committees** - Members of the Board Committees should attend committee meetings at least twice a year, except for the Audit Committee which should meet at least four (4) times every year.¹⁸
 - c. **Board Meeting Materials** – The board of directors must be provided meeting materials at least five (5) business days in advance of the board meeting¹⁹.
- 7. Executive Sessions** – The independent and non-executive directors must meet separately at least once during the year without any executives present.²⁰
- 8. Minutes of the Meetings** – Minutes of the meeting shall be taken and recorded by the Corporate Secretary and signed by the Chairman of the Board or the person who were appointed to take notes during the meeting.
- 9. Attendance in Board Meeting** - The members of the Board should attend its regular and special meetings in person or through teleconferencing conducted in accordance with the rules and regulations of the Commission.

Independent directors should always attend board meetings. Unless otherwise provided in the by-laws, their absence shall not affect the quorum requirement. However, the Board may, to promote transparency, require the presence of at least one independent director in all its meetings²¹.

The Chairman, Chief Executive Officer or Committee Chairpersons may from time to time invite corporate officers, other employees and advisors to attend Board or committee meetings whenever deemed appropriate.

Directors are encouraged to attend all annual meetings of shareholders.

¹⁷ Amended By-Laws Article III Section 10

¹⁸ Manual on Corp. Governance Item 4

¹⁹ ACGS E.3.5

²⁰ ACGS E.3.6

²¹ Manual on Corporate Governance 3.2.5

SECTION 4: BOARD DUTIES AND RESPONSIBILITIES

1. ***Duties and Responsibilities of the Board*** – the Board of Directors are responsible to foster the long-term success of the Corporation and secure its sustained competitiveness in a manner consistent with its fiduciary responsibility, which it shall exercise in the best interest of the Corporation, its stockholders and other stakeholders. To ensure a high standard of best practice for the Corporation, its stockholders and stakeholders, the Board should conduct itself with honesty and integrity in the performance of, among others, the following duties and responsibilities, aside from such powers prescribed in the SEC Code of Corporate Governance, the Corporation’s Manual on Corporate Governance, By-Laws and other applicable laws:
 - a. Review of the mission and vision statement of the Corporation every five (5) years or if deemed necessary²².
 - b. Review, monitor and oversee the implementation of the corporate strategy at least once a year.
 - c. Adopt, implement and monitor compliance with the Company’s Code of Conduct.
 - d. Implement a process for the selection of directors who can add value and contribute independent judgment to the formulation of sound corporate strategies and policies.
 - e. Review, evaluate and approve, on a regular basis, long-range plans for the Company
 - f. Established committees as prescribed in the SEC Code of Corporate Governance and the Corporation’s Manual on Corporate Governance.
 - g. Review and approve the Company’s budget and forecasts
 - h. Conduct annual performance assessment of the Chairman, President/CEO and the board members.
 - i. Evaluate and approve major resource allocations and capital investments.
 - j. Review the Corporation’s material controls and risk management systems.

SECTION 5: THE CHAIRMAN OF THE BOARD

The duties and responsibilities of the Chairman in relation to the Board may include, among others, the following:

- a. Ensure that the meetings of the Board are held in accordance with the by-laws or as the Chair may deem necessary;

²² ACGS E.1.5

- b. Supervise the preparation of the agenda of the meeting in coordination with the Corporate Secretary, taking into consideration the suggestions of the President/CEO, Management and the directors; and
- c. Maintain qualitative and timely lines of communication and information between the Board and Management²³.

Likewise, the Chairman of the Board shall exercise the following functions:

- a. To preside over all the meetings of the Board of Directors and the stockholders;
- b. To initiate the development of corporate objectives and policies and formulate long range project, plans and programs for the approval of the Board of Directors, including those for executive training, development and compensation;
- c. To **suggest** additional functions or duties to any of the officers of the Corporation;
- d. To exercise such powers as may be incidental to his office and perform each duty as the Board of Directors may assign to him²⁴.

The Chairman of the Board may assign the exercise or performance of any of the foregoing powers, duties and functions to any other officer(s) of the Corporation, subject always to their supervision and control.

SECTION 6: THE PRESIDENT AND CHIEF EXECUTIVE OFFICER

The President and Chief Executive Officer, elected by the Board from among its members, shall have administration and direction of the day-to-day business affairs of the Corporation. He/**she** shall exercise the following functions:

- a. To preside at the meetings of the Board of Directors and of the stockholders in the absence of the Chairman or the Vice-Chairman;
- b. To have general management and supervision of the business affairs and property of the Corporation;
- c. To ensure that the administrative and operational policies of the Corporation are carried out under his/**her** supervision and control;
- d. Subject to guidelines prescribed by law, to appoint, remove, suspend or discipline employees of the Corporation, prescribe their duties, and determine their salaries;

²³ Manual on Corporate Governance 3.1.1

²⁴ Amended By-Laws Article V Section 2

- e. To oversee the preparation of the budgets and the statements of accounts of the Corporation;
- f. To prepare such statements and reports of the Corporation as may be required of him/her by law;
- g. To represent the Corporation at all functions and proceedings, when authorized by the Chairman of the Board or the majority of the Board of Directors;
- h. To render annual reports to the Board of Directors and to the stockholders;
- i. To perform such duties as incident to his/her office or as entrusted to him/her by the Chairman of the Board, or Board of Directors;
- j. To sign certificates of stock along with the Corporate Secretary²⁵.

SECTION 7: THE CORPORATE SECRETARY

- 1. General Access** - The Corporate Secretary assists the Board. He/she must be available to provide his/her services to the Board.

- 2. Responsibilities** – The Corporate Secretary sees to it that the board follows correct procedures and that the board complies with its obligations under law and the company's articles of incorporation. The following are the responsibilities of the **Corporate** Secretary under the provisions of the Corporation's By-Laws and Manual on Corporate Governance:
 - a. The Corporate Secretary shall record all the votes and proceedings of the meeting of Stockholders and of the Board of Directors in a book kept for that purpose.
 - b. He/she shall have charge of the corporate seal of the Corporation. He/**she** shall keep at the principal office of the Corporation the stock and transfer book and therein keep a record of all the stock, the names of stockholders alphabetically arranged with the addresses to which notices may be sent, the installments paid and unpaid on all stock for which subscription has been made and the date of payment of any installment, a statement of every alienation, sale of transfer of stock made, the date thereof and by and to whom made.
 - c. Be responsible for the safekeeping and preservation of the integrity of the minutes of the meetings of the Board and its committees, as well as the other official records of the corporation.
 - d. He/she should attend all stockholders and board meetings.

²⁵ Amended By-Laws Article V Section 4

- e. The company secretary shall assist the Chairman of the board in organizing the board's activities including providing information, preparing an agenda, reporting of meetings, evaluations and training programs.
- f. He/**she** shall perform such other duties as may be properly delegated to him/*her*²⁶.

SECTION 8: BOARD COMMITTEES

1. **The Committees** - The board may appoint committees from among its members to perform specific tasks. The board shall establish the following committees²⁷:
 - a. audit
 - b. nomination and election
 - c. compensation and remuneration
 - d. risk oversight

The board may, from time to time, establish or maintain additional committees as necessary or appropriate.

2. **Committee Reporting** – Each committee must promptly inform the Board of the actions it has taken and major developments of which it becomes aware.
3. **Committee Charters** - The Charters shall indicate the roles and responsibilities of the committee, its composition and how it should perform its duties. It will set forth the purposes, goals and responsibilities of the committees as well as qualifications for committee membership, procedures for committee member appointment and removal, committee structure and operations and committee reporting to the Board.

SECTION 9: COMPENSATION OF BOARD MEMBERS

Each director shall receive a reasonable per diem for his attendance at every meeting of the Board. Subject to the approval of the stockholders owning at least a majority of the outstanding capital stock, directors may also be granted such compensation (other than per diems) provided however, that the total yearly compensation of directors, as such directors,

²⁶ Amended By-Laws Article V Section 10

²⁷ Manual of Corporate Governance, Item 4

shall not exceed ten (10%) percent of the net income before income tax of the Corporation during the preceding year²⁸.

The form and amount of Directors' compensation will be determined and approved by the Compensation and Remuneration Committee in accordance with the policies and principles set forth in its charter, and the Compensation and Remuneration Committee will conduct an annual review of Directors' compensation. The remuneration report will differentiate between executive and non-executive compensation.

Likewise, the company and its subsidiaries do not grant personal loans, guarantees or the like to board members.

SECTION 10: DIRECTORS' TRAINING AND DEVELOPMENT PROGRAM

- 1. Induction Program** - Upon his or her election, each board member shall participate in an induction program that covers the company's strategy, general financial and legal affairs, financial reporting by the company, its compliance programs, the Code of Business Conduct and Ethics, any specific aspects unique to the company and its business activities, and the responsibilities as a board member.

- 2. Continuing Education Program** - In order to facilitate the Directors' fulfillment of their responsibilities, the management must provide the following:
 - a. Annual review to identify areas where the board members require further training or education
 - b. Educational programs supplemental to the initial orientation to explain the Company's business operations
 - c. Access to, or notice of, continuing educational programs that are designed to keep Directors abreast of the latest developments in corporate governance matters and critical issues relating to the operation of public company boards.
 - d. Periodic visits to operating units, plants and mine sites.

- 3. Costs** - The costs of the induction course and any training or education shall be paid for by the company.

²⁸ Amended By-Laws Article III Section 13

SECTION 11: ANNUAL PERFORMANCE EVALUATION OF THE BOARD

The Board of Directors will conduct an annual self-evaluation to determine whether it and its Committees are functioning effectively. The Corporate Governance Committee shall solicit comments from all Directors and report annually to the Board. The annual performance assessment must be divided into four sets:

- a. Board Appraisal
- b. Director Appraisal
- c. Committee Appraisal
- d. CEO Appraisal

The NOMELEC shall conduct an annual review of the performance of the board as well as the performance of individual board and the CEO. The process and the criteria in conducting the board, committees and CEO assessment will be formulated by the Corporate Governance Committee.

SECTION 12: SUCCESSION PLANNING FOR MANAGEMENT

The Board will evaluate potential successors and approve management succession strategies and plans for the President/CEO and other executive officers of the Company. The President/CEO should at all times, make available his or her recommendations and evaluations of potential successors, along with a review of any development plans recommended for such individuals.

SECTION 13: OTHER PROVISIONS

- 1. Conflict of Interests** – A board member must report immediately to the Chairman any conflict of interest or potential conflict of interest and shall report all relevant information on this matter under the provision of the Code of Business Conduct and Ethics.
- 2. Holding and Trading Securities** – Board members are required to report any holding or trading of Company's securities within three (3) trading days to the PSE and SEC. Board members shall be refrained to trade the company's securities during a black out period in compliance with PSE Disclosure Rules and Insider Trading Policy.
- 3. Report on Change of Ownership** – Board members shall notify the Chief Compliance Officer within one trading day of all changes in his beneficial ownership, direct and indirect, of the Corporation's securities, under the provisions of the PSE Disclosure Rules and SEC Implementing Rules and Regulations.

4. **Confidentiality** – No board member shall, during his or her membership, disclose any information of a confidential nature regarding the business of the company. He/she shall not use the confidential information of the Corporation for his/her personal benefit.

SECTION 14: CHARTER REVIEW

This Charter must be reviewed by the Board of Directors at least once a year or as often as deemed necessary. Any amendments and revisions to this Charter must be reviewed and approved by the Board prior to dissemination to the board members and posting it to the Corporation's website.



CHARTER OF THE RISK OVERSIGHT COMMITTEE

1. Purpose

The Risk Oversight Committee of the Board of Directors of DMCI Holdings, Inc. (“the Company”) is a separate and stand-alone committee established by the Board to provide adequate support in fulfilling the Board’s oversight function in relation to risk governance in the Company. The assistance includes ensuring that internal control procedures and risk management systems are in place and are operative as well as effective.

2. Committee Structure

The Committee shall be composed of at least three (3) members of the Board, majority of whom shall be independent directors of the Company. The Board shall designate one member, who must be an independent director, to serve as the Committee Chairman.

3. Roles and Responsibilities

The Committee shall have the following roles and responsibilities:

1. Promote an open discussion regarding risks faced by the Company, as well as risks faced by its subsidiaries that may have potential impact on the Company’s operations, and ensure that risk awareness culture is pervasive throughout the Company.
2. Review the Company’s risk management function, such that senior management is properly positioned, staffed and resourced, and that senior management carries out its risk management responsibilities effectively.
3. Oversee and work with the Company’s Chief Risk Officer, the Company’s General Counsel or his or her designee, the Company’s Chief Compliance Officer, when designated and outside legal counsel and regulatory consultants as needed, to recommend a risk profile of the Company to the Board for its approval. In defining the Company’s risk profile, the Committee shall consider with senior management the Company’s risk capacity, risk appetite, risk limits, current risk profile, risk exceptions and remediation protocols.

4. Review with senior management, the Company's ERM charter, policies and procedures for assessing and managing potential key risk exposures
5. Review disclosures regarding risk contained in the Company's Annual Report and other publicly-issued statements
6. Works with the Audit Committee in including in the Company's Annual Report a certification as to the adequacy of the Company's internal controls and risk management system.
7. Oversees the risk management function, including reviewing with management the guidelines and policies that govern the process by which risk assessment and risk management is undertaken.
8. Perform other activities related to this Charter as requested by the Board

4. Procedures and Administration

1. Meetings. The Committee shall meet at least twice a year, or more frequently as needed. Special meetings of the Committee may be held from time to time pursuant to the call of the Chair of the Committee. The Chair of the Committee, in consultation with the other Committee members, shall determine the frequency and length of the Committee meetings, shall set meeting agendas consistent with this Charter and shall, when present, preside at all meetings of the Committee.
2. Quorum. A majority of the Committee members shall constitute a quorum at any meeting but a less number may adjourn any meeting, from time to time. If a quorum is present, the Committee may take action through the vote of a majority of the directors who are in attendance.
3. Reporting to the Board. The Committee shall submit an annual report to the Board, containing recommendations or issues that arise with respect to the Company's risk awareness, risk profile and risk management.
4. Independent Advisors. The Committee has the authority (without seeking Board or management approval) to select, retain and terminate special risk management, advisors to assist the Committee in performing its responsibilities under this Charter.
5. Annual Performance Evaluation. The Committee shall review its performance annually with respect to the fulfilment of its functions and responsibilities as mandated in this Charter. It may also subject itself to an independent assessment by the Board of Directors.
6. Access to Information. The Committee shall have full, free and unrestricted access to the Company's management, officers, employees, outside counsel and independent auditors to assist the Committee in performing its duties under this Charter and the Committee may, upon reasonable notice, require the Company's

management, officers, employees, outside counsel and independent auditors to meet with one or more of the Committee's Advisors.

5. Review

The Committee shall annually review and assess the adequacy of this Charter and recommend any proposed changes to the Board for its approval.



POLICY ON HEALTH, SAFETY, GENERAL WELFARE AND DEVELOPMENT OF EMPLOYEES

I. Introduction

DMCI Holdings Inc. (the “Company”) is committed to improving the health and safety performance of the Group, including the employees of its subsidiaries. The Company recognizes the benefits of health and safety to the organization and that committed to a high level of safety makes good business sense.

The Board shall periodically review the policies, requiring each subsidiary board to formulate its respective policies relating to health, safety and welfare of its employees.

The Company is committed to continually improving the health and safety of its employees. Therefore, the Company endeavors to ensure that all regulations and codes of practice relative to health and safety are being complied with.

The Board has full responsibility in the implementation of this Policy. The development of the appropriate policy systems are the responsibility of the board and management teams of its subsidiaries.

Therefore the Company has adopted the following programs for health and safety, and general welfare of the employees:

Health and Safety Policy Statement

- Coverage under a health care maintenance program/insurance
- Coverage under a group term life and accident insurance
- Provide annual physical examinations, free medical consultations and health facilities.
- Wellness facilities such as gym, basketball and badminton courts

- Engage employees to participate in sports and recreation programs
- Each subsidiary must set to seek the highest standard of safe working environment for their respective employees. A measuring program of the results and performance for health and safety must be established and implemented to monitor the effectiveness of each programs.

General Welfare and Development Policy

- Annual team building and socialization events to promote camaraderie and positive interaction among employees and subsidiaries
- Support employees to their participation on clubs and organizations outside the Company to be able to further develop their skills and maintain contacts with colleagues in the industry.
- Provide in-house and outsourced trainings and seminars
- Provide performance-based profit sharing mechanisms that directly align rewards and incentives to employees with the financial results of the company. Also, a part of our performance-enhancing incentive is to ensure that deserving and senior professional employees are allotted representation in the board of directors of our major operating subsidiaries.

All managers are expected to actively support the board in the development and proper implementation of the company's above Policy. The Management must ensure that the necessary resources of staff, facilities and finance are provided to implement this Policy.



BOARD DIVERSITY POLICY

Policy Statement

DMCI Holdings, Inc. recognizes the value of a diverse Board and is committed to creating and maintaining an inclusive and collaborative governance culture that will provide sustainability for the organization into the future. We are committed to leveraging the diverse backgrounds, experiences and perspectives of our Board members to provide excellent leadership and governance to an equally diverse organization.

A truly diverse Board will include and make good use of differences in the skills, regional and industry experience, background, race, gender and other distinctions between Directors. These differences will be considered in determining the optimum composition of the Board and when possible should be balanced appropriately. All Board appointments are made on merit, in the context of the skills, experience, independence and knowledge which the Board as a whole requires to be effective.

The Nomination Committee ('the Committee') reviews and assesses Board composition on behalf of the Board and recommends the appointment of new Directors.

- In reviewing Board composition, the Committee will consider the benefits of all aspects of diversity including, but not limited to, those described above, in order to enable it to discharge its duties and responsibilities effectively.
- In identifying suitable candidates for appointment to the Board, the Committee will consider candidates on merit against objective criteria and with due regard for the benefits of diversity on the Board.

The Nomination Committee will review the Policy annually, which will include an assessment of the effectiveness of the Policy. The Committee will discuss any revisions that may be required and recommend any such revisions to the Board for approval.



SAFEGUARDING CREDITORS' RIGHTS

The Company seeks to manage its liquidity profile to be able to service its maturing debts and to finance capital requirements. The Company maintains a level of cash and cash equivalents deemed sufficient to finance operations.

A significant part of the Company's financial assets that are held to meet the cash outflows include cash equivalents and accounts receivables. Although accounts receivables are contractually collectible on a short-term basis, the Company expects continuous cash inflows. In addition, although the Company's short-term deposits are collectible at a short notice, the deposit base is stable over the long term as deposit rollovers and new deposits can offset cash outflows.

Moreover, the Company considers the following as mitigating factors for liquidity risk:

- It has available lines of credit that it can access to answer anticipated shortfall in sales and collection of receivables resulting from timing differences in programmed inflows and outflows.
- It has very diverse funding sources.
- It has internal control processes and contingency plans for managing liquidity risk. Cash flow reports and forecasts are reviewed on a weekly basis in order to quickly address liquidity concerns. Outstanding trade receivables are closely monitored to avoid past due collectibles.
- The Company regularly evaluates its projected and actual cash flows. It also continuously assesses conditions in the financial markets for opportunities to pursue fund-raising activities. Fund-raising activities may include bank loans and capital market issues both on-shore and off-shore which is included in the Company's corporate planning for liquidity management.

Loan or bonded agreements, terms and conditions contain covenants, undertakings, representations and warranties, and events of default that safeguards the position of creditors. These are also disclosed in the financial statements in accordance with generally accepted accounting principles in the Philippines.

Company's capital management strategy is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value. The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders or issue new shares. The Company is not subject to any externally imposed capital requirements.

It is the Company's policy to disclose information on whether it has complied with the loan covenants it has entered into with its lenders and all collaterals and guarantees of the loans. Such information is part of the audited financial statements attested by an independent external auditor.

The Company regularly monitors and discloses in its annual and quarterly reports the relevant financial ratios that report the soundness of the Company's ability to service its debt and maintain a healthy financial position. The ratios which the Company monitors closely include among others, current ratio, debt to equity ratio and interest coverage ratio.



EXECUTIVE SUCCESSION PLAN

Policy Statement:

A change in executive leadership is inevitable for all organizations and carries a great risk to shareholder value.

As such, it is the policy of DMCI HOLDINGS, INC. ("The Company") to be prepared for an eventual permanent change in leadership – either planned or unplanned – to insure the stability and accountability of the Company until such time as new permanent leadership is identified. The Board of Directors shall be responsible for implementing this policy and its related procedures.

It is also the policy of the Board to assess the permanent leadership needs of the Company to help insure the selection of a qualified and capable leader who is a good fit for the Company's mission, vision, values, goals and objectives, and who has the necessary skills for the Company.

To ensure the Company's operations are not interrupted while the Board of Directors assesses the leadership needs and recruits a permanent executive officer, the Board will appoint interim executive leadership as described below.

The interim Chief Executive Officer (CEO) shall ensure that the Company continues to operate without disruption and that all Company commitments previously made are adequately executed, including but not limited to, loans approved, reports due, contracts, licenses, certifications, obligations to lenders or investors of DMCI HOLDINGS, INC., and others.

It is also the policy of DMCI HOLDINGS, INC., to develop a pool of candidates and consider at least three finalist candidates for its permanent CEO position.

DMCI HOLDINGS, INC., shall consider an external recruitment and selection process, while at the same time encouraging the professional development and advancement of current employees.

The interim CEO and any other interested internal candidates are encouraged to submit their qualifications for review and consideration by the Transition Committee for

recommendation to the Nomination and Election Committee according to the guidelines established for the search and recruitment process.

Procedures for Succession:

For a temporary change in executive leadership (i.e., illness or leave of absence) refer to the Company's Personnel Guidebook. In the event the DMCI HOLDINGS, INC., is no longer able to serve in this position (i.e., leaves the position permanently), the Nomination and Election Committee of the Board of Directors shall do the following:

1. Within 5 business days appoint an interim CEO according to the following line of succession:

- a. As determined by the Board
- b. Chief Finance Officer (CFO) of DMCI HOLDINGS, INC.

c. Any Officer of DMCI HOLDINGS, INC. designated by the Board of DMCI HOLDINGS, INC.

2. Within 15 business days appoint an executive Transition Committee, in the event that a permanent change in leadership is required. The Transition Committee shall be comprised of at least one member of the management and two members of the Board of Directors. It shall be the responsibility of this Committee to implement the following preliminary transition plan:

a. Communicate with key stakeholders regarding actions taken by the Board in naming an interim successor, appointing a Transition Committee, and implementing the succession policy. The Company shall maintain a current list of key stakeholders who must be contacted, such as lenders and investors of DMCI HOLDINGS, INC., government agencies, and others.

b. Consider the need for consulting assistance (i.e., transition management or executive search consultant) based on the circumstances of the transition.

c. Review the Company's business plan and conduct a brief assessment of organizational strengths, weaknesses, opportunities and threats to identify priority issues that may need to be addressed during the transition process and to identify attributes and characteristics that are important to consider in the selection of the next permanent leader.

d. Establish a time frame and plan for the recruitment and selection process.

e. Refer to the CEO Hiring Policy and Procedures in the Personnel Guidebook for additional procedures.

The Board should use similar procedures in case of an executive transition that simultaneously involves the Chief Executive Officer and other key management. In such instance, the Board may also consider temporarily outsourcing certain functions of the Company as necessary



Code of Business Conduct and Ethics

Introduction

DMCI Holdings, Inc. (the “Company”) is committed to doing business in accordance with the highest professional standards, business conduct and ethics and all applicable laws, rules, and regulations in the Philippines. The Company, its directors, officers, and employees are dedicated to promote and adhere to the principles of good corporate governance by observing and maintaining its core business principles of accountability, integrity, fairness, and transparency.

This Code of Business Conduct and Ethics (the “Code”) sets forth the Company’s business principles and values which shall guide and govern all business relationships of the Company, its directors, officers and employees in carrying out their duties and responsibilities effectively.

Principles and Values

Accountability - The Company shall take full responsibility for all its business decisions, actions/inactions, and conduct, and shall perform its duties and functions with utmost responsibility, integrity, honesty, loyalty and efficiency. The Company’s principal objective is to enhance economic value to all its stakeholders - employees, customers, shareholders and business partners - by making the most efficient use of resources and meeting its environment, community, and social obligations.

Transparency and Disclosure - To ensure transparency, the Company’s annual reports should disclose true and fair accounting information prepared in accordance with applicable standards; consider substance over form in the presentation of accounts;

disclose and discuss all material risks; disclose and explain the rationale for all material estimates; show manner of compliance, or explain deviations, if any, with applicable corporate governance codes; discuss goals, plans, and progress; and provide access to the register of shareholders showing beneficial ownership. In addition to annual disclosures, the Company shall comply with all applicable disclosure requirements. Disclosures should be timely and adequate to enable investors, third party analysts, or rating agencies to assess the quality of corporate governance and the true financial condition of the Company.

STANDARDS OF BUSINESS CONDUCT

Observance of Law - Directors, Executive Officers and Employees must carry out their duties with professionalism and in accordance with ethical standards. They must conduct business in accordance with the law, the charter of the Company, and a high standard of commercial morality. They shall at all times act with loyalty to the Company, ensuring that its goals, strategies, policies and practices are moral, proper, and legal. They must be prepared to dissociate themselves from the Company in the event that despite their efforts, ethical and legal standards are being seriously compromised. They should refer to the Company's statements of best practice as part of their decision-making process.

Conflict of Interest - Directors, Executive Officers and Employees owe a fiduciary duty to the Company that requires them to act in the best interest of the Company. Actual and potential conflicts of interest should be avoided or otherwise identified, disclosed, and explained in sufficient detail to enable valid judgments to be made on their adverse impact. The persons who are conflicted should not participate in the discussion and decision on the issue in question, nor be entitled to vote on any resolution where they are conflicted. Related party contracts should be disclosed in the annual report.

Compliance - All Directors, Executive Officers and Employees should strive to identify and raise potential issues before they become problems and should ask about the application of this Code whenever in doubt. Any Director, Executive Officer or Employee who becomes aware of any existing or potential violation of this Code shall promptly notify the

Company's Compliance Officer. The Company will take such disciplinary or preventive action as it deems appropriate to address any existing or potential violation of this Code brought to its attention. The Company will not tolerate retaliation for reports of violations of this Code made in good faith.

Fair Dealings - The Company does not seek competitive advantages through illegal or unethical business practices. Each Director, Executive Officer and Employee should endeavor to deal fairly with the Company's customers, service providers, suppliers, and competitors. No Director, Executive Officer or Employee should take unfair advantage of anyone through manipulation, concealment, abuse of privilege information, misrepresentation of material facts, or any unfair dealing practices.

Customer Welfare – the Company is committed to meeting client requirements in a mutually fair and satisfactory manner. Through our subsidiaries, we aim to provide construction, real estate, power, mining and water clients/consumers with superior quality products and services at a reasonable price.

To protect customer safety and welfare, we abide by the relevant laws, rules and regulations set by the Philippine government, which include, but are not limited to, the Condominium Act (RA 4726), Electric Power Industry Reform Act (RA 9136), Mining Act (RA 7942), National Water Crisis Act (RA 8041).

We also strive to innovate and adopt global standards wherever applicable and possible. Our construction, coal mining and water businesses have been awarded ISO certifications for Quality and Management, Health and Safety, among others.

Through our subsidiaries and affiliates, we implement mechanisms, programs and activities that further promote customer welfare and engagement. These efforts include, but are not limited to, customer hotlines, site and home visits, appreciation events, client consultations and customer surveys.

At the Parent level, our directors, officers and employees are mandated to:

- *Treat customers and other stakeholders with respect, integrity and professionalism at all times;*
- *Deal with customers, suppliers, business partners, creditors and government representatives in a fair and reasonable manner;*
- *Refer complaints of unfair, deceptive and fraudulent business practices of subsidiaries and affiliates to the Chief Compliance Officer.*

Supplier and Contractor relations - the Company values its relationship with its suppliers and contractors. Towards this end, we shall uphold accountability, integrity, fairness and transparency in our business dealings with our suppliers and contractors in the procurement of goods and services.

We shall assess and select our suppliers and contractors based on the following standards: quality, expertise, track record, competitive pricing, delivery timeframe and customer service.

This Supplier/Contractor Relations Policy outlines the practices that shall guide and govern all business relationships of the Company, its directors, officers and employees, including their decisions and actions when dealing with the suppliers and contractors of the Company.

I. On Supplier/Contractor Selection

The Company, its directors, officers and employees shall:

- *seek and maintain mutually beneficial relationships with suppliers and contractors that uphold the principles of fairness, accountability, integrity and transparency.*
- *give qualified suppliers and contractors adequate, fair, and equal opportunity to bid on goods and services for the Company's projects or requirements.*
- *select suppliers and contractors based on organizational needs, quality requirements, cost, track record and ability to deliver according to set deadlines.*

- *as a general rule, choose suppliers and contractors on the basis of Competitive Bidding. Negotiated contracts may be applied, provided that it is in the best interest of the Company to enter into such a strategic engagement.*
- *avoid adopting and/or requiring specifications of products and services that either favors a particular supplier or contractor, or limits competitive sourcing.*
- *seek the best value for money from the suppliers and contractors, and avoid compromising the quality standards of the Company.*

II. On Supplier/Contractor Treatment

The Company, its directors, officers and employees shall:

- *hold in confidence all dealings with bidders and suppliers.*
- *ensure that suppliers abide by the policies, practices and standards of the Company.*
- *facilitate payment disbursements committed to suppliers and contractors in a prompt manner and in accordance with the applicable contract provision.*
- *promote and observe ethical conduct in their relationships, actions, and communications with suppliers and contractors at all times. Actions, speech or behavior that in any way diminishes open, honest and fair treatment of suppliers shall be avoided.*
- *not solicit, accept or attempt to accept any bribe in exchange for being awarded a contract.*
- *declare their personal relationships and/or previous business and official dealings and relationships with any of the owners, officers, and representatives of the supplier or contractor they are dealing with when dealing or transacting directly or indirectly, with such parties.*
- *be vigilant against any irregular, illegal, or unethical conduct of suppliers, contractors and/or fellow directors, officers and employees. The Company encourages everyone to report any such violations based on the existing Whistleblowing Policy.*

Anti-Corruption and Bribery - the Company believes that bribery and corruption are unethical, unacceptable and inconsistent with our founding principles. We are committed to maintaining the highest possible ethical standards and complying with all applicable laws. In our operations, we seek to avoid even the appearance of impropriety with respect to the actions of our directors, officers and employees. This policy prohibits corrupt payments in all circumstances when dealing with government officials or private sector individuals, and provides the following guidelines for strict observance by our directors, officers and employees:

- *Act lawfully, ethically and in the public interest*
- *Prohibit bribery and corruption in our corporate dealings*
- *Deter illegal or unethical behavior by clients, suppliers or government officials*
- *Report any such violations based on the existing Whistleblowing Policy of the Company.*

Intellectual Property Rights – The Company’s corporate identity and intellectual property are among its valuable assets and are essential to maintaining its competitive advantage. Each Director, Executive Officer and Employee must comply, to the extent permitted by law, with the exclusivity of the methods, processes, systems, business strategies that they develop while performing their responsibilities in the Company. Publications, documentations, information or resources available in connection with the Company, whether or not patentable or protectable by copyright, trade mark or trade secret, are owned by the Company. Employees are responsible to protect the Company’s intellectual property and must report to the Legal Counsel any unauthorized use of the Company’s trademarks, copyrights, patents and trade secrets.

Confidentiality – Directors, Executive Officers, and Employees must observe the confidentiality of non-public information and not disclose it to any other person without the authority of the Board. A Director, Executive Officer or Employee who has a special allegiance to a particular shareholder may not disclose confidential information to that particular shareholder without the authority of the Board.

Corporate Opportunities - Each Director, Executive Officer and Employee owes a duty to advance the Company's legitimate interests when the opportunity to do so arises. He may not: (a) receive or seek to receive a benefit from opportunities that are discovered through his involvement with the Company (including, without limitation, his use of the Company's property, information, or his position); or (b) compete with the Company, directly or indirectly, for business opportunities in the areas (or lines) of business in which the Company is engaged or in new areas (or lines) of business in which the Company has disclosed its intent or plans to engage.



AUDIT COMMITTEE CHARTER

Purpose

The Audit Committee is ultimately responsible for the policies and practices relating to integrity of financial and regulatory reporting, as well as internal controls to achieve the objectives of safeguarding of corporate assets; reliability of information; and compliance with policies and laws. Within this mandate, the Audit Committee's roles are to:

- (a) support the Board of Directors in meeting its responsibilities to shareholders;
- (b) enhance the independence of the external auditor;
- (c) facilitate effective communications between management and the external auditor and provide a link between the external auditor and the Board of Directors;
- (d) Increase the credibility and objectivity of the Company's financial reports and public disclosure.

The Audit Committee will make recommendations to the Board of Directors regarding items relating to financial and regulatory reporting and the system of internal controls following the execution of the Committee's responsibilities as described herein.

The Audit Committee will undertake those specific duties and responsibilities listed below and such other duties as the Board of Directors from time to time prescribe.

Membership

Each member of the Audit Committee must be a director of the Company.

The Audit Committee shall consist of at least three members, ***who shall preferably have accounting and finance backgrounds***, the majority of whom shall be Independent Directors. The Chairman of the Audit Committee shall be an Independent Director.

The members of the Audit Committee will be appointed annually by the Board of Directors.

Duties and Responsibilities

The duties and responsibilities of the Audit Committee include:

- (a) ***Assisting the Board in the performance of its oversight responsibility for the financial reporting process, system of internal control, audit process, and monitoring of compliance with applicable laws, rules and regulations.***

- (b) recommending to the Board of Directors the external auditor to be nominated by the Board of Directors;
- (b) recommending to the Board of Directors the compensation of the external auditor;
- (c) reviewing the external auditor's audit plan, fee schedule and any related services proposals;
- (d) approving the appointment and removal of the internal auditor**
- (e) overseeing the work of the internal auditor**
- (f) overseeing the work of the external auditor;
- (g) ensuring that the external auditor meets the rotation requirements for partners and staff on the Company's audits;
- (h) reviewing and discussing with management and the external auditor the annual audited financial statements, including discussion of material transactions with related parties, accounting policies, as well as the external auditor's written communications to the Committee and to management;
- (i) reviewing the external auditor's report, audit results and financial statements prior to approval by the Board of Directors;
- (j) Review the quarterly financial statements before their submission to the Board, with focus on the following matters:**
 - **Any change/s in accounting policies and practices**
 - **Major judgmental areas**
 - **Significant adjustments resulting from the audit**
 - **Going concern assumptions**
 - **Compliance with accounting standards**
 - **Compliance with tax, legal and regulatory requirements.**
- (k) reporting on and recommending to the Board of Directors the annual financial statements and the external auditor's report on those financial statements, prior to Board approval and dissemination of financial statements to shareholders and the public;
- (l) reviewing financial statements, Management Discussion & Analysis (MDA) and annual and interim earnings press releases prior to public disclosure of this information;
- (m) ensuring adequate procedures are in place for review of all public disclosure of financial information by the Company, prior to its dissemination to the public;
- (n) overseeing the adequacy of the Company's system of internal accounting controls and internal audit process and obtaining from the external auditor summaries and recommendations for improvement of such internal controls and processes;
- (o) reviewing the terms and conditions of any acquisition of corporate control or extraordinary transaction, with the assistance of an independent financial adviser.**
- (p) ensuring the integrity of disclosure controls and internal controls over financial reporting;
- (q) resolving disputes between management and the external auditor regarding financial reporting;
- (r) establishing procedures to deal with complaints and concerns, from employees and others, regarding questionable accounting, internal accounting controls or auditing

- practices;
- (s) reviewing and approving the Company's hiring policies with respect to partners or employees (or former partners or employees) of either a former or the present external auditor;
 - (t) pre-approving all non-audit services to be provided to the Company or any subsidiaries by the Company's external auditor; and
 - (u) Overseeing compliance with regulatory authority requirements for disclosure of external auditor services and Audit Committee activities.

The Audit Committee will report, at least quarterly, to the Board regarding the Committee's examinations and recommendations.

Meetings

The Audit Committee may establish its own schedule of meeting dates that it will provide to the Board of Directors in advance. ***The committee shall meet at least four (4) times a year to review the financial results of the Company prior to Board approval.***

The Audit Committee will meet with the external auditor of the Company at least once each year, at such time(s) as it deems appropriate, to review the external auditor's examination and report.

The external auditor must be given reasonable notice of, and has the right to appear before and to be heard at, each meeting of the Audit Committee.

The chair of the Audit Committee must convene a meeting of the Audit Committee at the request of the external auditor, to consider any matter that the auditor believes should be brought to the attention of the Board of Directors or the shareholders.

Reports

The Audit Committee will record its recommendations to the Board in written form which will be incorporated as a part of the minutes of the Board of Directors' meeting at which those recommendations are presented.

Minutes

The Audit Committee will maintain written minutes of its meetings, which minutes will be filed with the minutes of the meetings of the Board of Directors.



NOMINATION AND ELECTION COMMITTEE CHARTER

This Charter sets forth the composition, authority, duties and responsibilities of the Nominations Committee of the Board of Directors of DMCI Holdings, Inc. (the "Company").

PURPOSE

The purpose of the Nominations & Elections Committee (the "Committee") is to seek qualified candidates to fill the expired term of any Board member(s), and to conduct the annual Board of Directors nominations and elections process. The Committee will have such other duties and responsibilities as are described in this Charter or as are assigned to it from time to time by the Board of Directors.

COMPOSITION AND APPOINTMENT

The Committee will be comprised of not less than three members, one of whom must be an Independent Director, and who will be appointed annually by the Board of Directors. The Chairman of the Committee must be an Independent Director.

RESPONSIBILITIES

The Committee will:

Identify individuals who are qualified to become directors of the Company. ***It will undertake the process of identifying the quality of directors aligned with the company's strategic directions.*** It shall pre-screen and shortlist all candidates nominated to become a member of the Board of Directors. The Committee shall consider the following guidelines in determining the number of directorships for the members of the Board:

- The nature of the business of the Corporation which he is a director;
- Age of the director;

- Number of directorships/active memberships and officerships in other corporations or organizations; and
- Possible conflict of interest.
- ***Diversity policy of the Board***

Make recommendations to the Company's Board of Directors regarding:

- a. Candidates for selection as nominees for election as directors of the Corporation at the Company's annual shareholders meetings.
- b. Candidates for appointment as directors of the Company to fill vacancies on the Company's Board of Directors.
- c. Candidates for election as directors of the Company.

In identifying and recommending candidates for election or appointment as directors, the Committee will:

- Consider individuals recommended by shareholders. The Committee may develop procedures to be followed in connection with shareholder recommendations (including without limitation deadlines for receipt of recommendations in connection with annual meetings, required information to be provided regarding a candidate, required consents of candidates to be considered by the Committee, and the treatment of previously recommended individuals). Any such procedures will be subject to the review and approval of the Board of Directors.
- ***Review the effectiveness and implementation of the Diversity Policy of the Board and recommend any revisions that maybe required.***

Undertake other specific duties and responsibilities within the scope of its primary functions outlined above as the Committee or Board of Directors may from time to time determine.



POLICY ON RELATED PARTY TRANSACTIONS

1. Objective

DMCI Holdings, Inc. (the “Parent Company”) and its subsidiaries, whether owned directly or indirectly, being part of an economic controlling group, inevitably conduct some of its business activities with Related Parties in the Group. This Policy sets out the guidelines, categories and thresholds requiring review, approval and ratification by the Board of Directors or Shareholders, and disclosure requirements for Related Party Transactions (RPTs).

2. Policy

The Policy requires that any transactions with related parties are made on terms equivalent to those that prevail in an arm’s length transactions.

The Audit Committee as per its Board-approved Charter shall be responsible to oversee and review the propriety of RPTs and their required reporting disclosures. In its review, it shall take into account, among other factors it deems appropriate, whether the Related Party Transaction is entered into on terms no less favorable to the concerned company than terms generally available to an unaffiliated third-party under the same or similar circumstances; and the extent of the Related Parties’ interest in the transaction.

3. Definitions

3.1 Related Parties

This Policy refers to the expanded definition of Philippine Accounting Standards (PAS) 24 on Related Parties. The Standard emphasizes the substance of the relationship and not merely the legal form. The term Related Parties shall include:

- a. Parties that are members of the same group, i.e. each parent, subsidiary and fellow subsidiary is related to the others;

b. All Directors, Officers, Managers and Key Management Personnel having authority and responsibility for planning, directing and controlling the activities of the Company or *its Subsidiary or its Parent, directly or indirectly*; including companies they have control or joint control or significant influence in;

- Control - the power to govern the financial and operating policies of the Company or *its Subsidiary*.
- Significant influence - the power to participate in the financial and operating policy decisions of the Company or *its Subsidiary*, but is not control over those policies. This may be gained by share ownership, statute or agreement.

c. Close family members of an individual referred to in (b) above, who may be expected to influence, or be influenced by, that individual in their dealings with the Company or *its Subsidiary*;

- Close family member - the individual's spouse or domestic partner and children (whether legitimate or illegitimate), stepchildren, and dependents of the individual or that individual's spouse or domestic partner.

d. Party is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member); Party is a joint venture or associate of a third entity; and

e. Post-employment benefit plan, and sponsoring employers of such a plan, of either the Company or an entity that is a related party of the Company.

3.2 Related Party Transaction is a transfer of resources, services or obligations between the Company & its Subsidiaries, and a related party, regardless of whether a price is charged.

Examples of RPTs are:

- Guarantees or commitments to do something if a particular event occurs or does not occur in the future, including executory contracts (i.e. neither party has performed any obligation or both parties have partially performed their obligations to an equal extent)
 - Loans to directors
 - Sale or purchase of goods
 - Sale, purchase or lease of property and/or assets
 - Provision or receipt of services or leases
 - Assumption of financial/operating obligations

- Subscription for debt or equity issuances
- Establishment of joint venture entities
- Settlement of liabilities on behalf of the Company or its Subsidiary or by the Company or its Subsidiary on behalf of a related party
- Compensation, benefits (monetary and non-monetary), postemployment benefits, termination benefits and share-based payment of current employees

4. Identification, Review and Approval of Related Party Transactions

4.1 Generally, Management promptly reports to the Board of Directors (Board) on the terms, business purpose, benefits and other details of each new, existing or proposed RPT for review and approval. The Board shall approve any RPT before its commencement. However, if the same is not identified beforehand, it must be subsequently reviewed and ratified by the Board.

4.2.a The Audit Committee shall assist the Board in its review of RPT. The Board shall consider whether the terms of the RPT are on arms' length and fair to the Company and such factors as the following:

- Materiality
- The purpose and timing of the transactions
- Extent of the Related Party's interest in the RPT; and
- Conflict of interest, actual or apparent, of the Related Party participating in the transaction.
- Any other relevant information regarding the transaction

4.2.b Before the Audit Committee undertakes the review, all independent directors review and recommend to the Audit Committee the merits of any material RPTs with respect to the Company's best interest.

4.3 The Audit Committee may establish guidelines to manage and monitor conflicts of interest of Management, Board Directors and shareholders, including misuse of corporate assets and abuse in RPTs.

4.4 A Director, officer or key management personnel shall promptly notify the Audit Committee or the Company's Officer of the Compliance Officer of any interest he or his immediate family member had, has or may have in a RPT. He shall disclose all material information concerning the RPT.

5. Pre-Approved RPTs

5.1 The following shall be deemed to be pre-approved by the Board in accordance with the Company's Table of Authorities:

- a. Compensation and employment of executive officers and directors approved by the Compensation & Remuneration Committee;
- b. Transactions with similar terms available to all employees generally;
- c. Charitable contributions by the Company where the Related Party is an employee or director, if the aggregate amount involved does not exceed P5M;
- d. Banking-related services and transactions with a Related Party, if the terms are generally the same as or similar to offers of other banks in the ordinary course of business;
- e. Share transactions such as dividends, repurchase, rights offerings, available to all shareholders on a pro-rata ownership basis.
- f. Any transaction with a Related Party involving the rendering of services as a common or contract carrier, or public utility, at rates or charges fixed in conformity with law or governmental authority.

6. Threshold

The Parent Company and its subsidiaries, whether owned directly or indirectly, shall set thresholds and categories for Disclosure and Approval of RPTs. The amount of each RPT shall be considered for purposes of applying these thresholds.

6.1 Related Party Transaction

- Less than three percent (3%) of Total Assets of Parent or Subsidiary requires approval of the concerned entity's CEO or President;
- Three percent (3%) of Total Assets and above of Parent or Subsidiary requires approval of concerned entity's Board of Directors.
- Twenty percent (20%) of Total Assets and above of Parent or Subsidiary requires approval of concerned entity's Shareholders.

6.2 Disclosure

- Ten percent (10%) of Total Assets and above of Parent (*SEC's prescribed threshold level for materiality in financial statements reporting or disclosure*)

6.3 Exception:

- Sale or purchase of goods and services in the ordinary course of business amongst Parent Company and its Subsidiaries at arm's length terms. To ensure fairness and transparency, this exception is still subject to compliance with applicable SEC

disclosure requirements and the Transfer Pricing guidelines issued by BIR (RR 02-2013).

- Transactions of Parent Company and its Subsidiaries involving the exercise of corporate powers such as investments, subscriptions, equity restructuring, dividend declarations, and corporate guarantees to subsidiaries.

7. Disclosure

7.1 RPTs that are required to be disclosed and reported in the Company's filings with the Securities and Exchange Commission (SEC) shall be disclosed in accordance with laws, rules, regulations, Philippine Financial Reporting & Accounting Standards. The Company shall comply with PAS 24's required disclosures of relationships between the Company & its Subsidiaries irrespective of whether there have been transactions between them, transactions and outstanding balances, *including commitments*, in the consolidated and separate individual financial statements. It shall disclose the name of its parent, the ultimate controlling party and/or the most senior parent (defined as the first parent above the immediate parent) that produces consolidated financial statements available for public use.

7.2 All RPTs shall be disclosed to the Audit Committee and any material RPT shall be disclosed to the Board.

8. Review

8.1 The Related Party Policy may be amended at any time and is subject to further guidance from the SEC and/or actions taken by the Parent Company's Board of Directors or Shareholders.