

COVER SHEET

ASO95002283
SEC Registration Number

DMCI HOLDINGS, INC.

(Company's Full Name)

3RD FLR. DACON BLDG. 2281
PASONGTAMON EXT. MAKATI CITY

(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

ACGR for the year 2014
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

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SECURITIES AND EXCHANGE COMMISSION

SEC FORM – ACGR

ANNUAL CORPORATE GOVERNANCE REPORT

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A. BOARD MATTERS

1) Board of Directors

Number of Directors per Articles of Incorporation	Nine (9)
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Actual number of Directors for the year	Nine (9)
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(a) Composition of the Board

Complete the table with information on the Board of Directors:

Director's Name	Type [Executive (ED), Non-Executive (NED) or Independent Director (ID)]	If nominee, identify the principal	Nominator in the last election (if ID, state the relationship with the nominator)	Date first elected	Date last elected (if ID, state the number of years served as ID) ¹	Elected when (Annual /Special Meeting)	No. of years served as director
David M. Consunji*	NED		Dacon Corp.	May 1995	August 5, 2014	Annual Meeting	19 yrs.
Cesar A. Buenaventura	NED		Dacon Corp.	May 1995	August 5, 2014	Annual Meeting	19 yrs.
Isidro A. Consunji	ED		Dacon Corp.	May 1995	August 5, 2014	Annual Meeting	19 yrs.
Herbert M. Consunji	ED		Dacon Corp.	May 1995	August 5, 2014	Annual Meeting	19 yrs.
Ma. Edwina C. Laperal	ED		Dacon Corp	May 1995	August 5, 2014	Annual Meeting	19 yrs.
Victor A. Consunji	NED		Dacon Corp	May 1995	August 5, 2014	Annual Meeting	19 yrs.
Jorge A. Consunji	NED		Dacon Corp	May 1995	August 5, 2014	Annual Meeting	19 yrs.
Honorio O. Reyes-Lao	ID		Jose L. Merin – no family/business relationship	July 2009	August 5, 2014 Two (2) years	Annual Meeting	2 yrs. (based on SEC Circular No.9-2011 which took effect on Jan. 2, 2012)
Antonio Jose U. Periquet	ID		Jose L. Merin – no family/business relationship	July 2010	August 5, 2014 Two (2) years	Annual Meeting	2 yrs. (based on SEC Circular No.9-2011 which took effect on Jan. 2, 2012)

**Resigned as Chairman and Director of the Board; appointed as Chairman Emeritus on November 18, 2014.*

- (i) Provide a brief summary of the corporate governance policy that the board of directors has adopted. Please emphasis the policy/ies relative to the treatment of all shareholders, respect for the rights of minority shareholders and of other stakeholders, disclosure duties, and board responsibilities.

The Board of Directors have adopted the Company's Manual on Corporate Governance to provide a framework for the effective governance of the Company. The Board recognizes that its primary

¹ Reckoned from the election immediately following January 2, 2012.

responsibility is to foster the long-term success of the Company and to build long-term value for the Company’s shareholders, consistent with the Board’s fiduciary duties. The Company has only one class of share, with one-share-one-vote policy. It gives minority stockholders the right to propose the holding of meetings and the items for discussion in the agenda that relate directly to the business of the corporation. The Company is committed at all times to fully disclose material information dealings for the interest of the stakeholders.

(ii) How often does the Board review and approve the vision and mission? –**The Board reviews the vision and mission of the Company as often as deemed necessary. Moving forward, the Corporation will consider the review of the vision/mission at least every five years as part of its policy.**

(b) Directorship in Other Companies

(i) Directorship in the Company’s Group²

Identify, as and if applicable, the members of the company’s Board of Directors who hold the office of director in other companies within its Group:

Director’s Name	Corporate Name of the Group Company	Type of Directorship (Executive, Non-Executive, Independent). Indicate if director is also the Chairman.
David M. Consunji	D.M. Consunji, Inc. Semirara Mining and Power Corp.* Dacon Corporation Sem-Calaca Power Corporation Southwest Luzon Power Generation Corp. Semirara Claystone, Inc.	Non-Executive/Chairman Non-Executive/Chairman Emeritus Non-Executive Non-Executive/Chairman Non-Executive/Chairman Non-Executive/Chairman
Cesar A. Buenaventura	D.M. Consunji, Inc. Semirara Mining and Power Corp.*	Non-Executive Non-Executive
Isidro A. Consunji	D.M. Consunji, Inc. Semirara Mining and Power Corp.* DMCI Project Developers, Inc. DMCI Mining Corp. DMCI Power Corp. DMCI Masbate Corp. DMCI-MPIC Water Company Inc. Maynilad Water Services, Inc. Sem-Calaca Power Corp. Southwest Luzon Power Generation Corp. Sem Calaca Res Corporation (formerly DMCI Calaca Corp.) Dacon Corporation DFC Holdings, Inc.	Non-Executive Executive/Chairman Executive/Chairman Executive/Chairman Executive Executive Executive Non-Executive Non-Executive Executive Executive
Herbert M. Consunji	Semirara Mining and Power Corp.* DMCI Mining Corp. DMCI Power Corp. DMCI-MPIC Water Company Inc. Maynilad Water Services, Inc. Sem-Calaca Power Corp. Southwest Luzon Power Generation Corp.	Non-Executive Non-Executive Non-Executive Non-Executive Executive Non-Executive Non-Executive

² The Group is composed of the parent, subsidiaries, associates and joint ventures of the company.

	Sem Calaca Res Corporation (formerly DMCI Calaca Corp.) Subic Water & Sewerage Co. Inc.	Executive Non-Executive/Chairman
Ma. Edwina C. Laperal	Semirara Mining and Power Corp.* DMCI Project Developers, Inc. D.M. Consunji, Inc. Sem-Calaca Power Corp. Dacon Corp. DFC Holdings, Inc.	Non-Executive Executive Executive Non-Executive Non-Executive Non-Executive
Victor A. Consunji	D.M. Consunji, Inc. Semirara Mining and Power Corp.* DMCI Mining Corp. DMCI Power Corp. DMCI Masbate Corp. Sem-Calaca Power Corp. Southwest Luzon Power Generation Corp. Sem Calaca Res Corporation (formerly DMCI Calaca Corp.) Dacon Corp. DFC Holdings, Inc.	Non-Executive Executive Non-Executive Executive Non-Executive Executive Executive Executive Executive Executive Executive Non-Executive
Jorge A. Consunji	D.M. Consunji, Inc. Semirara Mining and Power Corp. DMCI Project Developers, Inc. DMCI Mining Corp. DMCI Power Corp. DMCI Masbate Corp. Sem-Calaca Power Corp. Southwest Luzon Power Generation Corp. DMCI-MPIC Water Company Inc. Maynilad Water Services, Inc. Dacon Corp. DFC Holdings, Inc.	Executive Non-Executive Non-Executive Non-Executive Non-Executive Non-Executive Non-Executive Non-Executive Non-Executive Non-Executive Non-Executive Non-Executive Non-Executive Non-Executive Non-Executive
Honorio O. Reyes-Lao	None	Not applicable
Antonio Jose U. Periquet	None	Not applicable

**Change in corporate name*

(ii) Directorship in Other Listed Companies

Identify, as and if applicable, the members of the company's Board of Directors who are also directors of publicly-listed companies outside of its Group:

Director's Name	Name of Listed Company	Type of Directorship (Executive, Non-Executive, Independent). Indicate if director is also the Chairman.
David M. Consunji	None	
Cesar A. Buenaventura	None	
Isidro A. Consunji	Atlas Consolidated Mining and Development Corp. Crown Equities, Inc.	Non-Executive Non-Executive Non-Executive
Herbert M. Consunji	None	
Ma. Edwina C. Laperal	None	
Victor A. Consunji	None	
Jorge A. Consunji	None	
Honorio O. Reyes-Lao	Philippine Business Bank	Non-Executive

Antonio Jose U. Periquet	ABS-CBN Corp. Ayala Corporation Bank of the Philippine Islands Philippine Seven Corp. Pancake House Inc.	Independent Director Independent Director Independent Director Independent Director Independent Director
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(iii) Relationship within the Company and its Group

Provide details, as and if applicable, of any relation among the members of the Board of Directors, which links them to significant shareholders in the company and/or in its group:

Director's Name	Name of the Significant Shareholder	Description of the relationship
David M. Consunji	Dacon Corp.	Director of the corporation
Cesar A. Buenaventura	None	None
Isidro A. Consunji	Dacon Corp./DFC Holdings, Inc.	Director of the corporation
Herbert M. Consunji	None	None
Ma. Edwina C. Laperal	Dacon Corp./DFC Holdings, Inc.	Director of the corporation
Victor A. Consunj	Dacon Corp./DFC Holdings, Inc.	Director of the corporation
Jorge A. Consunji	Dacon Corp./DFC Holdings, Inc.	Director of the corporation
Honorio O. Reyes-Lao	None	None
Antonio Jose U. Periquet	None	None

(iv) Has the company set a limit on the number of board seats in other companies (publicly listed, ordinary and companies with secondary license) that an individual director or CEO may hold simultaneously? In particular, is the limit of five board seats in other publicly listed companies imposed and observed? If yes, briefly describe other guidelines:

The Company observes the limit in the number of board seats in other listed companies, but it is not strictly implementing such policy. Likewise, the company sees to it that the members of the board are committed to exercise their roles and responsibilities as directors regardless of the number of board seats they have in other companies.

	Guidelines	Maximum Number of Directorships in other companies
Executive Director	<p>The Nomination Committee shall consider the following guidelines in determining the number of directorships for the members of the Board:</p> <p>The nature of the business of the Corporation which he is a director;</p> <ul style="list-style-type: none"> • Age of the director; • Number of directorships/active memberships and officerships in other corporations or organizations; and • Possible conflict of interest. <p>The optimum number shall be related to the capacity of a director to perform his duties diligently in general.</p>	<p>The CEO and other executive directors shall submit themselves to a low indicative limit on membership in other corporate Boards. The same low limit shall apply to independent, non-executive directors who serve as fulltime executives in other corporations. In any case, the capacity of directors to serve with diligence shall not be compromised.</p>
Non-Executive Director		
CEO		

(c) Shareholding in the Company

Complete the following table on the members of the company's Board of Directors who directly and indirectly own shares in the company:

Name of Director	Number of Direct shares	Number of Indirect shares / Through (name of record owner)	% of Capital Stock
David M. Consunji	5,000.00	0	0.0459%
Cesar A. Buenaventura	900,000.00	5,700,000	0.0429%
Isidro A. Consunji	65,000.00	20,950,385	0.1578%
Herbert M. Consunji	23,000.00	0	0.0000%
Ma. Edwina C. Laperal	3,315,000.00	82,646,835	0.6215%
Victor A. Consunji	5,000.00	54,588,045	0.4111%
Jorge A. Consunji	5,000.00	551,710	0.0034%
Honorio O. Reyes-Lao	175,000.00	0	0.0000%
Antonio Jose U. Periquet	125,000.00	3,251,850	0.0245%
TOTAL	4,618,000.00	167,688,825	1.2977%

As of December 31, 2014

2) Chairman and CEO

- (a) Do different persons assume the role of Chairman of the Board of Directors and CEO? If no, describe the checks and balances laid down to ensure that the Board gets the benefit of independent views.

Yes

No

Identify the Chair and CEO:

Chairman of the Board	Isidro A. Consunji
CEO/President	Isidro A. Consunji

On November 18, 2014, Mr. David M. Consunji resigned as Chairman and Member of the Board of Directors. The Board likewise appointed Mr. Isidro A. Consunji as Chairman and CEO while Mr. David A. Consunji was appointed as Chairman Emeritus.

(b) Roles, Accountabilities and Deliverables

Define and clarify the roles, accountabilities and deliverables of the Chairman and CEO.

	Chairman	Chief Executive Officer
Role	<p>Ensure that the meetings of the Board are held in accordance with the by-laws or as the Chair may deem necessary;</p> <p>Maintain qualitative and timely lines of communication and information between the Board and Management.</p>	<p>Develop strategy proposals for recommendation to the Board and ensure that agreed strategies are reflected in the business;</p> <p>Develop annual plans, consistent with agreed strategies, for presentation to the Board for support.</p>

Accountabilities	<p>Ensure effective operation of the Board and its committees in conformity with the highest standards of corporate governance;</p> <p>Ensure effective communication with shareholders, host governments and other relevant constituencies and that the views of these groups are understood by the Board</p>	<p>Be responsible to the Board for the performance of the business consistent with agreed plans, strategies and policies;</p> <p>Develop an organizational structure and establish processes and systems to ensure the efficient organization of resources.</p>
Deliverables	<p>Promote effective relationships and communications between non-executive directors and members of the Group Executive Committee;</p> <p>Promote effective relationships and communications between non-executive directors and members of the Group Executive Committee;</p> <p>Establish a harmonious and open relationship with the Chief Executive.</p>	<p>Ensure that financial results, business strategies and, where appropriate, targets and milestones are communicated to the investment community;</p> <p>Develop processes and structures to ensure that capital investment proposals are reviewed thoroughly, that associated risks are identified and appropriate steps taken to manage the risks;</p> <p>Establish a close relationship of trust with the Chairman, reporting key developments to him in a timely manner and seeking advice and support as appropriate.</p>

3) Explain how the board of directors plan for the succession of the CEO/Managing Director/President and the top key management positions?

The Board and the Executive Management evaluates potential and suitable candidates for executive positions.

4) Other Executive, Non-Executive and Independent Directors

Does the company have a policy of ensuring diversity of experience and background of directors in the board? Please explain. - **The Board consists of a combination of executive and nonexecutive directors (including independent directors) in order that no director or small group of directors can dominate the decision-making process of the company. The directors have vast experiences in diverse industries and have notable academic background.**

Does it ensure that at least one non-executive director has an experience in the sector or industry the company belongs to? Please explain. - **The non-executive directors should possess such qualifications and stature that would enable them to effectively participate in the deliberations of the Board. All incumbent NEDs have experience in industries that company belongs to.**

Define and clarify the roles, accountabilities and deliverables of the Executive, Non-Executive and Independent Directors:

	Executive	Non-Executive	Independent Director
Role	Manage the conflict between their management	Ensure that the CEO and the Board as a whole concentrate on	Oversight of company financial reporting process and disclosure

	responsibilities and their fiduciary duties as a director in the best interests of the company.	maximizing long-term shareholder value. Work cooperatively with their executive colleagues and demonstrate objectivity and robust independence of judgment in their decision making.	of its financial information. Recommending to Board on the appointment, re-appointment and if required replacement or removal of statutory auditor and fixation of audit fees.
Accountabilities	Accountable to the shareholders of the company as they are involved in the day to day activities of the company and are responsible for execution of business strategies and plans.	Accountable on strategic function, expertise and the governance function	Review with management, the annual financial statements before approval by the board with particular reference to Directors Responsibility Statement, changes in accounting policy, major accounting estimates, audit findings adjustments, compliance with listing and other legal requirements, disclosure of related party transactions and qualification in the draft audit report. Review of quarterly financial statements. Review with management, performance of statutory and internal auditors, adequacy of internal control systems, adequacy of internal audit function including their structure, frequency, reporting.
Deliverables	Develop business plans in collaboration with the board for the future of the organization; Manage committees and staff Lead the organization and develops its organizational culture	Providing independent judgment in all circumstances.	Furnish information in the prescribed form to the company about disclosure of General Notice of directorship, membership of body corporate and other entities. Shall have fiduciary duty to act in good faith and in the interest of the company. Act only within the

			powers laid down by the Articles of Incorporation and by applicable law and regulations.
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Provide the company's definition of "independence" and describe the company's compliance to the definition.

Independence - a person who, apart from his fees and shareholdings, is independent of management and free from any business or other relationship which could reasonably be perceived to, materially interfere with his exercise of independent judgment in carrying out his responsibilities as a director.

Does the company have a term limit of five consecutive years for independent directors? If after two years, the company wishes to bring back an independent director who had served for five years, does it limit the term for no more than four additional years? Please explain. – **The Company's existing Independent Directors have served as such for less than five years. The Company will comply with the term limit set by the SEC in its Memo Circular No. 9 Series of 2011.**

5) Changes in the Board of Directors (Executive, Non-Executive and Independent Directors)

(a) Resignation/Death/Removal - **NONE**

Indicate any changes in the composition of the Board of Directors that happened during the period:

Name	Position	Date of Resignation	Reason
David M. Consunji	Chairman Emeritus	November 18, 2014	Resignation
Isidro A. Consunji	Chairman/CEO	November 18, 2014	Appointed by the Board

(b) Selection/Appointment, Re-election, Disqualification, Removal, Reinstatement and Suspension

Describe the procedures for the selection/appointment, re-election, disqualification, removal, reinstatement and suspension of the members of the Board of Directors. Provide details of the processes adopted (including the frequency of election) and the criteria employed in each procedure:

Procedure	Process Adopted	Criteria
a. Selection/Appointment		
(i) Executive Directors	It shall pre-screen and shortlist all candidates nominated to become a member of the Board of Directors in accordance with the qualifications and disqualifications set in the Manual of Corporate Governance of the Company	Any stockholder who is a holder of at least one (1) common share of stock standing in his name in the books of the Corporation, may be elected Director. The Board may provide additional qualifications of a director such as, but not limited to the following: (a) educational attainment;
(ii) Non-Executive Directors		
(iii) Independent Directors		

		(b) adequate competency and understanding of business; (c) age requirement; (d) integrity/probity; (e) assiduousness or diligence; and (f) such other qualifications is provided for in the Corporation's Manual on Corporate Governance.
b. Re-appointment		
(i) Executive Directors	Same process as appointment/selection	
(ii) Non-Executive Directors		
(iii) Independent Directors		
c. Permanent Disqualification		
(i) Executive Directors	Provisions set in the Company's Manual on Corporate Governance and By-Laws	Any person finally convicted judicially of an offense involving moral turpitude or fraudulent act or transgressions; <ul style="list-style-type: none"> Any person finally found by SEC or a court or other administrative body to have wilfully violated, or wilfully aided, abetted, counseled, induced or procured the violation of, any provision of the Code, the Corporation Code, or any other law, rules, regulations or order administered by the SEC or Bangko Sentral ng Pilipinas; Any person judicially declared to be insolvent or bankrupt; Any person finally found guilty by a foreign court or equivalent financial regulatory authority of acts, violations or misconduct similar to any of the acts, violations or misconduct listed in the foregoing paragraphs; and Any person convicted by an offense punishable by imprisonment for a period exceeding six (6) years, or a violation of the Code, committed within five (5) years prior to the date of his election or appointment. Any person treated for
(ii) Non-Executive Directors		

		<p>mental disorder, drug or alcohol addiction or confined in a mental institution;</p> <p>Any person owning directly or indirectly more than ten (10%) percent equity in any similar nature of business other than the Corporation's affiliates or subsidiaries.</p>
(iii) Independent Directors	Provisions set in the Company's Manual on Corporate Governance and By-Laws	<p>a. When he becomes an officer or employee of the Corporation where he is a member of the board of directors, or becomes any of the persons enumerated under Section II (5) of the SEC Code of Corporate Governance;</p> <p>b. His beneficial security ownership exceeds two percent (2%) of the outstanding capital stock of the Corporation where he is a director;</p> <p>c. Fails, without justifiable cause, to attend at least fifty (50%) of the total number of board meetings during his incumbency unless such absences are due to grave illness or death of an immediate family;</p> <p>Such other disqualifications which Corporation's Manual on Corporate Governance provides.</p>
d. Temporary Disqualification		
(i) Executive Directors	Provisions set in the Company's Manual on Corporate Governance	<p>Any of the following shall be a ground for the temporary disqualification of a director:</p> <ul style="list-style-type: none"> • Refusal to fully disclose the extent of his business interest as required under the Code and its implementing Rules and Regulations. This disqualification shall be in effect as long as his refusal persists; • Absence or non-participation for whatever reason/s for more than fifty percent (50%) of all meetings, both regular and special, of the Board during his incumbency or
(ii) Non-Executive Directors		
(iii) Independent Directors		

		<p>any twelve-(12) month period during said incumbency. This disqualification applies for purposes of the succeeding election;</p> <ul style="list-style-type: none"> • Dismissal/termination from directorship in another listed corporation for cause. This disqualification shall be in effect until he has cleared himself of any involvement in the alleged irregularity; • Being under preventive suspension by the Corporation; • If the independent director becomes an officer or employee of the same corporation he shall be automatically disqualified from being an independent director; • If the beneficial equity ownership in the Corporation or its subsidiaries and affiliates exceeds two (2) percent of its subscribed capital stock. The disqualification shall be lifted if the limit is later complied with. • Conviction that has not yet become final referred to in the grounds for the disqualification of directors.
e. Removal		
(i) Executive Directors	Provisions set by the Company's Manual on Corporate Governance and By-Laws	Same criteria with the permanent disqualification of ED, NED, and ID
(ii) Non-Executive Directors		
(iii) Independent Directors		
f. Re-instatement		
(i) Executive Directors	Provisions set by the Company's Manual on Corporate Governance and By-Laws	Same criteria with the permanent disqualification of ED, NED, and ID
(ii) Non-Executive Directors		
(iii) Independent Directors		
g. Suspension		
(i) Executive Directors	Provisions set by the Company's Manual on Corporate Governance and By-Laws	Same criteria with the permanent disqualification of ED, NED, and ID
(ii) Non-Executive Directors		
(iii) Independent Directors		

(c) Voting Result of the last Annual General Meeting

Name of Director	Votes Received
David M. Consunji	2,078,123,685
Cesar A. Buenaventura	2,106,999,694
Isidro A. Consunji	2,092,454,995
Herbert M. Consunji	2,109,774,880
Ma. Edwina C. Laperal	2,073,897,510
Victor A. Consunji	2,109,774,880
Jorge A. Consunji	2,092,238,989
Honorio O. Reyes-Lao	2,110,164,420
Antonio Jose U. Periquet	2,110,164,420

6) Orientation and Education Program

(a) Disclose details of the company's orientation program for new directors, if any.

The Company does not have a formal orientation program to incoming directors. The Company provide information materials on company profile and business nature such as financial statements, information statements (20-IS), annual reports, disclosures, among others. Likewise, as stated in the Company's Manual, a Director shall, before assuming as such, be required to attend a seminar on Corporate Governance, which shall be conducted, by a duly recognized private or government institute.

(b) State any in-house training and external courses attended by Directors and Senior Management³ for the past three (3) years:

7)

Date	Seminars Attended
October 21, 2014	Corporate Governance Forum
September 2-3, 2014	Asian Forum on Corporate Social Responsibility
July 21, 2014	Seminar on Corporate Governance
June 9, 2014	Distinguished Corporate Governance Seminar Series
April 29, 2014	Distinguished Corporate Governance Seminar Series
February 5, 2014	Distinguished Corporate Governance Seminar Series
November 15, 2013	ICD Annual Workshop Session on Asean Corporate Governance Scorecard
October 25, 2013	Corporate Governance Orientation by ICD
September 10, 2013	11 th MAP CEO Conference
August 23, 2012	Enterprise Risk Awareness Session by SGV & Co.
March 02, 2012	Economic Briefing by Victor Abola
December 15, 2010	Private-Public Partnership Briefing by Alberto Agra
July 30, 2010	Economic Briefing by Prof. Victor Abola
June 28, 2010	Cross Cultural Seminar by Prof. Yih-teen Lee
January 12, 2010	Leadership Seminar by Dr. Pablo Cardona
August 11, 2009	Introduction to Economics by Federico Macaranas
August 15, 2009	The Language of Business by Felixberto Bustos

³ Senior Management refers to the CEO and other persons having authority and responsibility for planning, directing and controlling the activities of the company.

(a) Continuing education programs for directors: programs and seminars and roundtables attended during the year.

Name of Director/Officer	Date of Training	Program	Name of Training Institution
David M. Consunji Director/Chairman	June 9, 2014	Distinguished Corporate Governance Seminar	Institute of Corporate Directors
Cesar A. Buenaventura Director/Vice-Chairman	April 29, 2014	Distinguished Corporate Governance Seminar	Institute of Corporate Directors
Isidro A. Consunji Director/President	April 29, 2014	Distinguished Corporate Governance Seminar	Institute of Corporate Directors
Ma. Edwina C. Laperal Director/Treasurer	March 1, 7, 8, 17, 18 - 2011	Professional Directors Program	Institute of Corporate Directors
Herbert M. Consunji Director/VP and CFO/Compliance Officer	March 1, 8, 9, 18, 19 - 2010	Professional Directors Program	Institute of Corporate Directors
	February 5, 2014	Distinguished Corporate Governance Seminar	Institute of Corporate Directors
Victor A. Consunji Director	June 9, 2014	Distinguished Corporate Governance Seminar	Institute of Corporate Directors
Cristina C. Gotianun Asst. Treasurer	March 1, 8, 9, 18, 19 - 2010	Professional Directors Program	Institute of Corporate Directors
Jorge A. Consunji Director	September 1, 2010	Corporate Governance Orientation Program	Institute of Corporate Directors
	February 5, 2014	Distinguished Corporate Governance Seminar	Institute of Corporate Directors
Honorio O. Reyes-Lao Independent Director		A Fellow of the Institute of Corporate Directors	Institute of Corporate Directors
	February 5, 2014	Distinguished Corporate Governance Seminar	Institute of Corporate Directors
Antonio Jose U. Periquet Independent Director	July 21, 2014	Corporate Governance Seminar	SGV & Co.
Victor S. Limlingan Managing Director		Has been a lecturer on various Corporate Governance seminars.	Asian Institute of Management
	October 21, 2014	Corporate Governance Forum	Philippine Stock Exchange/Securities and Exchange Commission
Aldric G. Borlaza Senior Finance Officer	April 29, 2014	Distinguished Corporate Governance Seminar	Institute of Corporate Directors
Brian T. Lim Finance Officer	June 9, 2014	Distinguished Corporate Governance Seminar	Institute of Corporate Directors
	October 21, 2014	Corporate Governance Forum	Philippine Stock Exchange/Securities and Exchange Commission
Ma. Luisa C. Austria Administration and Accounting Officer	June 9, 2014	Distinguished Corporate Governance Seminar	Institute of Corporate Directors
Tara Ann C. Reyes	June 9, 2014	Distinguished Corporate	Institute of Corporate

Investor Relations Officer		Governance Seminar	Directors
Tulsi Das C. Reyes Executive Assistant to the President	June 9, 2014	Distinguished Corporate Governance Seminar	Institute of Corporate Directors

B. CODE OF BUSINESS CONDUCT & ETHICS

- 1) Discuss briefly the company's policies on the following business conduct or ethics affecting directors, senior management and employees:

Business Conduct & Ethics	Directors	Senior Management	Employees
(a) 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.		
(b) Conduct of Business and 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.		
(c) Receipt of gifts from third parties	All Directors, Executive Officers and Employees should not be receiving from, or giving to, a supplier, customer or competitor, gifts, gratuities, special allowances, discounts or other benefits not generally available of more than nominal value.		
(d) Compliance with Laws & Regulations	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.		
(e) Respect for Trade Secrets/Use of Non-public Information	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.		
(f) Use of Company Funds, Assets and Information	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.		
(g) Employment & Labor Laws & Policies	Policies are in accordance with the Philippine Labor Code		

(h) Disciplinary action	<p>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.</p>
(i) Whistle Blower	<p>The Whistleblower Policy (the "Policy") is hereby promulgated to encourage all its stakeholders, including the directors, officers and employees, all suppliers, business partners, contractors and subcontractors, to come forward and voice serious concerns about a perceived wrongdoing or malpractice involving the Company. The Policy aims to provide avenues for stakeholders to raise serious concerns and receive feedback on any action taken in respect of such concerns raised. It sets out a method for properly addressing <i>bona fide</i> concerns that stakeholders might have, while also offering whistleblowers protection from victimization, harassment or disciplinary proceedings.</p> <p>All whistleblowing disclosures made to the proper Reporting Channel will be treated as confidential. The whistleblower should make it clear that he/she is making the disclosure within the terms of the Company's whistleblowing policy. This will ensure that the recipient of the disclosure realizes this and takes the necessary action to investigate the disclosure and to protect the whistleblower's identity.</p>
(j) Conflict Resolution	<p>No formal company policy</p>
(k) Insider Trading	<p>This Policy on Insider Trading ("the Policy") sets out the implementing rules and guidelines for Directors, Officers and all other employees of DMCI Holdings, Inc. (the "Company") and its subsidiaries, whether owned directly or indirectly, whenever they are conducting securities transactions (buying and/or selling) of the Company's shares of stock in the market.</p> <p>The Policy requires that Covered Persons as defined in Section 3, who have knowledge, from time to time, of material information concerning the Company, which have not been disclosed to the public, including any information likely to affect the market price of the Company's shares of stock, cannot buy or sell either personally or on behalf of others while in possession of such material nonpublic information. Covered persons must not disclose or disseminate material, nonpublic information about the Company to other persons, either within or outside the Company, except on a reasonable need to know basis that furthers a legitimate business purpose of the Company.</p> <p>Covered Persons</p> <p>For the purpose of this Policy, an "insider" will be defined as follows:</p> <ul style="list-style-type: none"> ▪ Members of the Board of Directors and the Corporate Secretary of the Company and its subsidiaries; ▪ Key Officers as defined in the by-laws of the Company and its subsidiaries, whether owned directly or indirectly, who are or may be in possession of material non-public information about the Company because of their responsibilities. ▪ Consultants and Advisers of the Company; ▪ Any person who possesses material non-public information regarding the Company is an Insider for so long as the information is not publicly known. Any employees can be an Insider from time to time, and would at those times be subject to this Policy. ▪ Members of the immediate families of Directors, Key Officers and all other Covered Persons who are living in the same household as the abovementioned Covered Persons.

	<p>Material Information</p> <p>4.1 Information, whether positive or negative, is deemed to be material if there is a reasonable likelihood that it would be considered important to an investor in making a decision regarding the purchase or sale of shares of stock of the Company and/or if the information is price sensitive. Such material information includes, but is not limited to:</p> <ul style="list-style-type: none"> ▪ Financial results ▪ Adjustments of reported earnings ▪ Projections of future earnings or losses ▪ News of a pending or proposed merger ▪ Change in the corporate structure such as a re-organization ▪ Acquisition/Divestitures/Joint Ventures ▪ Dividend declaration and changes in dividend policy ▪ Stock splits ▪ New significant equity investments or debt offerings ▪ Significant litigation exposure ▪ Solvency problems which may arise from litigation, final judgments, loan defaults and losses of major clients or contracts ▪ Major changes in key senior management positions ▪ Public or private sale of Company shares ▪ Plans to repurchase securities or go to the public with a new issue <p>Other significant developments or changes in the Company which may affect the share market price</p> <p>RESTRICTION PERIODS</p> <p>Directors, Key Officers and all Covered Persons are strictly prohibited from trading during the following periods:</p> <ul style="list-style-type: none"> ▪ Structured Disclosures – Within Five (5) trading days before and within Three (3) trading days after the disclosure of quarterly (SEC17Q) and annual (SEC 17A) financial results; ▪ Non-Structured Disclosures – within Three (3) trading days after the disclosure of any material information other than the abovementioned structured disclosure; <p>In both instances of disclosures, office bulletins for Restriction Periods pertaining to the above will be issued by the Office of the Compliance Officer.</p>
(l) Dividend Policy	<p>As approved by its Board of Directors, DMCI Holdings, Inc. (“the Company”) is committed to provide reasonable economic returns to its shareholders with a dividend payout ratio of at least 25% of the preceding year’s Consolidated Core Net Income. Consolidated Core Net Income is currently defined as reported net income excluding all foreign exchange, mark-to-market gains and losses and non-recurring items.</p> <p>The Company may, from time to time, pay special dividends as a return of excess funds to shareholders as determined by the Board of Directors upon considering the investing and operating needs of the Company.</p> <p>This policy is subject to the availability of unrestricted retained earnings, and subject further to compliance with applicable laws, rules and regulations on dividend declarations.</p>
(m) Health and Safety and General	<p>The Company is committed to improving the health and safety performance of the Group, including the employees of its subsidiaries. The Company recognizes the</p>

Welfare Policy	<p>benefits of health and safety to the organization and that committed to a high level of safety makes good business sense. Therefore the Company has adopted the following programs for health and safety, and general welfare of the employees:</p> <p>Health and Safety Policy Statement</p> <p>Coverage under a health care maintenance program/insurance</p> <p>Coverage under a group term life and accident insurance</p> <p>Provide annual physical examinations, free medical consultations and health facilities such</p> <p>Wellness facilities such as gym, basketball and badminton courts</p> <p>Engage employees to participate in sports and recreation programs</p> <p>General Welfare Policy</p> <p>Annual team building and socialization events to promote camaraderie and positive interaction among employees and subsidiaries</p> <p>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.</p> <p>Provide in-house and outsourced trainings and seminars</p> <p>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 the Policy.</p> <p>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.</p>
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2) Has the code of ethics or conduct been disseminated to all directors, senior management and employees?

Yes

3) Discuss how the company implements and monitors compliance with the code of ethics or conduct.

The Company has strictly monitored compliance with the Code of Ethics such that none of the Directors have been sanctioned for violation of the Manual

4) Related Party Transactions

(a) Policies and Procedures

Describe the company's policies and procedures for the review, approval or ratification, monitoring and recording of related party transactions between and among the company and its parent, joint ventures, subsidiaries, associates, affiliates, substantial stockholders, officers and directors, including their spouses, children and dependent siblings and parents and of interlocking director relationships of members of the Board.

Related Party Transactions	Policies and Procedures
(1) Parent Company	<p>The Related Party Transactions (RPT) Policy requires that any transactions with related parties are made on terms equivalent to those that prevail in an arm's length transactions.</p> <p>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.</p> <p>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:</p> <ol style="list-style-type: none"> 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 <i>its Subsidiary or its Parent, directly or indirectly</i>; including companies they have control or joint control or significant influence in; <ul style="list-style-type: none"> • Control - the power to govern the financial and operating policies of the Company or <i>its Subsidiary</i>. • Significant influence - the power to participate in the financial and operating policy decisions of the Company or <i>its Subsidiary</i>, 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 <i>its Subsidiary</i>; <ul style="list-style-type: none"> • 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. <p>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.</p> <p>Examples of RPTs are:</p>

- 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

Identification, Review and Approval of Related Party Transactions

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.
2. 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
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. 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.

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.

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.

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.

Disclosure

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

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.

Disclosure

	<p>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, <i>including commitments</i>, 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.</p> <p>All RPTs shall be disclosed to the Audit Committee and any material RPT shall be disclosed to the Board.</p> <p>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.</p>
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(b) Conflict of Interest

(i) Directors/Officers and 5% or more Shareholders

Identify any actual or probable conflict of interest to which directors/officers/5% or more shareholders may be involved.

Details of Conflict of Interest (Actual or Probable)	
Name of Director/s	Victor A. Consunji (indirect ownership)
Name of Officer/s	Cristina C. Gotianun (Indirect ownership)
Name of Significant Shareholders	Dacon Corp./DFC Holdings, Inc. – no related party transactions

(ii) Mechanism

Describe the mechanism laid down to detect, determine and resolve any possible conflict of interest between the company and/or its group and their directors, officers and significant shareholders.

Directors/Officers/Significant Shareholders	
Company	Policies requiring disclosures on direct and indirect beneficial ownership in accordance with the SEC and PSE rules.
Group	Policies requiring disclosures on direct and indirect beneficial ownership in accordance with the SEC and PSE rules.

5) Other Policies – Insider Trading, Dividend Policy

6) Family, Commercial and Contractual Relations

(a) Indicate, if applicable, any relation of a family,⁴ commercial, contractual or business nature that exists between the holders of significant equity (5% or more), to the extent that they are known to the company:

Names of Related Significant Shareholders	Type of Relationship	Brief Description of the Relationship
Dacon Corp.	Interlocking Directors	Interlocking Directors
DFC Holdings, Inc.	Interlocking Directors	Interlocking Directors

(b) Indicate, if applicable, any relation of a commercial, contractual or business nature that exists between the holders of significant equity (5% or more) and the company:

Names of Related Significant Shareholders	Type of Relationship	Brief Description
Dacon Corp.	Shareholder owning more than 5%	Some Directors of Dacon Corp. are also Directors of the Company
DFC Holdings, Inc.	Shareholder owning more than 5%	Some Directors of DFC Holdings, Inc. are also Directors of the Company

(c) Indicate any shareholder agreements that may impact on the control, ownership and strategic direction of the company:

Name of Shareholders	% of Capital Stock affected (Parties)	Brief Description of the Transaction
None	None	None

7) Alternative Dispute Resolution

Describe the alternative dispute resolution system adopted by the company for the last three (3) years in amicably settling conflicts or differences between the corporation and its stockholders, and the corporation and third parties, including regulatory authorities.

Alternative Dispute Resolution System	
Corporation & Stockholders	No conflict arose from the last three (3) years
Corporation & Third Parties	
Corporation & Regulatory Authorities	

C. BOARD MEETINGS & ATTENDANCE

1) Are Board of Directors’ meetings scheduled before or at the beginning of the year?

Regular quarterly board meetings are scheduled after the end of each quarter, while special board

⁴ Family relationship up to the fourth civil degree either by consanguinity or affinity.

meetings are scheduled in between regular meetings as the need arises.

2) Attendance of Directors

3) Board	Name	Date of Election	No. of Meetings Held during the year*	No. of Meetings Attended	%
Member	Isidro A. Consunji	August 5, 2014	22	22	95.5%
Member	Cesar A. Buenaventura	August 5, 2014	22	21	100%
Member	Herbert M. Consunji	August 5, 2014	22	22	100%
Member	Ma. Edwina C. Laperal	August 5, 2014	22	22	100%
Member	Victor A. Consunji	August 5, 2014	22	21	95.5%
Member	Jorge A. Consunji	August 5, 2014	22	22	100%
Independent	Honorio O. Reyes-Lao	August 5, 2014	22	22	100%
Independent	Antonio Jose U. Periquet	August 5, 2014	22	22	100%

**January-December 2014*

3) Do non-executive directors have a separate meeting during the year without the presence of any executive? If yes, how many times? - **NONE.**

4) Is the minimum quorum requirement for Board decisions set at two-thirds of board members? Please explain.

In accordance with the Corporation Code, the quorum requirement for board meetings is a majority of the board members.

5) Access to Information

(a) How many days in advance are board papers⁵ for board of directors meetings provided to the board?

The board materials for discussion are distributed at least three days before the scheduled board meeting.

(b) Do board members have independent access to Management and the Corporate Secretary?

Yes.

(c) State the policy of the role of the company secretary. Does such role include assisting the Chairman in preparing the board agenda, facilitating training of directors, keeping directors updated regarding any relevant statutory and regulatory changes, etc?

The Secretary shall record all the votes and proceedings of the meeting of Stockholders and of the Board of Director in a book kept for that purpose. He shall have charge of the corporate seal of the Corporation. He 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. He shall perform such other duties as may be properly delegated to him. He must be a citizen and resident of the Philippines.

(d) Is the company secretary trained in legal, accountancy or company secretarial practices? Please

⁵ Board papers consist of complete and adequate information about the matters to be taken in the board meeting. Information includes the background or explanation on matters brought before the Board, disclosures, budgets, forecasts and internal financial documents.

explain should the answer be in the negative. – **Yes, the Company has a Corporate Secretary who has vast experience in legal, accountancy and company secretarial practices.**

(e) Committee Procedures

Disclose whether there is a procedure that Directors can avail of to enable them to get information necessary to be able to prepare in advance for the meetings of different committees:

Yes No

Committee	Details of the procedures
Executive	Notice and Agenda are given at least three days before the meeting; The Committees have free access to the management and staff for any queries prior to the meeting
Audit	
Nomination	
Remuneration	
Others (specify)	

6) External Advice

Indicate whether or not a procedure exists whereby directors can receive external advice and, if so, provide details:

Procedures	Details
	The Directors have full access to Company's external counsel and external auditors for advice.

7) Change/s in existing policies

Indicate, if applicable, any change/s introduced by the Board of Directors (during its most recent term) on existing policies that may have an effect on the business of the company and the reason/s for the change:

Existing Policies	Changes	Reason
No changes in existing policies		

D. REMUNERATION MATTERS

1) Remuneration Process

Disclose the process used for determining the remuneration of the CEO and the four (4) most highly compensated management officers:

Process	CEO	Top 4 Highest Paid Management Officers
(1) Fixed remuneration	Establish a formal and transparent procedure for developing a policy on executive remuneration and for fixing the remuneration packages of corporate officers and directors,	Establish a formal and transparent procedure for developing a policy on executive remuneration and for fixing the remuneration packages of corporate officers and directors,

	and provide oversight over remuneration of senior management and other key personnel ensuring that compensation is consistent with the Corporation's culture, strategy and control environment.	and provide oversight over remuneration of senior management and other key personnel ensuring that compensation is consistent with the Corporation's culture, strategy and control environment.
(2) Variable remuneration	None	None
(3) Per diem allowance	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, shall not exceed ten (10%) percent of the net income before income tax of the Corporation during the preceding year.	
(4) Bonus	None	None
(5) Stock Options and other financial instruments	None	None
(6) Others (specify)	None	None

2) Remuneration Policy and Structure for Executive and Non-Executive Directors

Disclose the company's policy on remuneration and the structure of its compensation package. Explain how the compensation of Executive and Non-Executive Directors is calculated.

	Remuneration Policy	Structure of Compensation Packages	How Compensation is Calculated
Executive Directors	Salary structure as approved by the management	Basic monthly pay plus other benefits mandated by law	Compensation package as agreed by management and the employee
Non-Executive Directors	There is no compensation given by the Company. The per diem allowance of P10,000 is given per meeting attended		

Do stockholders have the opportunity to approve the decision on total remuneration (fees, allowances, benefits-in-kind and other emoluments) of board of directors? Provide details for the last three (3) years.

Remuneration Scheme	Date of Stockholders' Approval
Not applicable	

3) Aggregate Remuneration

Complete the following table on the aggregate remuneration accrued during the most recent year:

Remuneration Item	Executive Directors	Non-Executive Directors (other than independent directors)	Independent Directors
(a) Fixed Remuneration	P4,073,532.00	-	-
(b) Variable Remuneration	-	-	-
(c) Per diem Allowance	P140,000.00	P190,000.00	P80,000.00
(d) Bonuses	-	-	-
(e) Stock Options and/or other financial instruments	-	-	-
(f) Others (Specify)	-	-	-
Total	P4,213,532.00	P190,000.00	P80,000.00

Other Benefits	Executive Directors	Non-Executive Director (other than independent directors)	Independent Directors
1) Advances	-	-	-
2) Credit granted	-	-	-
3) Pension Plan/s Contributions	-	-	-
(d) Pension Plans, Obligations incurred	-	-	-
(e) Life Insurance Premium	-	-	-
(f) Hospitalization Plan	P600,000.00*	-	-
(g) Car Plan	-	-	-
(h) Others (Specify)	-	-	-
Total	P600,000.00		

*The Company provides health insurance under Health Maintenance Organization (HMOs), which has a maximum annual limit of P300,000.00 per executive officer.

4) Stock Rights, Options and Warrants

(a) Board of Directors

Complete the following table, on the members of the company's Board of Directors who own or are entitled to stock rights, options or warrants over the company's shares:

Director's Name	Number of Direct Option/Rights/ Warrants	Number of Indirect Option/Rights/ Warrants	Number of Equivalent Shares	Total % from Capital Stock
None				

(b) Amendments of Incentive Programs

Indicate any amendments and discontinuation of any incentive programs introduced, including the criteria used in the creation of the program. Disclose whether these are subject to approval during the Annual Stockholders' Meeting:

Incentive Program	Amendments	Date of Stockholders' Approval
None		

5) Remuneration of Management

Identify the five (5) members of management who are not at the same time executive directors and indicate the total remuneration received during the financial year:

Name of Officer/Position	Total Remuneration
Victor S. Limlingan – Managing Director	P4,830,175.16
Aldric G. Borlaza – Senior Finance Officer	
Brian T. Lim- Finance Officer	
Ma. Luisa C. Austria – Admin/Accounting Officer	

E. BOARD COMMITTEES

1) Number of Members, Functions and Responsibilities

Provide details on the number of members of each committee, its functions, key responsibilities and the power/authority delegated to it by the Board:

Committee	No. of Members			Committee Charter	Functions	Key Responsibilities	Power
	Executive Director (ED)	Non-executive Director (NED)	Independent Director (ID)				
Executive	Not applicable						
Audit	1	0	2	Ultimately responsible for the policies and practices relating to integrity of financial and regulatory reporting	Reviews the external auditor's audit plan; increases the credibility and objectivity of the Company's financial reports and public disclosure	Review and discuss with management and the external auditor the annual audited financial statements, including discussion of material transactions with related	Oversee the adequacy of the Company's system of internal accounting controls and internal audit process and obtaining from the external

						parties, accounting policies, as well as the external auditor's written communications to the Committee and to management;	auditor summaries and recommendations for improvement of such internal controls and processes
Nomination	0	2	1	Responsible for the review and screening of candidates for directorship	Pre-screen and shortlist all candidates nominated to become a member of the Board of Directors	Review and consider the guidelines on determining the number of directorship	Review the roles and duties of the CEO by integrating the dynamic requirements of the business as a going concern and future expansionary prospects within the realm of good corporate governance at all times.
Remuneration	0	2	1	Establish a formal and transparent procedure for developing a policy on executive remuneration and for fixing the remuneration packages of corporate officers and directors	Designate amount of remunerations in a sufficient level to attract and retain directors and officers	Establish a formal and transparent procedure for developing a policy on executive remuneration and for fixing the remuneration packages of individual directors, if any, and officers	Develop a form on Full Business Interest Disclosure as part of the pre-employment requirements for all incoming officers, which among others compel all officers to declare under the penalty of perjury all their existing business interests or shareholdings that may directly or indirectly conflict in their performance of duties once hired.

Others (specify)	None
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2) Committee Members

(a) Executive Committee – The Company has no Executive Committee

Office	Name	Date of Appointment	No. of Meetings Held	No. of Meetings Attended	%	Length of Service in the Committee
Chairman						Not Applicable
Member (ED)						
Member (NED)						
Member (ID)						
Member						

(b) Audit Committee

Office	Name	Date of Appointment	No. of Meetings Held	No. of Meetings Attended	%	Length of Service in the Committee
Chairman (ID)	Honorio O. Reyes-Lao	August 12, 2014	7	7	100	1 yr. 5 mos.*
Member (ED)	Isidro A. Consunji	August 12, 2014	7	7	100	1 yr. 5 mos.*
Member (NED)	None		-	-	-	
Member (ID)	Antonio Jose U. Periquet	August 12, 2014	7	7	100	1 yr. 5 mos.*

**From March 21, 2013 to August 12, 2014*

Disclose the profile or qualifications of the Audit Committee members.

In the Company's Manual on Corporate Governance, the audit committee shall be composed of at least three (3) Members of the Board, at least two (2) of whom must be independent and one (1) of whom shall be its head or chairman. Each member shall have adequate understanding at least or competence at most of the company's financial management systems and environment. The following are the detailed profile of the Audit Committee Members:

Honorio O. Reyes-Lao is the Director of Philippine Business Bank from 2010 up to present. He was the President and Director of Gold Venture Lease and Management Services, Inc, 2008-2009; Senior Business Consultant of the Antel Group of Companies, 2007-2009; Senior Management Consultant of East West Banking Corporation, 2005-2006. Prior to 2005, Mr. Reyes-Lao was the Senior Vice-President of China Banking Corporation in charge of the lending operation under the Account Management Group. He was a Director of the First Sovereign Asset Management Corporation, 2004-'06; Director and Treasurer of CBC Insurance Brokers, Inc, 1998- 2003 : Director of CBC Forex Corporation, 1997-2002; and CBC Properties and Computer Center, Inc, 1993-2006. His civic affiliations are the Makati Chamber of Commerce and Industries - past President; Rotary Club of Makati West – Treasurer; and a Fellow in the Institute of Corporate Directors, a professional organization which espouses good corporate governance in both private and public organizations.

Antonio Jose U. Periquet is currently the Chairman of Pacific Main Holdings; Director of the Lyceum of the Philippines University, The Straits Wine Company, Inc., Ayala Corporation, BPI Capital

Corporation, Bank of the Philippine Islands, BPI Family Bank, Campden Hill Group, Regis Financial Advisers, Inc., ABS-CBN Corporation, Philippine Seven Corporation and Pancake House, Inc. He was previously chairman of Deutsche Regis Partners, Inc. and executive director of various financial institutions in London and Hong Kong. Mr. Periquet holds an MBA from the University of Virginia, a MSc in Development Economics from Oxford University and a Bachelor of Arts degree in Economics from the Ateneo de Manila University. He is a member of the Dean's Global Advisory Council, Darden School of Business, University of Virginia.

Isidro A. Consunji is a graduate of the University of the Philippines where he earned a degree in Bachelor of Science in Engineering. He took up master's degree in Business Economics from the Center for Research & Communication, and Business Management from the Asian Institute of Management. He took up Advanced Management Program at IESE School in Barcelona, Spain. He is a regular Director of the following: DMCI Project Developers, Inc., Semirara Mining Corporation, Dacon Corporation, DMCI-MPIC Water Company, Inc., Sem-Calaca Power Corp., Southwest Luzon Power Corp., Sem-Cal Industrial Park Developers Inc., Semirara Claystone Inc., Sem-Cal Res Corp., DMCI Power Corp., DMCI Mining Corp., Crown Equities, Inc. and Beta Electric Corporation. His other positions include: Chairman of the Board of Directors of DMCI Homes, Beta Electric Corporation; President of Dacon Corporation, and Sem-Calaca Power Corp.

Describe the Audit Committee's responsibility relative to the external auditor.

- Perform oversight functions over the corporation's internal and external auditors. It should ensure that the internal and external auditors act independently from each other, and that both auditors are given unrestricted access to all records, properties and personnel to enable them to perform their respective audit functions.
- Review the annual internal audit plan to ensure its conformity with the objectives of the corporation. The plan shall include the audit scope, resources and budget necessary to implement it.
- Prior to the commencement of the audit, discuss with the external auditor the nature, scope and expenses of the audit, and ensure proper coordination if more than one audit firm is involved in the activity to secure proper coverage and minimize duplication of efforts

(c) Nomination Committee

Office	Name	Date of Appointment	No. of Meetings Held	No. of Meetings Attended	%	Length of Service in the Committee
Chairman	Antonio Jose U. Periquet	August 12, 2014	4	4	100	1 yr. 5 mos*
Member (ED)	Ma. Edwina C. Laperal	August 12, 2014	4	4	100	1 yr. 5mos*
Member (NED)	David M. Consunji**	August 12, 2014	4	4	100	1 yr. 5 mos*
Member (ID)	Honorio O. Reyes-Lao	August 12, 2014	4	4	100	1 yr. 5 mos*

*From March 21, 2013 to August 12, 2014

**Resigned as board member on November 18, 2014.

(d) Remuneration Committee

Office	Name	Date of Appointment	No. of Meeting	No. of Meetings	%	Length of Service in the
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			s Held	Attended		Committee
Chairman	Honorio O. Reyes-Lao	August 12, 2014	0	0		1 yr. 5 mos*
Member (ED)	-					
Member (NED)	Cesar A. Buenaventura Jorge A. Consunji	August 12, 2014 August 12, 2014	0	0		1 yr. 5 mos*
Member (ID)	None					
Member	None					

**From March 21, 2013 to August 12, 2014*

(e) Others (Specify)

Provide the same information on all other committees constituted by the Board of Directors:

No Other Committees

Office	Name	Date of Appointment	No. of Meetings Held	No. of Meetings Attended	%	Length of Service in the Committee
Chairman						
Member (ED)						
Member (NED)						
Member (ID)						
Member						

3) Changes in Committee Members - **None**

Indicate any changes in committee membership that occurred during the year and the reason for the changes:

Name of Committee	Name	Reason
Executive	None	
Audit		
Nomination		
Remuneration		
Others (specify)		

4) Work Done and Issues Addressed

Describe the work done by each committee and the significant issues addressed during the year.

Name of Committee	Work Done	Issues Addressed
Executive	Not applicable	
Audit	Report on and recommend to the Board of Directors the annual financial statements and the	Review and approve the audited financial statements

	external auditor's report on those financial statements, prior to Board approval and dissemination of financial statements to shareholders and the public	
Nomination	identify and recommend candidates for election or appointment as directors,	Assess whether candidates have the qualities expected of all directors, including integrity, sound judgment, business acumen, and the time, ability, and commitment to make a constructive and meaningful contribution to the Board
Remuneration	Review the compensation of directors and executives of the Company	Make recommendation to the Board for approval of compensation
Others (specify)	None	

5) Committee Program

Provide a list of programs that each committee plans to undertake to address relevant issues in the improvement or enforcement of effective governance for the coming year.

Name of Committee	Planned Programs	Issues to be Addressed
Executive	None	
Audit	Timely comply with reportorial requirements	To implement strict compliance among the subsidiaries to submit the financial reports ahead of time to give the Company ample time for consolidation
Nomination	Continued evaluation of the selection process and evaluation of candidates in accordance with the SEC Regulations and Company's Manual on Corporate Governance	
Remuneration	Regular review of the compensation package	
Others (specify)	None	

F. RISK MANAGEMENT SYSTEM

1) Disclose the following:

- (a) Overall risk management philosophy of the company;
- (b) A statement that the directors have reviewed the effectiveness of the risk management system and commenting on the adequacy thereof;
- (c) Period covered by the review;
- (d) How often the risk management system is reviewed and the directors' criteria for assessing its effectiveness; and
- (e) Where no review was conducted during the year, an explanation why not.

A. Enterprise Risk Management (ERM)

This Enterprise Risk Management Policy ("the ERM Policy") provides the framework for managing risks across DMCI Holdings, Inc. ("DMCIHI" or "the Company"). It contains the fundamental policies to guide all DMCIHI personnel, including senior executive management and the Board of Directors, who are directly or indirectly involved in the strategic, operations, compliance and financial activities of the

Company. This will serve as the guide to enable the concerned Company personnel to make appropriate actions and decisions pertaining to the management of the Company's portfolio of risks.

Purpose

This ERM Policy forms part of DMCIHI's Corporate Governance Manual and shall:

1. Establish the risk management vision, goals and objectives of the Company;
2. Provide an enterprise-wide risk management framework, structure, and organization that support the achievement of the Company's risk management vision, goals, and objectives;
3. Define the roles and responsibilities of DMCIHI's Board of Directors ("BOD" or "the Board"), senior management, officers, and all employees with regards to the Company's risk management processes and activities;
4. Establish a common culture and language that promote consistent definition and understanding of risks and their related impact to the Company's business; and
5. Establish a consistent and enterprise-wide approach in identifying and prioritizing risks, analyzing inter-relationship among risks, identifying the drivers and sources of risks, development of strategies and action plans in managing risks, monitoring and reporting on the implementation of risk management strategies and action plans, and evaluating the effectiveness of the overall risk management process for continuous improvement.

Scope

This ERM Policy applies only to DMCIHI.

Enterprise Risk Management Vision

DMCIHI's enterprise risk management ("ERM") shall serve as one of the Company's key enablers for effective corporate governance and achievement of the Company's strategic objectives.

ERM Goals and Objectives

To effectively realize DMCIHI's risk management vision, ERM shall:

1. Establish a sustainable risk management process to enable DMCIHI to focus on and manage its key risks;
2. Embed risk management into the awareness and day-to-day activities of each DMCIHI officer and employee;
3. Integrate a rigorous risk management process into the strategic planning, budgeting and decision-making process; and
4. Provide a structured framework for enhancing DMCIHI's corporate governance

Risk Management Oversight Structure

To ensure the successful implementation of DMCIHI's ERM, it is important that a risk management structure is in place to have an integrated and independent view of the enterprise-wide risks across the different risks categories (e.g., strategic, operations, compliance and financial). This will allow the Company to reduce any gaps in risk coverage, risk management functional inefficiencies and overlaps, and confusion among concerned personnel due to lack of structured communication and reporting lines.

Develop Common Language

To enhance clarity of communication and action on risk-related matters, DMCIHI shall ensure that a common risk language as embodied in the Company's risk dictionary exists, is communicated, and understood by all employees at all levels of the organization. DMCIHI shall also ensure that the common risk language is continuously updated and modified to include new and emerging risks by considering factors that are both internal and external to the Company. This shall be done through the review of the risk dictionary at least annually or if there are any amendments made thereto.

Develop Risk Management Strategies

After identifying, prioritizing, and analyzing risks, DMCIHI shall develop strategies to manage risks consistent with the Company's strategic goals and objectives and risk appetite and tolerance levels. The strategy of DMCIHI' to (1) Accept - retain, reduce or exploit or (2) Reject – avoid or transfer, risks shall include cross-checking with other groups and stress-testing which involves developing conservative and aggressive assumptions and scenarios to test the effectiveness of the strategies.

Develop Risk Management Action Plans

Based on the approved risks management strategies, DMCIHI shall develop specific action plans to support the implementation of these strategies. DMCIHI shall ensure that appropriate communication protocols and channels exist to support the execution of action plans that require coordinated effort across business functions.

Monitor and Report on the ERM process

DMCIHI shall continuously monitor the risks and effectiveness of the implementation of the strategies/action plans. This shall be done by ensuring that risk management is a regular agenda item in BOD, ManCom, and functional level meetings. DMCIHI shall also ensure that all initiatives pertaining to the overall ERM process continuously monitored and regularly reported to the appropriate stakeholders in the Company. Monitoring of the ERM process shall be applied on: 1) existing priority risks; 2) new emerging risks; 3) risk management performance; and 4) specific measures, policies and procedures both at the enterprise-wide and business function levels.

Any material weaknesses or significant control deficiencies identified shall be reported and presented to the ManCom and BOD together with the actions being taken to resolve the issues or to follow up on the resolution of long-outstanding issues.

G. INTERNAL AUDIT AND CONTROL

1) Internal Control System

Disclose the following information pertaining to the internal control system of the company:

- (a) Explain how the internal control system is defined for the company;
The Company has in place an independent Internal Audit function which shall be performed by an Internal Auditor or a group of Internal Auditors, through which its Board, senior management, and stockholders shall be provided with reasonable assurance that its key organizational and procedural controls remain effective and appropriate, and are complied with.
- (b) A statement that the directors have reviewed the effectiveness of the internal control system and whether they consider them effective and adequate;
The Company's Audit Committee performs oversight function to its internal audit.
- (c) Period covered by the review
January to December 2013
- (d) How often internal controls are reviewed and the directors' criteria for assessing the effectiveness of the internal control system; and
On quarterly basis and annual audit under the supervision of the Audit Committee.

(e) Where no review was conducted during the year, an explanation why not. - **None**

2) Internal Audit

(a) Role, Scope and Internal Audit Function

Give a general description of the role, scope of internal audit work and other details of the internal audit function.

Role	Scope	Indicate whether In-house or Outsource Internal Audit Function	Name of Chief Internal Auditor/Auditing Firm	Reporting process
Under the supervision of the Audit Committee, the Internal Auditor should formulate the rules and procedures on financial reporting and internal control.	The Internal Auditor submits to the Audit Committee and Management an annual report on the internal audit department's activities, responsibilities and performance relative to the audit plans and strategies as approved by the Audit Committee.	In-House	Cristina C. Gotianun	Reports to the Audit Committee as deemed necessary.

(b) Do the appointment and/or removal of the Internal Auditor or the accounting /auditing firm or corporation to which the internal audit function is outsourced require the approval of the audit committee? **The appointment of the Internal Auditor is being approved by the Board and the Audit Committee. The internal audit procedures are done on per business segments which each internal auditors report to the Parent Company.**

(c) Discuss the internal auditor’s reporting relationship with the audit committee. Does the internal auditor have direct and unfettered access to the board of directors and the audit committee and to all records, properties and personnel?

Under the supervision of the Audit Committee, the Internal Auditor should formulate the rules and procedures on financial reporting and internal control. Yes, the internal auditor has direct and unfettered access to the board of directors and the audit committee.

(d) Resignation, Re-assignment and Reasons

Disclose any resignation/s or re-assignment of the internal audit staff (including those employed by the third-party auditing firm) and the reason/s for them.

Name of Audit Staff	Reason
None	

(e) Progress against Plans, Issues, Findings and Examination Trends

State the internal audit’s progress against plans, significant issues, significant findings and examination trends.

Progress Against Plans	The internal audit procedures are done on per business segments which each internal auditors report to the Parent Company. The internal auditors collaborate with the external auditor to consolidate the reports for presentation and approval by the Company’s Board of Directors.
Issues⁶	
Findings⁷	
Examination Trends	

[The relationship among progress, plans, issues and findings should be viewed as an internal control review cycle which involves the following step-by-step activities:

- 1) Preparation of an audit plan inclusive of a timeline and milestones;
- 2) Conduct of examination based on the plan;
- 3) Evaluation of the progress in the implementation of the plan;
- 4) Documentation of issues and findings as a result of the examination;
- 5) Determination of the pervasive issues and findings (“examination trends”) based on single year result and/or year-to-year results;
- 6) Conduct of the foregoing procedures on a regular basis.]

(f) Audit Control Policies and Procedures

Disclose all internal audit controls, policies and procedures that have been established by the company and the result of an assessment as to whether the established controls, policies and procedures have been implemented under the column “Implementation.”

Policies & Procedures	Implementation
The internal audit procedures are done on per business segments which each internal auditors report to the Parent Company.	The internal auditors collaborate with the external auditor to consolidate the reports for presentation and approval by the Company’s Board of Directors.

(g) Mechanism and Safeguards

State the mechanism established by the company to safeguard the independence of the auditors, financial analysts, investment banks and rating agencies (example, restrictions on trading in the company’s shares and imposition of internal approval procedures for these transactions, limitation on the non-audit services that an external auditor may provide to the company):

Auditors (Internal and External)	Financial Analysts	Investment Banks	Rating Agencies
Engagement contract with external auditors noted by stockholders; In-house internal auditor	No dealings; No need for mechanisms since non-public matters are not disclosed.		

(h) State the officers (preferably the Chairman and the CEO) who will have to attest to the company’s

⁶ “Issues” are compliance matters that arise from adopting different interpretations.

⁷ “Findings” are those with concrete basis under the company’s policies and rules.

full compliance with the SEC Code of Corporate Governance. Such confirmation must state that all directors, officers and employees of the company have been given proper instruction on their respective duties as mandated by the Code and that internal mechanisms are in place to ensure that compliance.

The following officers will attest and sign the Company's ACGR:

Isidro A. Consunji	Chairman/President/CEO
Herbert M. Consunji	Vice-President/CFO/Compliance Officer
Honorio O. Reyes-Lao	Independent Director
Antonio Jose U. Periquet	Independent Director

H. ROLE OF STAKEHOLDERS

1) Disclose the company’s policy and activities relative to the following:

	Policy	Activities
Customers' welfare	No customers to render goods and services	Not applicable
Supplier/contractor selection practice	Not applicable	
Environmentally friendly value-chain	Not applicable	
Community interaction	Implemented in the subsidiary level	
Anti-corruption programmes and procedures?	The Company conducts business in accordance with the law, the charter of the Company, and a high standard of commercial morality.	
Safeguarding creditors' rights	Liability to creditors in the parent level is being settled as become due	

2) Does the company have a separate corporate responsibility (CR) report/section or sustainability report/section?

Yes, it features the CSR projects and programs of its subsidiaries as a major section in the Company’s annual report

3) Performance-enhancing mechanisms for employee participation.

(a) What are the company’s policy for its employees’ safety, health, and welfare? – Subsidiary level

(b) Show data relating to health, safety and welfare of its employees.

The policies on health, safety and welfare of employees are on per subsidiary basis. The parent company and its subsidiaries provide health and life insurance benefits to its employees. Our subsidiaries have been ISO certified on their respective areas of concerns specifically on health and safety.

(c) State the company’s training and development programmes for its employees. Show the data.

The Company is committed to improving the performance of the Group, including the employees of its subsidiaries. The Company recognizes the benefits of trainings and development programs for the employees to grow and develop their skills and talents.

Below are trainings/seminars attended by key officers and employees:

Date	Seminars Attended
October 21, 2014	Corporate Governance Forum
September 25-26, 2014	National Public Relations Congress
September 2-3, 2014	Asian Forum on Corporate Social Responsibility
February 5, 2014/April 29, 2014/June 9, 2014	Distinguished Corporate Governance Seminar
October 18, 2013	Risk Driver Analysis Session
September 10, 2013	MAP CEO Conference
August 29, 2013	Presentation to Audit Committee
April 17, 2013	Unlocking the Power of Financial Modelling
August 23, 2012	Enterprise Risk Awareness Session by SGV & Co.
March 02, 2012	Economic Briefing by Victor Abola
December 15, 2010	Private-Public Partnership Briefing by Alberto Agra
July 30, 2010	Economic Briefing by Prof. Victor Abola
June 28, 2010	Cross Cultural Seminar by Prof. Yih-teen Lee
January 12, 2010	Leadership Seminar by Dr. Pablo Cardona
August 11, 2009	Introduction to Economics by Federico Macaranas
August 15, 2009	The Language of Business by Felixberto Bustos
August 21, 2009	The Chinese Financial System by Dr. Victor S. Limlingan

The Company has also in-house training through DM Consunji Technical Training Center. It provides quality training exclusive to the DMC Group of Companies such as Leadership, Supervisory Development, Problem Solving and Decision Making and Foremanship Training among others.

(d) State the company's reward/compensation policy that accounts for the performance of the company beyond short-term financial measures

The Company has a Multi-Employer Retirement Trust Fund which provides retirement, death, disability and severance benefits to all eligible employees of the Company and its subsidiaries.

4) What are the company's procedures for handling complaints by employees concerning illegal (including corruption) and unethical behaviour? Explain how employees are protected from retaliation.

The procedures are based on subsidiary level. Such cases on illegal and misbehavior are being handled by their respective Human Resources and Legal counsel teams.

I. DISCLOSURE AND TRANSPARENCY

1) Ownership Structure

(a) Holding 5% shareholding or more*

Shareholder	Number of Shares	Percent	Beneficial Owner
Dacon Corporation	6,076,969,505	45.77%	
DFC Holdings, Inc.	2,370,897,060	17.86%	
PCD Nominee Corp. (For)	2,220,623,841	16.72%	
PCD Nominee Corp. (Fil)	2,215,867,169	16.69%	

*as of December 31, 2014

Name of Senior Management	Number of Direct shares	Number of Indirect shares / Through (name of record owner)	% of Capital Stock
NONE			
TOTAL			

2) Does the Annual Report disclose the following:

Key risks	Yes
Corporate objectives	Yes
Financial performance indicators	Yes
Non-financial performance indicators	Yes
Dividend policy	Yes
Details of whistle-blowing policy	None (no formal policy yet)
Biographical details (at least age, qualifications, date of first appointment, relevant experience, and any other directorships of listed companies) of directors/commissioners	Yes
Training and/or continuing education programme attended by each director/commissioner	Yes
Number of board of directors/commissioners meetings held during the year	Yes
Attendance details of each director/commissioner in respect of meetings held	Yes
Details of remuneration of the CEO and each member of the board of directors/commissioners	Total remuneration is disclosed

Should the Annual Report not disclose any of the above, please indicate the reason for the non-disclosure.

3) External Auditor's fee

Name of auditor	Audit Fee	Non-audit Fee
SGV & Co.	Php 2,975,280.00	None

4) Medium of Communication

List down the mode/s of communication that the company is using for disseminating information.

- a. Print – Annual Reports, disclosures, information statements**
- b. Digital - website**

5) Date of release of audited financial report: **April 15, 2015**

6) Company Website

Does the company have a website disclosing up-to-date information about the following?

Business operations	Yes
Financial statements/reports (current and prior years)	Yes
Materials provided in briefings to analysts and media	Yes
Shareholding structure	Yes
Group corporate structure	Yes
Downloadable annual report	Yes
Notice of AGM and/or EGM	Yes
Company's constitution (company's by-laws, memorandum and articles of association)	Yes

Should any of the foregoing information be not disclosed, please indicate the reason thereto.

7) Disclosure of RPT

For the Parent Company level - NONE

RPT	Relationship	Nature	Value

When RPTs are involved, what processes are in place to address them in the manner that will safeguard the interest of the company and in particular of its minority shareholders and other stakeholders?

Transactions entered into by the Group with related parties are at arm's length basis and have terms similar to the transactions entered into by the company with third parties. The Company formulated policies and procedures that would ensure the integrity and transparency of related party transactions between and among the corporation and its parent company, joint ventures, subsidiaries, associates, affiliates, major stockholders, officers and directors, including their spouses, children and dependent siblings and parents, and of interlocking director relationships by members of the Board.

J. RIGHTS OF STOCKHOLDERS

1) Right to participate effectively in and vote in Annual/Special Stockholders' Meetings

(a) Quorum

Give details on the quorum required to convene the Annual/Special Stockholders' Meeting as set forth in its By-laws.

Quorum Required	At least a majority of the outstanding capital stock, except in cases where a higher quorum requirement is required by the Corporation Code, in which case, two-thirds (2/3) of the outstanding shares shall be required.
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(b) System Used to Approve Corporate Acts

Explain the system used to approve corporate acts.

System Used	Voting system (voting is usually done by the show of hands, and if required, through secret ballot).
Description	As provided in the Voting Procedures indicated in the Definitive Information Statement, the following are voting matters and procedures : a. Summary of Matters to be presented to Stockholders - b. Voting Procedures <i>(Approval/ratification of the minutes of the annual stockholders' meeting; Ratification of the acts of the Board of Directors and Officers; Appointment of Independent External Auditors; Election of Directors)</i>

(c) Stockholders' Rights

List any Stockholders' Rights concerning Annual/Special Stockholders' Meeting that differ from those laid down in the Corporation Code.

Stockholders' Rights under The Corporation Code	Stockholders' Rights <u>not</u> in The Corporation Code
In accordance with By-Laws and Manual on Corporate Governance	None

Dividends

Declaration Date	Record Date	Payment Date
May 15, 2014 (Cash-regular; P1.20/share)	May 30, 2014	June 13, 2014
May 15, 2014 (Cash-special; P1.20/share)	May 30, 2014	June 13, 2014
May 15, 2014 (400% Stock Dividend)	October 17, 2014	November 7, 2014

(d) Stockholders' Participation

1. State, if any, the measures adopted to promote stockholder participation in the Annual/Special Stockholders' Meeting, including the procedure on how stockholders and other parties interested may communicate directly with the Chairman of the Board, individual directors or board committees. Include in the discussion the steps the Board has taken to solicit and understand the views of the stockholders as well as procedures for putting forward proposals at stockholders' meetings.

In the last ASM, the Vice-Chairman of the Board opened the floor for any questions that the stockholders may have in relation to the President's Report. Several stockholders stated their questions on revenue contributions from subsidiaries; production of nickel mining for the second half of 2014 and prospects; expansion on the power business; a proponent/contractor for prospective PPP Projects; interest in Maynilad, among others. Thereafter, there being no other questions from the floor, upon motion made and duly seconded, the President's report was approved by the

majority of the outstanding capital stock.

The Company posted the Minutes of the Annual Stockholders' Meeting on its website a day after its meeting on August 5, 2014.

Measures Adopted	Communication Procedure
A Question & Answer session is being entertained after the Management Report is presented during the Annual Meeting	Part of the Agenda

2. State the company policy of asking shareholders to actively participate in corporate decisions regarding:
 - a. Amendments to the company's constitution
 - b. Authorization of additional shares
 - c. Transfer of all or substantially all assets, which in effect results in the sale of the company

All of the above are subject to stockholders approval.

3. Does the company observe a minimum of 21 business days for giving out of notices to the AGM where items to be resolved by shareholders are taken up? – **In accordance with the SRC Rules, at least fifteen (15) business days the information statements should be distributed to the stockholders. This year, the Company sent before the Annual Meeting the Notice of Meeting and Information Statements twenty three (23) business days before the stockholders' meeting date of August 5, 2014**
 - a. Date of sending out notices: **July 3, 2014**
 - b. Date of the Annual/Special Stockholders' Meeting: **August 5, 2014**
4. State, if any, questions and answers during the Annual/Special Stockholders' Meeting.

In the last ASM, the Vice-Chairman of the Board opened the floor for any questions that the stockholders may have in relation to the President's Report. Several stockholders stated their questions on revenue contributions from subsidiaries; production of nickel mining for the second half of 2014 and prospects; expansion on the power business; a proponent/contractor for prospective PPP Projects; interest in Maynilad, among others. Thereafter, there being no other questions from the floor, upon motion made and duly seconded, the President's report was approved by the majority of the outstanding capital stock.

The Company posted the Minutes of the Annual Stockholders' Meeting on its website a day after its meeting on August 5, 2014.

5. Result of Annual/Special Stockholders' Meeting's Resolutions

Resolution	Approving	Dissenting	Abstaining
Management Report	79.50%	None	None
Minutes of the previous meetings	79.45%	None	0.02%
Ratification of the acts of the Board of Directors and Officers	79.41%	None	0.07%

Appointment of Independent External Auditors	79.46%	None	0.02%
Election of Directors	79.45%	0.02	0.03
Other Matters	79.50%	None	None

Total number of shares present in person/represented by proxies: 2,111,132,650 shares
Percentage of the total outstanding shares present in person/represented by proxies: 79.50%
Total number of issued and outstanding capital stock: 2,655,494,000 shares

6. Date of publishing of the result of the votes taken during the most recent AGM for all resolutions:
August 5, 2014

(e) Modifications

State, if any, the modifications made in the Annual/Special Stockholders' Meeting regulations during the most recent year and the reason for such modification: **NONE**

Modifications	Reason for Modification
NONE	

(f) Stockholders' Attendance

(i) Details of Attendance in the Annual/Special Stockholders' Meeting Held:

Type of Meeting	Names of Board members / Officers present	Date of Meeting	Voting Procedure (by poll, show of hands, etc.)	% of SH Attending in Person	% of SH in Proxy	Total % of SH attendance
Annual	David M. Consunji Cesar A. Buenaventura Isidro A. Consunji Jorge A. Consunji Victor A. Consunji Herbert M. Consunji Ma. Edwina C. Laperal Honorio O. Reyes-Lao Antonio Jose U. Periquet Cristina C. Gotianun Atty. Pilar P. Gutierrez Victor S. Limlingan Aldric G. Borlaza Ma. Luisa C. Austria Brian T. Lim Tara Ann C. Reyes	August 5, 2014	As provided in the Voting Procedures indicated in the Definitive Information using Proxy Forms	3,500 (0.00%)	2,111,129,150 (79.50%)	2,111,132,650 (79.50%)
Special	No Special Stockholders' meeting held in 2014	Not applicable				

(ii) Does the company appoint an independent party (inspectors) to count and/or validate the votes at the ASM/SSMs? – **Yes, the Board of Directors appointed our External Legal Counsel and Transfer Agent to be Committee of Inspectors to validate votes during Annual Stockholders Meeting**

(iii) Do the company's common shares carry one vote for one share? If not, disclose and give reasons for any divergence to this standard. Where the company has more than one class of shares, describe the voting rights attached to each class of shares. – **Yes, one share-one vote policy.**

(g) Proxy Voting Policies

State the policies followed by the company regarding proxy voting in the Annual/Special Stockholders' Meeting.

	Company's Policies
Execution and acceptance of proxies	In accordance with the Definitive Information Statement which deadlines are provided
Notary	Not required
Submission of Proxy	In accordance with the by-laws and the Definitive Information Statement provides for specific deadlines
Several Proxies	-
Validity of Proxy	Valid only for the Stockholders' meeting for which it was intended unless otherwise provided but in no case valid for more than five (5) years.
Proxies executed abroad	Same requirements with locally executed
Invalidated Proxy	Not counted but copies are kept
Validation of Proxy	Date of validation provided in the DIS
Violation of Proxy	To be dealt in accordance with the Corporation Code

(h) Sending of Notices

State the company's policies and procedure on the sending of notices of Annual/Special Stockholders' Meeting.

Policies	Procedure
In accordance with the SRC Rule 20	

(i) Definitive Information Statements and Management Report

Number of Stockholders entitled to receive Definitive Information Statements and Management Report and Other Materials	The total number of stockholders as of Record Date who are entitled to notice of and vote for the ASM
Date of Actual Distribution of Definitive Information Statement and Management Report and Other Materials held by market participants/certain beneficial owners	July 3, 2014
Date of Actual Distribution of Definitive Information Statement and Management Report and Other Materials held by stockholders	July 3, 2014
State whether CD format or hard copies were distributed	Hard copies were distributed
If yes, indicate whether requesting stockholders were provided hard copies	Stockholders were provided hard copies and downloadable file available in the Company

	website.
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(j) Does the Notice of Annual/Special Stockholders' Meeting include the following:

Each resolution to be taken up deals with only one item.	Yes
Profiles of directors (at least age, qualification, date of first appointment, experience, and directorships in other listed companies) nominated for election/re-election.	Yes
The auditors to be appointed or re-appointed.	Yes
An explanation of the dividend policy, if any dividend is to be declared.	Yes
The amount payable for final dividends.	Yes
Documents required for proxy vote.	Yes

Should any of the foregoing information be not disclosed, please indicate the reason thereto.

2) Treatment of Minority Stockholders

(a) State the company's policies with respect to the treatment of minority stockholders.

In accordance with the Company's Manual on Corporate Governance

Policies	Implementation
Right to vote on all matters that require their consent or approval	One-share, one-vote
Pre-emptive right to all stock issuances of the corporation	Accurate and timely information should be made available to the stockholders to enable them to make a sound judgment on all matters brought to their attention for consideration or approval.
Right to inspect corporate books and records	In accordance with the Manual of Corporate Governance and By-Laws
Right to information	All material information, i.e., anything that could potentially affect share price, shall be publicly disclosed. Such information shall include earnings results, acquisition or disposal of assets, Board changes, related party transactions, shareholdings of directors and changes to ownership.
Right to dividends	The company has been consistently declaring annual dividends in favor of its common shareholders.
Appraisal right	Although all stockholders should be treated equally or without discrimination, the Board should give minority stockholders the right to propose the holding of meetings and the items for discussion in the agenda that relate directly to the business of the corporation.

(b) Do minority stockholders have a right to nominate candidates for board of directors?

Yes

K. INVESTORS RELATIONS PROGRAM

1) Discuss the company's external and internal communications policies and how frequently they are reviewed. Disclose who reviews and approves major company announcements. Identify the committee with this responsibility, if it has been assigned to a committee.

External and internal policies are all in accordance with the Company's By-Laws, Manual on Corp. Governance and Code of Business Conduct and Ethics. The Compliance Officer is responsible for reviewing company disclosures, get approval from the President or Chairman for release of such disclosure to the public as the need arises.

2) Describe the company's investor relations program including its communications strategy to promote effective communication with its stockholders, other stakeholders and the public in general. Disclose the contact details (e.g. telephone, fax and email) of the officer responsible for investor relations.

	Details
(1) Objectives	<ol style="list-style-type: none"> 1. Communicate to the Company's performance and significant undertaking to key stakeholders 2. Increase investor interest in the Company and create a positive market response 3. Maintain regular contact with analysts 4. Availability & promptness 5. Full, public and timely disclosure of material information to the Philippine Stock Exchange and to the Securities and Exchange Commission 6. Our Investor Relations Program is very strongly aligned with the Company's Corporate Governance Policies on Disclosures and Stockholders' Rights
(2) Principles	<ul style="list-style-type: none"> - To provide accurate and essential information to stockholders in a regular and consistent manner - Fairness & Transparency - To raise the Company's profile by attracting a diverse pool of investors - Respect the rights of minority shareholders - Namely: Right to Vote, Pre-emptive Right to all stock issuances of the corporation, Right to Inspect corporate books and record, Right to information, Right to dividends, Appraisal right
(3) Modes of Communications	<p>Via teleconference call, one-on-one and small group meetings. Tel: (632) 888 3000 local 1023 Fax: (632) 816 7362 Email: investors.dmciholdings@gmail.com</p>
(4) Investors Relations Officer	<p>Dr. Victor S. Limlingan, Managing Director Tara Ann C. Reyes, Investor Relations Officer</p>

- 3) What are the company's rules and procedures governing the acquisition of corporate control in the capital markets, and extraordinary transactions such as mergers, and sales of substantial portions of corporate assets?

The Company follows legal and regulatory requirements

Name of the independent party the board of directors of the company appointed to evaluate the fairness of the transaction price.

Engagement of financial advisor as deemed necessary

L. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

Discuss any initiative undertaken or proposed to be undertaken by the company.

Initiative	Beneficiary
The Corporate Social Responsibility (CSR) activities are being undertaken by the Company's subsidiaries in the community where its business operates	
Semirara Mining Corp. – Five Es (Employment, Electricity, Education, Environment, Economic Empowerment)	Residents of Semirara Island, Caluya, Antique
DMCI Homes – Kaakbay sa Edukasyon, Kalikasan, Kalusugan, at Pamayanan	Clients, unit owners and the neighborhood communities/barangays where the residential developments are situated.
Sem-Calaca Power Corp. – CSR programs for Education, Health, Environmental Protection, and Infrastructure Support,	Dependents of power plant employees, residents and barangays of Balayan and Calaca towns in Batangas

M. BOARD, DIRECTOR, COMMITTEE AND CEO APPRAISAL

Disclose the process followed and criteria used in assessing the annual performance of the board and its committees, individual director, and the CEO/President.

	Process	Criteria
Board of Directors	In the process of adopting a formal policy in accordance with the best practices	
Board Committees		
Individual Directors		
CEO/President		

N. INTERNAL BREACHES AND SANCTIONS

Discuss the internal policies on sanctions imposed for any violation or breach of the corporate governance manual involving directors, officers, management and employees

To strictly observe and implement the provisions of the Company's Manual, the following penalties shall be imposed, after notice and hearing, on the company's directors, officers, staff, subsidiaries and affiliates and their respective directors, officers and staff in case of violation of any of the provision of this Manual.

Violations	Sanctions
In case of first violation	The subject person shall be reprimanded.
in case of second violation .	Suspension from office shall be imposed
For third violation	<p>Maximum penalty of removal from office shall be imposed.</p> <p>The commission of a third violation of this Manual by any member of the Board of the company or its subsidiaries and affiliates shall be a sufficient cause for removal from directorship.</p>

The Compliance Officer shall be responsible for determining violation/s through notice and hearing and shall recommend to the Chairman the imposable penalty for such violation, for further review and approval of the Board.