



2024 Corporate Governance Report

www.dmciholdings.com



Table of Contents



The Company	3
Rights of Shareholders	11
Equitable Treatment of Shareholders	18
Roles of Stakeholders	25
Disclosure and Transparency	38
Board Responsibility	44
Company Information	71

The Company ↘

Company Background

DMCI Holdings, Inc. (the “Company”) was incorporated on March 8, 1995 as a holding company to consolidate all construction business, construction component companies and related interests of the Consunji Family. It was listed on the Philippine Stock Exchange on December 18, 1995 under the symbol “DMC”.

In only a few years after incorporation, the Company has expanded its business organization to include five major subsidiaries, namely: D.M. Consunji, Inc. (DMCI), DMCI Project Developers, Inc. (PDI), Semirara Mining and Power Corporation (SMPC), DMCI Power Corporation (DMCI Power), and DMCI Mining Corporation (DMCI Mining).

Since November 2010, it has been a member of the benchmark Philippine Stock Exchange Composite Index (PSEi) which includes thirty of the biggest and most actively traded stocks in the country.

DMC is among the highest dividend paying stocks in the local market, with a dividend payout ratio of at least 39% of the preceding year’s consolidated core net income. The Company is also recognized for its commitment to good corporate governance and gender equality.



Vision



WE ARE THE LEADING INTEGRATED ENGINEERING AND MANAGEMENT CONGLOMERATE IN THE PHILIPPINES. THROUGH OUR INVESTMENTS, WE ARE ABLE TO DO THE FOLLOWING:



Deliver exceptional shareholder value



Motivate and provide employees with opportunities and just rewards to achieve their full potential



Cultivate progress in remote areas, unserved markets and growth industries



Integrate sustainable development with superior business results through principled contracting and innovative engineering

Mission



TO INVEST IN ENGINEERING AND CONSTRUCTION-RELATED BUSINESSES THAT BRING REAL BENEFITS TO PEOPLE AND THE COUNTRY.

Values



Integrity



Fairness



Customer Focus



Teamwork



Accountability



Innovation



Sustainability

Corporate Strategy



We choose industries that allow us to leverage our engineering and management expertise and construction resources, while promoting development.



We engage and retain our employees by investing in skills development and career opportunities.



We pursue businesses with unrealized value that could be unlocked through innovative engineering and management.



We manage our businesses in accordance with relevant government standards on environment, safety, quality and corporate governance practices.

The Board



ISIDRO A. CONSUNJI



CESAR A. BUENAVENTURA



JORGE A. CONSUNJI



MA. EDWINA C. LAPERAL



MARIA CRISTINA C. GOTIANUN



LUZ CONSUELO A. CONSUNJI



CYNTHIA R. DEL CASTILLO



ROBERTO L. PANLILIO



BERNARDO M. VILLEGAS

Good Governance



We believe that good corporate governance helps ensure financial stability and sustainable growth. Having a well-established system of rules, practices and processes allows us to balance the varying interests of our stakeholders with the long-term goals of our organization.

We strive to build a strong compliance mindset among our Officers, employees, subsidiaries and affiliate by promptly apprising them of compliance requirements and procedures.

Regular consultations are also done across the DMCI group to facilitate alignment and understanding of our Company's corporate governance practices.

We comply with the regulatory and reportorial requirements of the Securities and Exchange Commission (SEC) and Philippine Stock Exchange (PSE).

Effective 22 May 2017, the Company adopted the Code of Corporate Governance for Publicly Listed Companies ("CG Code for PLCs") of SEC. The CG Code for PLCs adopts a "comply or explain" approach that combines voluntary compliance with mandatory disclosures. This is to raise the corporate governance standards of the PLCs to a level at par with regional and global counterparts.

ASEAN Corporate Governance Scorecard (ACGS)



The ASEAN Capital Markets Forum (ACMF), in partnership with the Asian Development Bank (ADB), have jointly developed the ASEAN Corporate Governance Scorecard (ACGS).

The ACGS is an assessment based on publicly-available information and benchmarked against international best practices. Through the years, the ACGS has been a driving force in underpinning good corporate governance practices among publicly-listed companies.

ACGS is based on the corporate governance principles of OECD, which include: Rights of Shareholders, Equitable Treatment of Shareholders, Role of Stakeholders, Disclosure and Transparency, and Responsibilities of the Board.

DMCI Holdings has been steadily enhancing its system of rules, practices and processes to balance the interests of its many stakeholders. It has also committed to adopting the ACGS as an assessment methodology.

In the last ten years, our ACGS score has improved from 63.96 points in 2014 to 108.11 points in 2023, outpacing the average score for local conglomerates and top 100 publicly listed companies in the country based on market capitalization.



DMCI Holdings received the prestigious 3 Golden Arrow award at the 2024 ACGS Golden Arrow Recognition held on September 19, 2024, a testament to their sustained commitment to top-tier corporate governance standards. DMCI Holdings has been consistently recognized as ASEAN Corporate Governance Scorecard (ACGS) Golden Arrow awardees since 2019.

Pictured from left to right: Francisco A. Dizon (SMPC Independent Director), Herbert M. Consunji (DMCI Holdings Executive Vice President and Chief Finance Officer and SMPC Director), Ferdinand M. Dela Cruz (SMPC Lead Independent Director).

ACGS Results



DMCI Holdings, Inc. has been recognized for the second straight year with a 3 Golden Arrow award at the prestigious ASEAN Corporate Governance Scorecard (ACGS) Golden Arrow Awards. DMC has been an awardee of ACGS since 2019.

	DMC	HOLDING FIRMS	TOP 100 PLCS
2014	63.96	56.42	67.59
2015	84.57	63.53	73.09
2016	87.66	64.01	74.59
2017	85.69	58.68	67.61
2018	91.67	60.96	75.47
2019	100.70	63.93	77.24
2020	104.45	66.95	78.95
2021	96.64	72.58	87.55
2022	102.03	75.50	90.68
2023	108.11	75.24	75.71

Statement of Compliance with Corporate Governance



For the calendar year 2024, the Chief Compliance Officer attested to and certified that the Company has substantially complied with the provisions of its Manual on Corporate Governance for Publicly-listed Companies, as prescribed by SEC Memorandum Circular No. 19 Series of 2016. Non-compliances are due to the organization's business size, strategies and board structure that are being identified and explained and disclosed in the Company's Integrated Annual Corporate Governance Report (IACGR).

Disclosures



To protect our shareholders and contribute to the development of the Philippine capital market, we promptly disclose structured and non-structured reports and material information about our Company.

- | | |
|--|--|
| ● Information Statements (SEC Form 20-IS) | ● Statement of Changes in Beneficial Ownership of Directors and Officers |
| ● Annual and Quarterly Reports | ● Results of Annual Stockholders' Meeting |
| ● Dividend Notice | ● Results of Board Meetings |
| ● Notice of Annual Stockholders' Meeting | ● Public Ownership Reports |
| ● Notice of Analysts' Briefings | ● Other Material Information under SEC Form 17-C |
| ● Changes in Shareholdings of Directors and Officers | |

Transactions involving the trading of our shares by our Directors and Officers are disclosed and reported to the PSE and SEC within three (3) trading days, which is stricter than the prescribed reporting period of five (5) trading days.

RIGHTS OF SHAREHOLDERS



Right to Dividends



Shareholders have the primary financial right to participate in our profits, and we are fully committed to upholding this right by providing them reasonable economic returns on their stock investments.

Our policy aims for a dividend payout ratio of at least 25 percent 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.

Since 2006, our total dividend payout has amounted to P132 billion, which makes us one of the best dividend-paying companies in the Philippines.

From time to time, we may declare special dividends as a return of excess funds to our shareholders, as determined by the Board of Directors.



Cash Dividends



On 4 April 2024, the Board declared regular and special cash dividends of P0.46 and P0.26 respectively, for a combined dividend of P0.72 per common share.

The payout totaled P9.6 billion out of the unrestricted retained earnings of the Company as of 31 March 2024 in favor of the common stockholders of record as of 22 April 2024.

On October 16, 2024, the board approved another special dividends of P0.48 per common share or a total of P6.4 billion to stockholders of record as of October 30, 2024. For 2024, the Company paid a total of P15.93 billion cash dividends to stockholders.

All shareholders were treated equitably in the payout of dividends, and were fully paid the declared cash dividends within thirty (30) days from the declaration date.

Dividends declared for the last five years

DIVIDEND TYPE	AMOUNT/SH	DECLARATION DATE	PAYMENT DATE	RECORD DATE	TOTAL AMOUNT
Regular	P0.23	Mar. 5, 2020	Apr. 3, 2020	Mar. 23, 2020	3,053,818,100.00
Special	P0.25	Mar. 5, 2020	Apr. 3, 2020	Mar. 23, 2020	3,319,367,500.00
Regular	P0.13	Mar. 29, 2021	Apr. 26, 2021	Apr. 15, 2021	1,726,071,100.00
Special	P0.35	Mar. 29, 2021	Apr. 26, 2021	Apr. 15, 2021	4,647,114,500.00
Special	P0.48	Oct. 12, 2021	Nov. 10, 2021	Oct. 26, 2021	6,373,185,600.00
Regular	P0.34	Apr. 1, 2022	Apr. 29, 2022	Apr. 19, 2022	4,514,339,800.00
Special	P0.14	Apr. 1, 2022	Apr. 29, 2022	Apr. 19, 2022	1,858,845,800.00
Special	P0.72	Oct. 18, 2022	Nov. 16, 2022	Nov. 2, 2022	9,559,778,400.00
Regular	P0.61	March 29, 2023	April 28, 2023	April 17, 2023	8,099,256,700.00
Special	P0.11	March 29, 2023	April 28, 2023	April 17, 2023	1,460,521,700.00
Special	P0.72	October 10, 2023	November 9, 2023	October 24, 2023	9,559,778,400.00
Regular	P0.46	April 4, 2024	May 3, 2024	March 31, 2024	6,107,636,200.00
Special	P.026	April 4, 2024	May 3, 2024	March 31, 2024	3,452,142,200.00
Special	P0.48	October 16, 2024	November 15, 2024	October 30, 2024	6,373,185,600.00
TOTAL					70,105,041,600.00

Right to Participate in Fundamental Changes



We respect and uphold our shareholders' right to participate, be informed and vote on fundamentally important matters during our annual stockholders meeting (ASM). Fundamental corporate changes and governance matters requiring approval during shareholder meetings include, among others:

- Amendments to the Company's Articles of Incorporation and By-laws and similar governing documents
- Appointment, re-appointment of external auditors
- Authorization of additional shares
- Extraordinary transactions, including transfer or sale of all or substantially all of the Company's assets, sale of a business unit or subsidiary that accounts for a majority portion of the Company's assets
- Nomination by non-controlling shareholders of candidates for Board of Directors

Right to Participate in Annual Stockholders' Meeting



Our shareholders are encouraged to exercise their rights to participate in the ASM. It is the responsibility of the Board to adopt policies informing shareholders of all their rights.

On May 21, 2024, the Company's ASM was held virtually. Stockholders cast their votes via electronic voting in absentia and by proxy.

At least 21 days before our ASM, we send our stockholders a formal notice (Notice of Annual Stockholders' Meeting) to advise them on the ASM date, location, agenda, rules and voting procedures. The rationale and explanation of each item in the agenda which requires stockholder approval were provided in the notice of meeting.

The distribution of the ASM materials was done thru the publication of Notice of ASM in the business section of two newspapers of general circulation, in print and online format, for two consecutive days. Provided that, the last publication of the Notice of ASM shall be made no later than twenty-one (21) days prior to the scheduled ASM. This is an alternative mode of distribution of the ASM materials in compliance with the SEC Notice dated February 23, 2024.

The Information Statement (IS) and other related materials were distributed on April 26, 2024 to our stockholders of record, or 25 days prior to the 21 May 2024 ASM. The Company used the QR Code containing the materials related to the ASM.

With such information, we hoped to facilitate their attendance and encourage their participation in our virtual annual meeting.

Publication of ASM Notice	
DATE	LINK
APRIL 26, 2024 Philippine Star Business Mirror	https://www.philstar.com/business/biz-memos/2024/04/26/2350126/dmci-notice-annual-stockholders-meeting
	https://businessmirror.com.ph/2024/04/26/dmci-holdings-inc-issues-notice-of-annual-meetings-of-stockholders/
APRIL 27, 2024 Philippine Star Business Mirror	https://www.philstar.com/business/biz-memos/2024/04/27/2350127/annual-stockholders-meeting-dmci-slated-may-21
	https://businessmirror.com.ph/2024/04/27/dmci-holdings-inc-issues-notice-of-annual-meetings-of-stockholders-2/



Approval of remuneration of Directors

The Company has a policy that requires our stockholders to approve any changes in the per diem remuneration of our Directors. In 2024, there were no changes in their per diem.

Right to Nominate

In accordance with existing laws, all shareholders—including those that have non-controlling stakes, have the right to nominate candidates for the Board of Directors as part of the nomination process and procedures. In 2024, such nomination for Independent Directors by a minority shareholder was appropriately disclosed in our Company's SEC 20-IS.

Voting Procedures

During the 2024 ASM, the Company implemented the electronic voting in absentia and by proxy. The voting procedures were also explicitly explained in the Notice of ASM and Information Statement distributed to the stockholders and in the Notice of Stockholders' Meeting disclosed to the SEC and PSE and posted in the Company's website.

The Company follows cumulative voting for the election of Directors. For other resolutions, the Company adheres to the "one-share, one-vote" policy.

Stockholders were given the opportunity to ask questions by sending their questions via email to the company prior and during the meeting. Their corresponding answers were sent individually to the stockholders who asked and were also duly recorded in the minutes of the ASM.

Virtually present during the 2024 ASM were the Chairman of the Board and President, other Directors, Corporate Secretary, Officers and external auditor (SGV). The Presidents and CFOs of the subsidiary and affiliate companies were also in attendance.

Disclosure of voting results

The Company disclosed the results of the ASM on the same day, including the poll voting results which include approving, dissenting, and abstaining votes for all resolutions in the Agenda. The disclosure was filed with the SEC and uploaded to the PSE EDGE portal (online disclosure). The same was posted in the Company's website.

Link:

<https://www.dmciholdings.com/governance/annual-stockholders-meeting-matters>

Directors' attendance in annual meetings

The disclosure on the results of the ASM also include the attendance of the Board of Directors, as well as the Chairman and President, and Chairmen of the Board Committees. In 2024, all Directors attended the ASM. The Chairmen of the Board Committees were also present.

Voting in person or in absentia

We respect the rights of our shareholders to participate and vote in our ASM. Shareholders who are unable to attend our ASM are given the right to participate and vote in absentia via proxy or thru the online voting system that the Company implemented. Whether made in person or in absentia, shareholder votes carry equal effect.

Poll Voting

Poll voting was conducted, as opposed to by show of hands, for all resolutions. Punongbayan & Araullo (P&A) was appointed as the independent body to count and validate the votes by the shareholders for items stated in the agenda requiring approval and/or ratification. Votes were counted for each agenda item. Voting results were presented for each agenda item during the meeting to inform the participants of the outcome.

Board Canvassers

In its meeting held on March 5, 2024 the Board appointed P&A as Board Canvassers to facilitate the voting proper, validating of ballots and counting of votes.

Institutional Investors

Being a listed company, we recognize our contributory role in the development of the Philippine capital market and the advantages of having well-resourced, professional shareholders (institutional investors).

ENTRY

We encourage the entry of institutional investors holding more than 5 percent of Company shares (as per PSE Disclosure 17-12 Top 100 Stockholders List) by providing them with sufficient rights and access to information

PARTICIPATION

To facilitate the attendance and participation of institutional investors in our ASM, we furnish them with timely and sufficient information regarding such meetings. We also hold the ASM at a venue that is easily accessible to retail and institutional investors. Due to the pandemic brought about by Covid-19, we held our 2020, 2021 and 2022 ASM via remote communication. Stockholders cast their votes by using the electronic voting system or by proxy.

FAIR TREATMENT

We uphold the principle of fair treatment of all stockholders on all matters of importance to all investors, particularly institutional investors, such as decisions related to mergers and acquisitions.

Other Shareholders' Rights

We respect other shareholder rights, as provided for in the Corporation Code of the Philippines and in the New Manual on Corporate Governance.

RIGHT TO INSPECTION

Shareholders are entitled to inspect the corporate books and records to determine the financial condition of the Company, and understand how the corporate affairs are being managed. In so doing, they can take the appropriate measures to protect their investment.

RIGHT TO PARTICIPATE IN DECISIONS CONCERNING FUNDAMENTAL CORPORATE CHANGES

The Company encourages all stockholders to attend the ASM and actively participate in the major and fundamental changes in the Company, such as, but not limited to: (a) any amendment of the Articles of Incorporation and By-laws, (b) any change in the authorized capital of the Company, and (c) the transfer of all, or substantially all, of the corporate assets as provided in the Corporation Code.

RIGHT TO PROPOSE HOLDING OF MEETING

Minority shareholders shall be granted the right to propose the holding of a meeting, and the right to propose items in the agenda of the meeting within sixty (60) calendar days prior to the filing of the preliminary information statement, provided the items are for legitimate business purposes.

APPRAISAL RIGHT

Shareholders have the right to dissent and demand payment of the fair value of their stocks, subject to the instances provided for in the Corporation Code.

RIGHT TO INFORMATION

Shareholders have the right to receive periodic reports which disclose personal and professional information about the Directors, Officers and certain other matters such as their shareholdings in the Company, material transactions with the Company, relationship with other Directors and Officers and the aggregate compensation of Directors and Officers.

EQUITABLE TREATMENT OF SHAREHOLDERS



Our corporate governance framework is designed to protect and facilitate the exercise of shareholders' rights, while ensuring the equitable treatment of our retail and institutional investors.

To ensure that the rights and interests of our retail and institutional investors are protected, we uphold policies and practices that accord equal voting rights, reasonable economic returns, unrestricted access to material information and appropriate safeguards against discriminatory and abusive conduct.

It is also our policy to keep our openly traded shares above the 10% minimum public float requirement of the PSE.

Proportionate Voting

We maintain a share structure of “one vote per one common share”, and have no current practice that have led us to award disproportionate voting rights to select shareholders.

In the event that extraordinary circumstances necessitate further special arrangements where we issue special cases of shares, thus, resulting in disproportionate claim on voting rights, we shall issue a full disclosure and detailed justification of such action.

Before taking such an extraordinary action, we shall seek the requisite approval from our shareholders.

Notice of Annual Stockholders’ Meeting

Our 2024 ASM Notice, with corresponding details and rationale for each agenda item, was disclosed to the PSE and uploaded on our company website on 01 April 2024. The Notice was issued fifty (62) days before the regular ASM on 21 May 2024, exceeding the prescribed period of twenty-eight (28) days under the ACGS.

Pursuant to SEC rules, we likewise filed our SEC 20-IS (Definitive Information Statement) on 22 April 2024. The filing included the detailed agenda, relevant stockholder information, proxy form, management report and financial statements.

The SEC 20-IS was filed twenty eight (28) days before the ASM, exceeding the prescribed period of twenty-one (21) days under the ACGS.

The following key items, which required shareholder disposition, were included in the 2024 Notice of ASM:

- Management Report for the year ending 31 December 2023
- Ratification of all Acts of the Board of Directors and Officers during the preceding year
- Appointment of Independent Auditor
- Election of Directors, including three Independent Directors

The following are also included in the Notice of ASM and Information Statement

- Profiles of Directors seeking election/re-election include age, academic qualifications, date of appointment, experience, directorships in other listed companies and civic affiliations
- The name of External auditor and Partner seeking re-appointment
- Proxy Form and voting procedures
- Management Report (Pursuant to SEC Rule 20 (4))
- Audited Financial Statements of the preceding year

Each resolution in the ASM agenda deals only with one item. There was no bundling of several items in one resolution. All materials distributed to shareholders were written in English.

Insider Trading

Our Insider Trading policy explicitly prohibits insider trading to prevent conflict of interest and benefiting from insider information or knowledge not available to the general public.

Directors, Officers and all Covered Persons are strictly prohibited from trading during the following periods:

STRUCTURED AND NON-STRUCTURED DISCLOSURES

Directors, Key Officers and all Covered Persons are strictly prohibited from trading the Company shares during the period within which a material non-public information is obtained and up to two (2) full Trading Days after the price sensitive information is disclosed.

Directors and Officers as defined in the By-laws and Board Charter are required to report their trades of the Company's shares within three (3) business days to the Office of the Compliance Officer for eventual compliance reporting to PSE and SEC.

in 2024, there were no complaints received regarding misuse of insider information committed by any Director, Officer or Covered Person.

DEFINITION OF COVERED PERSONS

- Members of the Board of Directors and the Corporate Secretary of the Company and its subsidiaries.
- 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 employee 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, Officers and all other Covered Persons who are living in the same household as the abovementioned Covered Persons

The following table summarizes the trading of Company shares by our Directors and Officers in 2024.

2024 SUMMARY OF TRADING OF DMC SHARES BY THE BOARD OF DIRECTORS

DIRECTOR	As of 1/1/2024	BOUGHT	SOLD	NATURE OF OWNERSHIP	As of 12/31/2024
ISIDRO A. CONSUNJI	65,000	-	-	Direct	65,000
	180,464,622	-	-	Indirect	180,464,622
CESAR A. BUENAVENTURA	700,000	250,000	-	Direct	950,000
	5,750,000	-	-	Indirect	5,750,000
JORGE A. CONSUNJI	5,000	-	-	Direct	5,000
	39,741,492	-	-	Indirect	39,741,492
MARIA CRISTINA C. GOTIANUN	5,500	-	-	Direct	5,500
	155,131,483	2,916,100	-	Indirect	158,047,583
MA. EDWINA C. LAPERAL	3,315,000	-	-	Direct	3,315,000
	112,117,933	-	-	Indirect	112,117,933
LUZ CONSUELO A. CONSUNJI	101,000	-	-	Direct	101,000
	32,917,142	-	-	Indirect	32,917,142
ROBERTO L. PANLILIO	1,000	-	-	Direct	1,000
	-	-	-	Indirect	-
BERNARDO M. VILLEGAS	1,000	-	-	Direct	1,000
	-	-	-	Indirect	-
CYNTHIA R. DEL CASTILLO	1,000	-	-	Direct	1,000
	-	-	-	Indirect	-

2024 SUMMARY OF TRADING OF DMC SHARES BY THE KEY OFFICERS

DIRECTOR	As of 1/1/2024	BOUGHT	SOLD	NATURE OF OWNERSHIP	As of 12/31/2024
HERBERT M. CONSUNJI	293,000	-	-	Direct	293,000
	-	-	-	Indirect	-
NOEL A. LAMAN	100,000	-	-	Direct	100,000
	-	-	-	Indirect	-
MA. PILAR P. GUTIERREZ	-	-	-	Direct	-
	-	-	-	Indirect	-
JOSEPH ADELBERT V. LEGASTO	100,000	-	-	Direct	100,000
	-	-	-	Indirect	-
HANNAH CECILE L. CHAN	-	-	-	Direct	-
	-	-	-	Indirect	-

Material Related Party Transactions

Our Material Related Party Transaction (MRPT) Policy requires any transaction with related parties to be made on terms equivalent to those that prevail in an arm's length transaction.

The policy also sets the thresholds and categories for disclosure and approval of MRPTs, the amount of which shall be considered for purposes of applying these thresholds.

As defined under its Board-approved Charter, the Audit Committee shall oversee and review the propriety of MRPTs and their required reporting disclosures.

In August 2019, the Board approved the amended Material RPT Policy to comply with the SEC Memorandum Circular No. 10 Series of 2019 on Rules on Material Related Party Transactions for Publicly-listed Companies. Under the new RPT policy, the materiality threshold is ten percent (10%) of the company's consolidated total assets based on its latest audited consolidated financial statement.

Related party transactions that are less than ten percent (10%) of Consolidated Total Assets of the latest Audited Consolidated Financial Statements requires approval of the President.

Upon further review, the policy was amended in June 2020.

Company Loan

Pursuant to our amended Related Party Transactions Policy, the Company prohibits the grant of personal loans, advances, guarantees and securities in any manner to its Directors, including their spouses and other dependents.

Share Repurchases

There were no share repurchase made in 2024.

ROLE OF STAKEHOLDERS

Our stakeholders may not have equity stakes in our Company but we are committed to protecting their rights and interests, as defined by the law or through mutual agreements. We encourage their active cooperation and recognize their contributory role in creating wealth, generating jobs and ensuring the sustainability of the Company.



Employees

Our people are our biggest competitive advantage. Their expertise, professionalism and loyalty enable us to create and deliver value to our shareholders. To attract and retain the right talent, we strive to provide the following:

REMUNERATION AND BENEFITS

Our compensation structure is set at levels that are appropriately competitive in attracting, motivating and retaining competent individuals.

We also provide variable cash incentives based on individual and company performance, to support a high-performance culture that actively strives to grow the business and increase shareholder value.

CULTURE

We invest in talent development to empower our employees and prepare them for progressively challenging work. Our goal is to create a culture of excellence where our employees can prosper and achieve their full potential.

EQUALITY

Our Code of Business Conduct and Ethics provides a clear system of policies, processes and controls, while our whistleblowing mechanism provides a confidential venue for employees to raise valid, fact-based ethical concerns.

Whistleblowers may report such concerns through our dedicated email address at whistleblower@dmcinet.com.

SAFETY AND HEALTH

We are committed to providing our employees with a workplace that protects their safety, health and welfare.

To continually improve the health and safety of our people and those working in our subsidiaries, our Board periodically reviews the policies requiring each subsidiary Board to formulate its own employee health, safety and welfare policy.

GENERAL WELFARE

Employees are likewise provided internal and external trainings to further develop their skills.

To strengthen their industry knowledge, they are encouraged to join and participate in professional clubs and organizations outside the Company.

Customers

We are committed to meeting customer requirements in a mutually fair and satisfactory manner. Through our subsidiaries, we aim to provide construction, real estate, power, mining and water clients/consumers with superior quality products and services at a reasonable price, as provided for in our Code of Business Conduct and Ethics.

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

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

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

Our Directors, Officers and employees are mandated to:

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

Suppliers and Contractors

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

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

Supplier/Contractor Selection

Seek and maintain mutually beneficial relationships with suppliers and contractors that uphold the principles of fairness, accountability, integrity and transparency.

Give qualified suppliers and contractors adequate, fair, and equal opportunity to bid on goods and services for the Company's projects or requirements.

Select suppliers and contractors based on organizational needs, quality requirements, cost, track record and ability to deliver according to set deadlines.

As a general rule, choose suppliers and contractors on the basis of Competitive Bidding. Negotiated contracts may be applied, provided that it is in the best interest of the Company to enter into such a strategic engagement.

Avoid adopting and/or requiring specifications of products and services that either favors a particular supplier or contractor, or limits competitive sourcing.

Seek the best value for money from the suppliers and contractors, and avoid compromising the quality standards of the Company.

On Supplier/Contractor Treatment

Hold in confidence all dealings with bidders and suppliers.

Ensure that suppliers abide by the policies, practices and standards of the Company.

Facilitate payment disbursements committed to suppliers and contractors in a prompt manner and in accordance with the applicable contract provision.

Promote and observe ethical conduct in their relationships, actions, and communications with suppliers and contractors at all times. Actions, speech or behavior that in any way diminishes open, honest and fair treatment of suppliers shall be avoided.

Not solicit, accept or attempt to accept any bribe in exchange for being awarded a contract.

Declare their personal relationships and/or previous business and official dealings and relationships with any of the owners, officers, and representatives of the supplier or contractor they are dealing with when dealing or transacting directly or indirectly, with such parties.

Be vigilant against any irregular, illegal, or unethical conduct of suppliers, contractors and/or fellow directors, officers and employees. The Company encourages everyone to report any such violations based on the existing Whistleblowing Policy.

Creditors

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

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

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

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

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

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

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

Government

In support of the government's Philippine Development Plan, we invest in businesses that contribute to the sustainable economic growth and development of the country, while improving the quality of life of Filipinos.

We comply with relevant laws, rules and regulations set by the Philippine government, and deal with their representatives in a fair, reasonable and ethical manner.

Equally important, our income tax, royalty and license payments provide the government with significant and stable revenues to support its socio-economic programs.

In 2024 our income tax, royalties and licenses due to the government amounted to Php P10.84 billion.

Community and Environment

Sustainability is embedded in the way we conduct our business. In generating positive social and economic value for our stakeholders, we make sure that our procedures and practices are environmentally friendly.

To contribute to the overall sustainability of the physical environment where we operate, we comply with all applicable environmental laws and regulations. We also reduce our environmental footprint through energy conservation, responsible water use and recycling, among others.

We consider our host community as our growth partner, and contribute to its social development programs by paying appropriate taxes and complying with relevant laws, regulations, resolutions and ordinances.

Through our subsidiaries, we also empower the local communities where they operate by providing employment, livelihood opportunities and basic services that will help improve their quality of life.

Link to Sustainability Report:

<https://www.dmciholdings.com/sustainability/#sustainability-reports>

Climate Change

DMCI Holdings recognizes the significance of climate change, a global issue affecting human health, food security, water resources, biodiversity, and economies. We are aware of our contribution to climate change and are committed to mitigating our environmental impact.

We also view climate change alongside social considerations because we believe that positive social impact is just as important as environmental impact.

While the nature of our businesses precludes us from significantly reducing our carbon footprint, we believe that we can make meaningful contributions towards addressing the reality of climate change by:

- Enhancing the knowledge, capacities and readiness of our employees and other relevant stakeholders on climate change adaptation and mitigation;
- Encouraging our subsidiary companies to develop and implement environmental stewardship programs in their host communities;
- Adopting energy-efficient technologies and energy conservation practices across the DMCI group;
- Partnering with stakeholders and supporting programs/projects on climate change research, mitigation, adaptation, preparedness and resilience;
- Monitoring and reporting our greenhouse gas emissions and climate change mitigation activities; and
- Considering climate risks and opportunities and integrating them in our business strategy and risk management.

Stakeholder Commitment

We are committed to upholding all laws that safeguard the proper and fair treatment of our internal and external stakeholders.

While we prioritize profit maximization and the optimization of shareholder value, we are equally devoted to maintaining a balanced approach that considers both short-term financial performance and the broader objective of sustained corporate success.

To ensure long-term sustainability and strength, we pledge to foster loyalty, commitment, and support among our stakeholders by implementing fair and forward-thinking policies.

Anti-corruption and Bribery

The Company believes that bribery and corruption are unethical, unacceptable and inconsistent with our founding principles. We are committed to maintaining the highest possible ethical standards and complying with all applicable laws.

In our operations, we seek to avoid even the appearance of impropriety with respect to the transactions and dealings of our directors, officers and employees with the customers, suppliers, business partners and the government.

This policy provides the following guidelines for strict observance by our directors, officers and employees:

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

Anti-sexual Harassment Policy

This Anti-Sexual Harassment Policy aims to protect the people in our Company from unwanted sexual advances and give them guidelines on how to deal with such incidents.

Our directors, officers, employees and subsidiaries where we have management and operational control are covered by this policy, regardless of their gender, sexual orientation, level, function, seniority or status.

We do not tolerate sexual harassment in our workplace in any shape or form. Our culture is based on mutual respect and cooperation, and we consider sexual harassment a serious violation of these principles.

The HR departments under the DMCI group of companies should try to prevent sexual harassment by building a culture of dignity, trust and respect within their respective companies. This includes providing trainings, mechanisms and other guidelines for preventing and addressing sexual harassment in the workplace.

Under Philippine law, sexual harassment is committed when a person who, having authority, influence or moral ascendancy over another demands, requests or otherwise requires any sexual favor from the other, regardless of whether the demand, request or requirement for submission is accepted by the object.

Conflict of Interest

Our Code of Business Conduct and Ethics explicitly provides guidelines on conflict of interest and fair dealings, among others.

These guidelines apply to all Directors, Officers and employees.

Conflict of interest situations refer to ownership of a part of another company or business having interests adverse to our Company, and accepting commissions or share in profits from any supplier, customer or creditor.

We do not seek competitive advantages through illegal, unethical or unfair dealing practices.

Directors, Officers and employees are expected to deal with our customers, service providers, suppliers, and competitors in a fair manner.

They are likewise barred from taking unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair dealing practice.

Diversity, Equality and Inclusion Policy

Bereavement Policy

All regular, full-time employees who have worked for the Company for at least six (6) months may take a 1-day bereavement leave with full pay to attend or arrange the funeral of a spouse, child or parent. The subsidiaries of the Company may likewise adopt at least a one-day bereavement leave, subject to approval by the respective board of directors.

In addition to bereavement leave, employees may, with the approval of his or her supervisor, use any available vacation leave for further time off, as necessary.

Employee Engagement Policy

Our people are the drivers of our success, and we continually strive to create a safe, healthy, inspiring and engaging work environment that attracts and retains top talent.

Every year, our subsidiaries are required to conduct an employee engagement survey to help boost engagement and reduce attrition. Data gained from the survey must be assessed by gender and, where practicable, used to enhance health, safety, diversity and inclusion in the workplace.

Subsidiaries are also encouraged to support the formation of employee resource groups (ERGs) to foster employee development, workplace inclusivity and career advancement among women and LGBTQ+.

Diversity, Equality and Inclusion Policy

Gender Equality and Representation Policy

The DMCI Group is committed to building an organization that provides ample opportunities for women to enhance and develop their skills, secure productive employment and contribute to their families and communities to the fullest of their capabilities.

To this end, we will strive to implement recruitment strategies, skills training and employee engagement programs that can lead to a more gender-balanced workforce.

Eco-Design Policy

We believe in designing products and services that address customer needs while promoting inclusive growth and environmental stewardship.

Through value engineering, continuous innovation and rational use of natural resources, we are able to assure our customers of technical integrity, product durability, energy efficiency and material efficiency in our end products and services.

When developing and designing our new products, we consider these environmental factors:

- Enhancing product safety and lifespan
- Saving resources like water and energy for users
- Ensuring safer disposal and minimizing waste
- Providing affordable options for our customers without compromising quality and efficiency
- Encouraging the reuse or repurposing of resources, materials and waste to promote sustainability

Whistleblowing

We are committed to providing our stakeholders with a safe reporting channel, where they can raise serious concerns about a perceived wrongdoing or malpractice involving our Company.

Our Whistleblower Policy outlines the mechanism, safeguards, reporting channel and investigation process for serious concerns that stakeholders might have, while providing them with protection from victimization, harassment, retaliation or disciplinary proceedings.

Whistleblowers may raise their concerns through regular mail, email, telephone, fax or in-person with the Chief Compliance Officer of the Company or his designated alternate officer.

Mail:

Office of the Chief Compliance Officer
3F Dacon Building, 2281 Chino Roces Avenue, Makati City

Email:

whistleblower@dmcinet.com
Telephone number: (632) 8888 3462

Health, Safety, General Welfare and Development of Employees

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

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

Health and Safety Policy Statement

- Coverage under a health care maintenance program/insurance
- Coverage under a group term life and accident insurance
- Provide annual physical examinations, free medical consultations and health facilities
- Providing affordable options for our customers without compromising quality and efficiency
- Wellness facilities such as gym, basketball and badminton courts

To further recognize and retain our employees, the company provides retirement benefits that exceed the minimum requirements set by law. These benefits are administered and supervised by the Retirement Board of Trustees (BOT) and managed by a trusted and reputable investment company.

Additionally, to enhance corporate governance and foster employee participation, senior executive officers with the requisite qualifications may be invited to join the Board of Directors. Subsidiary presidents also play a pivotal role as part of the Executive Committee, regularly offering counsel to the Board to drive strategic alignment across the organization.

- Engage employees to participate in sports and recreation programs
- Involve employees in the planning, management and implementation of health and safety programs and initiatives by seeking their input and encouraging their participation
- Every subsidiary should aim for the highest safety standards in the workplace, prioritize health and safety programs, and develop action plans to ensure the wellbeing of their employees. A measuring program of the results and performance for health and safety must be established and implemented to monitor the effectiveness of each programs.

General Welfare and Development Policy

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

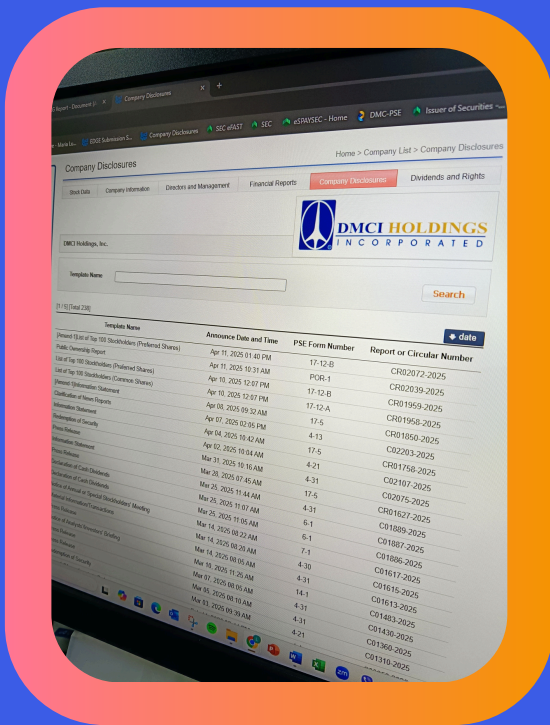
Reward and Compensation Program

Our company offers a comprehensive program designed to reward and compensate employees who contribute to the achievement of our long-term goals.

Although the program does not include employee stock ownership plans, it provides tailored incentives that address the critical needs of our workforce. These include merit increases, performance bonuses, continuing education opportunities, housing loans, retirement benefits, and emergency assistance in cases of disability or death.

The reward mechanism is carefully structured around the achievement of company and individual employee goals, assessed against key performance metrics. These metrics, encompassing both financial and non-financial aspects, are established during the planning and goal-setting sessions held by various subsidiaries.

DISCLOSURE AND TRANSPARENCY



We are committed to upholding the principle of transparency by ensuring the timely disclosure of material information. This includes details regarding our financial position, performance, ownership, and corporate governance practices.

Comprehensive information about our governance structure, objectives, key risks, performance indicators—both financial and non-financial—along with our systems and policies, can be found in our Annual Report, Annual Corporate Governance Report, regulatory filings, disclosures, and on our website.

This revision enhances readability while maintaining a formal and professional tone. Let me know if further adjustments are needed!



Ownership and Transparency

We promptly report the significant ownership, including direct and indirect beneficial ownership of our shares, relationships of related companies, and structure of crossholdings, as well as the extent of our ownership and interests in our subsidiaries.

As of 31 December 2024, the members of the Board directly and indirectly owned 4,194,500 and 529,988,772, shares, respectively. Further details are provided in the tables below.

SHAREHOLDINGS OF DIRECTORS As of December 31, 2024

DIRECTORS	Amount and Nature of Ownership		Total Shareholdings	% of Capital Stock
	Direct	Indirect		
ISIDRO A. CONSUNJI	65,000	180,464,622	180,529,622	1.36
CESAR A. BUENAVENTURA	700,000	6,700,000	7,400,000	0.06
JORGE A. CONSUNJI	5,000	39,741,492	39,746,492	0.30
MARIA CRISTINA C. GOTIANUN	5,500	158,047,583	158,053,083	1.19
MA. EDWINA C. LAPERAL	3,315,000	112,117,933	116,432,933	0.87
LUZ CONSUELO A. CONSUNJI	101,000	32,917,142	33,018,142	0.25
ROBERTO L. PANLILIO	1,000	-	1,000	0.00
BERNARDO M. VILLEGAS	1,000	-	1,000	0.00
CYNTHIA R. DEL CASTILLO	1,000	-	1,000	0.00
TOTAL	4,194,500	529,988,772	534,183,272	4.02

SHAREHOLDINGS OF KEY OFFICERS As of December 31, 2024

OFFICERS	Amount and Nature of Ownership		Total Shareholdings	% of Capital Stock
	Direct	Indirect		
HERBERT M. CONSUNI	293,000	-	293,000	0.00
NOEL A. LAMAN	100,000	-	100,000	0.00
MA. PILAR P. GUTIERREZ	-	-	-	0.00
JOSEPH ADELBERT V. LEGASTO	100,000	-	100,000	0.00
HANNAH CECILE L. CHAN	-	-	-	0.00
TOTAL	493,000	-	493,000	0.00

EFFECTIVE PERCENTAGES OF OWNERSHIP
As of December 31, 2024

SUBSIDIARIES	DIRECT	INDIRECT	EFFECTIVE INTEREST
D.M. CONSUNJI, INC.	100.00		100.00
Beta Electric Corporation		53.20	53.20
Raco Haven Automotion Phils. Inc.		50.14	50.14
Oriken Dynamics Company, Inc.		89.00	89.00
DMCI Technical Training Center		100.00	100.00
DMCI Project Developers, Inc.	100.00		100.00
DMCI-PDI Hotels Inc.		100.00	100.00
DMCI Homes Property Management Corp.		100.00	100.00
Zenith Mobililty Solutions Services Inc.		100.00	100.00
Riviera Land Corp.		100.00	100.00
Hampstead Gardens Corp.		100.00	100.00
DMCI Homes Inc.		100.00	100.00
L & I Development Corporation		100.00	100.00
Semirara Mining and Power Corporation	56.65		56.65
Sem-Calaca Power Corporation		56.65	56.65
Southwest Luzon Power Generation Corp.		56.65	56.65
Sem-Calaca Res Corporation		56.65	56.65
SemCal Industrial Park Developers Inc.		56.65	56.65
Semirara Energy Utilities Inc.		56.65	56.65
Southeast Luzon Power Generation Corp.		56.65	56.65
Semirara Materials and Resources Inc.		56.65	56.65
St. Raphael Power Generation Corp.		56.65	56.65
Sem-Calaca Port Facilities, Inc.		56.65	56.65

(Forward)

EFFECTIVE PERCENTAGES OF OWNERSHIP
As of December 31, 2024

SUBSIDIARIES	DIRECT	INDIRECT	EFFECTIVE INTEREST
DMCI Power Corporation	100.00		100.00
DMCI Masbate Power Corporation		100.00	100.00
DMCI Mining Corporation	100.00		100.00
Berong Nickel Corporation		74.80	74.80
Ulugan Resources Holdings, Inc.		30.00	30.00
Ulugan Nickel Corporation		58.00	58.00
Nickeline Resources Holdings Inc.		58.00	58.00
TMM Management Inc.		40.00	40.00
Zambales Diversified Metals Corp.		100.00	100.00
Zambales Chromite Mining Company Inc.		100.00	100.00
Fil-Asian Strategic Resources & Properties Corp.		100.00	100.00
Montague Resources Phils. Corp.		100.00	100.00
Montemina Resources Corp.		100.00	100.00
Mt. Lanat Metals Corp.		100.00	100.00
Fil-Euro Asia Nickel Corp.		100.00	100.00
Heraan Holdings, Inc.		100.00	100.00
Zambales Nickel Processing Corp.		100.00	100.00
Zamnorth Holdings Corp.		100.00	100.00
ZDMC Holdings Corp.		100.00	100.00
Semirara Cement Corporation	100.00		100.00
Wire Rope Corporation of the Philippines	45.68	16.02	61.70

ASSOCIATES	PERCENTAGE OF OWNERSHIP
Maynilad Water Holding Company, Inc.	27.19
Subic Water and Sewerage Company, Inc.	30.00
Bachy Soletanche Philippines Corporation	49.00
Celebrity Sports Plaza	4.62

JOINT VENTURES	PERCENTAGE OF OWNERSHIP
RLC DMCI Property Ventures, Inc.	50.00
DMC Estate Development Ventures, Inc.	50.00
DMCI-First Balfour Joint Venture	51.00

Information Policy

Corporate information is disclosed in a timely and transparent manner to the investing public and other key stakeholders using a number of communication channels.

Announcements and Updates

We issue press releases, announcements and disclosures on material business developments, as needed. On quarterly basis, we also conduct media briefings to provide our media stakeholders with updates about the Company and its subsidiaries.

Investor Relations

We organize and participate in investor relations activities such as analyst briefings and investor conferences, among others.

Company Website

Our website (www.dmciholdings.com) provides up-to-date financial and business information about our investments, organization structure, corporate governance documents and policies, disclosures, among others.

Modes of Communication

We use the following modes to communicate with investors, analysts, media contacts and other stakeholders:

- Audited Annual Financial Report. The Company filed its SEC Form 17-A or the Audited Annual Financial Statements for the period ended 31 December 2022 on 14 April 2023
- Quarterly Report
- Company website (www.dmciholdings.com)
- Analysts Briefings
- Media Briefings
- Annual Stockholders' Meeting

Investor Relations

We recognize our duty to advance the interests of our investors. Our goal is to provide the investment community with timely, relevant and accurate information about our financial performance, operating highlights, strategic direction, growth prospects and potential risks.

We demonstrate our commitment to the investing public by adopting a policy of open and constant communication, subject to insider information guidelines and other pertinent company policies.

Institutional and prospective investors, investment analysts, fund managers and the financial community are provided material information about the Company during conference calls, investor conferences, analyst briefings and non-deal roadshows, among others.

Highlights and Activities

Investor/Analyst briefings were conducted on a regular basis to discuss the 2023 full-year and 2024 quarterly results of the Company. The Company also participated in a number of investor relations activities.

SUBJECT OF THE BRIEFING	DATE AND TIME	VENUE
Q4/FY 2023 Financial and Operating Results	March 7, 2024/4:00PM	Via Zoom
Q1 2024 Financial and Operating Results	May 8, 2024/4:00PM	Via Zoom
Q2 2024 Financial and Operating Results	August 6, 2024/4:00PM	Via Zoom
Q3 2024 Financial and Operating Results	November 11, 2024 / 4:00PM	Via Zoom

Contact Information

Investor Relations concerns may be directed to:

Hannah Cecile L. Chan

Investor Relations Officer

Tel: (632) 8888 3000

Email: investors@dmcinet.com

Mail: 3F Dacon Building 2281 Chino Roces Avenue, Makati City, Philippines 1231


Media Engagement

The media plays an important role in promoting broader awareness and better understanding of the Company's objectives, financial targets, business prospects and other material developments.

Our media engagement program is designed to provide media professionals with the information they need to accurately and effectively report on business and investment stories that directly or indirectly concern the Company.

RESPONSIBILITIES OF THE BOARD

Our corporate governance framework helps ensure the strategic guidance of our Company, the effective managerial performance monitoring by the Board, and the accountability of the Board to our Company and its stockholders.

In our Board Charter, the roles, duties and responsibilities of the Board are defined in accordance with relevant Philippine laws, rules and regulations, and in full compliance with the principles of corporate governance. 



Board Charter

The Board Charter (“Charter”) governs the relationship between the Board Committees and the Board, as contained in the charters of the committees which have been approved and adopted by the Board.

The Charter is intended to complement or supplement the Corporation Code of the Philippines, the Corporation’s Articles of Incorporation and By-laws, SEC and PSE issuances and other applicable laws, rules and regulations.

All Directors are expected to fully adhere to the principles and provisions set forth in the Charter.

During the year, the Board approved the amendments to Related Party Transactions Policy in compliance with SEC Memorandum No. 10 Series of 2019.

Strategy Oversight

The Board establishes and approves the vision, mission, strategic objectives and key policies of the Company.

As provided in the Board Charter, it reviews the vision and mission of the Company at least once a year, or as deemed necessary.

On 07 November 2024, the Board reviewed the Corporation’s Vision and Mission Statement and the Corporate Strategy and Values.

The Board also exercises oversight through quarterly review of business performance and results through Audit and Executive Committee meetings.

Board Duties and Responsibilities

The Board establishes decision-making authority policies, levels, limits and guidelines for Management, according to its risk appetite level and required Board approvals for governance matters.

Board Roles and Responsibilities

- Formulate the Corporation's vision, mission, strategic objectives, policies and procedures
- Oversee the development of, and approve, the Company's business objectives and strategy
- Ensure and adopt an effective succession planning program for Directors, Key Officers and Management
- Align the remuneration of Key Officers and Directors with the long-term interests of the Company
- Establish a formal and transparent board nomination and election policy
- Ensure that there is a group-wide policy and system governing RPTs
- Approve the selection and performance assessment of Management, led by the Chief Executive Officer (CEO), Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive
- Establish an effective performance management framework that will ensure that the performance of the CEO and other key personnel is at par with the standards set by the Board and Senior Management
- Establish an appropriate internal control system, including a mechanism for monitoring and managing potential conflicts of interest; and
- Institute a sound enterprise risk management (ERM) framework to effectively identify, monitor, assess and manage key business risks.

Likewise, the Board should observe the following norms of conduct:

- Act judiciously
- Observe confidentiality
- Exercise independent judgment
- Conduct fair business transactions for the Company
- Ensure that personal interests do not conflict with the interests of the Company
- Devote the necessary time and attention to properly and effectively perform its duties and responsibilities
- Have a working knowledge of the statutory and regulatory requirements that affect the Corporation, including its Articles of Incorporation and By-Laws, the rules and regulations of the SEC, and where applicable, the requirements of relevant regulatory agencies
- Ensure the continuing soundness, effectiveness and adequacy of the Corporation's internal control system

Code of Business Conduct and Ethics

We are committed to doing business in accordance with the highest professional standards, business conduct and ethics and all applicable laws, rules, and regulations in the Philippines.

The Company, its Directors, Officers and employees are committed to promote and adhere to the principles of good corporate governance by observing and maintaining its core business principles of accountability, integrity, fairness and transparency.

All Directors, Officers and employees of the Company are required to strictly comply with the Code. The Company will take 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.

The details of the Code of Business Conduct and Ethics (the Code) are disclosed to the SEC and PSE. The same is uploaded on our website.

Monitoring and Compliance

At the end of each year, all Directors, Officers and employees are required to fill out and sign a compliance checklist of the Code and all Company Policies, for submission to the Chief Compliance Officer. The Chief Compliance Officer then issues a certificate of compliance with the Code and Company Policies.

The Company has established the Compliance Helpdesk Hotline below to answer queries of Directors, Officers and employees on the application of the Code:

Chief Compliance Officer
Tel (632) 8888 3000

An Internal Audit team is tasked to evaluate the systems established to ensure compliance with the Code and governance processes. Any violation of the code and policies by Directors, Officers and employees can also be reported through any of the Company's Whistleblower reporting channels.

Board Structure and Composition

The full Board consists of nine (9) Directors, three (3) of whom are Executive Directors, three (3) are Non-Executive Directors and three (3) are Independent Directors.

Nomination. In consultation with the Nomination Committee, the Board reviews its profile, size and composition, taking into account the nature of its business, subsidiaries, desired expertise and Board member backgrounds.

The Committee reviews and pre-screens the qualifications of each Board candidate in accordance with the qualifications and disqualifications set in the Corporation's By-Laws and Manual on Corporate Governance.

This is to ensure that the qualifications of the candidates are aligned with the strategic direction of the Company. The shortlist of candidates is disclosed in the Definitive Information Statement to be distributed to the stockholders.

In identifying and recommending candidates for election or appointment as Directors, the Committee also reviews the effectiveness and implementation of the Diversity Policy of the Board. The committee likewise recommends any revisions that may be required.

Directorships. Our Executive Directors do not serve on more than two (2) Boards of listed companies outside of our Company. The Company does not set a limit on the number of Board seats that an individual director may hold simultaneously in other companies.

However, it ensures that the members of the Board are committed to exercising their roles and responsibilities as Directors, regardless of the number of Board seats they may have in other companies.

Based on the 2023 Board Attendance filed with the SEC and PSE, none of the incumbent Directors were absent for more than 50 percent of the board meetings, both regular and special, in any 12-month period during their incumbency.

The attendance of the directors of the Company in board meetings held during the calendar year 2023 is summarized below:

Name	Date of Election	No. of Meetings Held During the Year	No. of Meetings Attended	%
ISIDRO A. CONSUNJI Chairman	May 21, 2024	13	12	92.31
CESAR A. BUENAVENTURA Vice Chairman	May 21, 2024	13	11	100.00
JORGE A. CONSUNJI Director	May 21, 2024	13	13	100.00
MA. EDWINA C. LAPERAL Director	May 21, 2024	13	13	100.00
LUZ CONSUELO A. CONSUNJI Director	May 21, 2024	13	13	100.00
MARIA CRISTINA C. GOTIANUN Director	May 21, 2024	13	13	100.00
ROBERTO L. PANLILIO Independent Director	May 21, 2024	13	12	92.31
BERNARDO M. VILLEGAS Independent Director	May 21, 2024	13	13	100.00
CYNTHIA R. DEL CASTILLO Independent Director	May 21, 2024	13	13	100.00

Our Board profile, with concurrent directorships held, are likewise disclosed in the SEC 20-IS (Definitive Information Statement), Annual Corporate Governance Report and Integrated Annual Report.

Board Competency and Diversity

We recognize the value of a diverse Board, and commit to creating and maintaining an inclusive and collaborative governance culture that will help sustain the growth of our organization.

The Company has a Board Diversity Policy that fosters differences in skills, regional and industry experience, professional background, race and gender, among others. These differences are considered in determining the optimum composition of the Board, and are balanced appropriately when possible.

The policy also reiterates that all Board appointments be made based on merit, in the context of the skills, experience, independence and knowledge, which the Board as a whole requires to be effective.

Board Diversity Progress Report

The Nomination and Election (Nomelec) Committee under the Corporate Governance Committee is responsible for reviewing the Board composition and profile of the candidates to the Board, leveraging the diverse background of Directors to include professional skills, regional and industry experience, race, gender and other distinctions.

Under the Policy, the Nomelec reviews and assesses Board composition on behalf of the Board and recommends the appointment of new Directors.

In reviewing Board composition, the Committee will consider the benefits of all aspects of diversity including, but not limited to, those described above, to enable it to discharge its duties and responsibilities effectively.

In identifying suitable candidates for Board appointment, the Committee will consider candidates based on merit, against objective criteria, and with due regard for the benefits of Board diversity.

Criteria

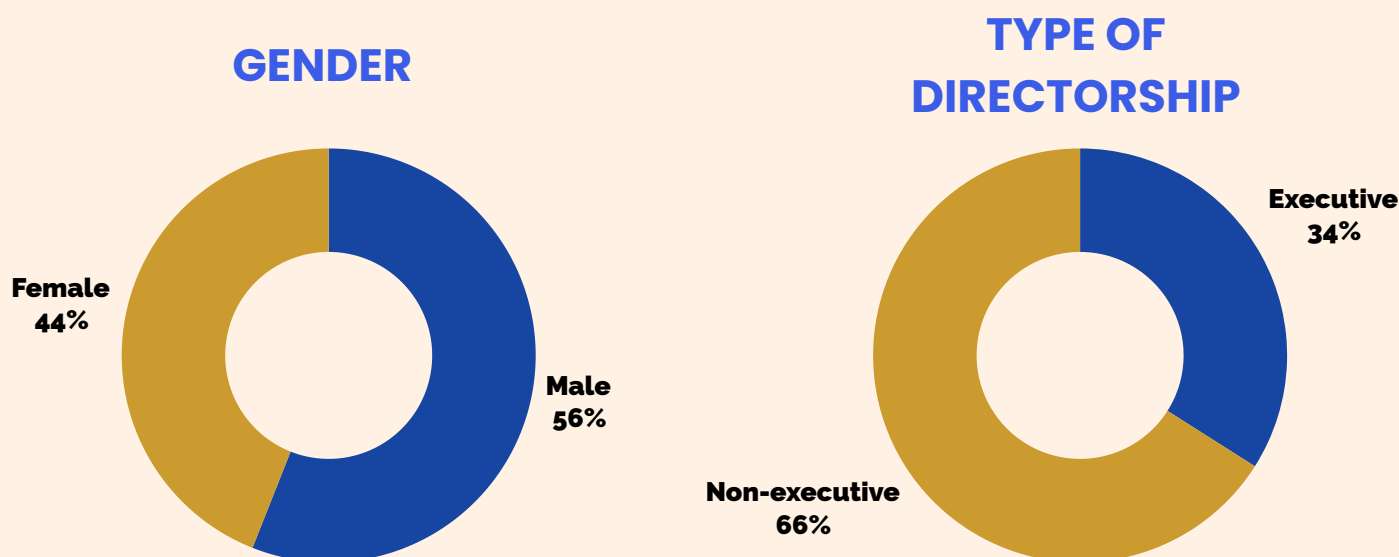
The company has set the following criteria in selecting candidates to the board:

- Directors with extensive industry experience primarily in construction related businesses
- Directors with differing background and professional skills/expertise such as, but not limited to business management, finance and accounting, governance, operations and risk management, among others.
- Participation of women in the Board

In 2024, the elected board of directors met the above criteria as presented in the board composition matrix table.

Methodology

In furtherance of Board Diversity, the Company attained by its annual meeting on May 21, 2024, and thereafter maintained, a Board composition of nine (9) directors in which 44% of them are women, or 4 female directors out of nine directors. Sixty-six percent or 6 directors are non-executives, three of whom are independent directors.



In the 2024 Annual Stockholders' Meeting, the NOMELEC received nine (9) candidates to the election of the board of directors, whom were incumbent directors. The NOMELEC reviewed the profile of the candidates and made recommendations to the Board. No other directors were nominated.

The nine candidates possessed all qualifications and none of the disqualifications for nomination as regular and independent director under SRC Rule 38 and the Code of Corporate Governance, the Corporation's By-Laws and Manual on Corporate Governance.

The final list of nominees for election for regular and independent directors of the Corporation, was included in the definitive information statement filed with the Securities and Exchange Commission and the Philippine Stock Exchange, and distributed to stockholders of the Corporation, regards the Corporation's annual stockholders' meeting held on May 21, 2024.

Any search firm engaged to assist the Board or a committee of the Board in identifying candidates for appointment to the Board will be specifically directed to include diverse candidates. No other candidates were nominated from any search or professional firms.

Board Composition

The NOMELEC will periodically assess the expertise, experience, skills and backgrounds of its directors in light of the needs of the Board, including the extent to which the current composition of the Board reflects a diverse mix of knowledge, experience, skills and backgrounds, including an appropriate number of women directors.

Board Composition Matrix

Below is the board composition matrix, based on the profile of directors submitted to the NOMELEC Committee.

Skills / Competencies	2024	2023	2022	2021	2020
Financial Management	22%	22%	22%	33%	33%
Industry-related experience	78%	78%	78%	55%	55%
Strategy, resource/business development	100%	100%	100%	100%	100%
Governance	33%	33%	33%	44%	44%
Operational	44%	44%	44%	55%	55%
Risk Management	89%	89%	89%	88%	88%
Business Management	100%	100%	100%	100%	100%

For 2024, the following are the professional and demographical matrix of the nine (9) directors elected to the Board on May 21, 2024.

	2024	2023	2022	2021	2020
Professional / Educational					
Bachelor's Degree	100%	100%	100%	100%	100%
Master's Degree	78%	78%	78%	78%	78%
Engineers	33%	33%	33%	33%	33%
Architects	11%	11%	11%	11%	11%
Certified Public Accountants (CPA)	11%	11%	11%	11%	11%
Other Degrees	44%	44%	44%	44%	44%
Other Directorship outside DMCI Group					
Corporate sector	33%	33%	33%	44%	44%
Government sector	11%	11%	11%	11%	11%
Personal Demographics					
Male	55%	55%	55%	67%	67%
Female	45%	45%	45%	33%	33%
Citizenship (Filipino)	100%	100%	100%	100%	100%
Age 50-64	22%	22%	22%	22%	22%
Age 65+	78%	78%	78%	78%	78%

Term of Office

The elected members of the Board of Directors shall hold office for one (1) year, until their successors are elected and qualified.

Term Limits of Independent Directors

The Independent Director shall serve for a maximum cumulative term of nine (9) years. The cumulative period shall start from the year 2012, in accordance with the rules and circulars of the SEC. After which, the Independent Director shall be perpetually barred from re-election as such in the same company, but he/she may continue to qualify for nomination and election as a non-independent Director.

In the instance that a company wants to retain an Independent Director who has served for nine (9) years, the Board should provide meritorious justification/s and seek shareholders' approval during the ASM.

Board Committees

To support the performance of its fiduciary functions, the Board has five (5) good governance committees:

- Audit and Related Party Transaction (RPT)
- Board Risk Oversight
- Corporate Governance (with functions of Nomination and Compensation Committee)
- Strategy and Sustainability
- Executive Committee

The members of the Audit and RPT, Board Risk Oversight, Strategy and Sustainability and Corporate Governance committees were appointed by the Board during its organizational meeting on 21 May 2024. All committees are chaired by an Independent Director except for the Strategy and Sustainability committee.

COMMITTEE	MEMBERS	COMMITTEE	MEMBERS
AUDIT AND RELATED PARTY TRANSACTION (RPT)	BERNARDO M. VILLEGAS, Chairman ROBERTO L. PANLILIO CESAR A. BUENAVENTURA	STRATEGY AND SUSTAINABILITY	ISIDRO A. CONSUNJI, Chairman ROBERTO L. PANLILIO BERNARDO M. VILLEGAS
BOARD RISK OVERSIGHT	ROBERTO L. PANLILIO, Chairman BERNARDO M. VILLEGAS MARIA CRISTINA C. GOTIANUN	EXECUTIVE COMMITTEE	CESAR A. BUENAVENTURA, Chairman JORGE A. CONSUNJI MA. EDWINA C. LAPERAL MARIA CRISTINA C. GOTIANUN LUZ CONSUELO A. CONSUNJI
CORPORATE GOVERNANCE (with functions of Nomelec and Compensation)	CYNTHIA R. DEL CASTILLO, Chairman ROBERTO L. PANLILIO BERNARDO M. VILLEGAS		Ex-Officio: ALFREDO R. AUSTRIA TULSI DAS C. REYES ANTONINO E. GATDULA, JR.

The Board likewise appointed the following individuals to key positions in compliance with the New Manual on Corporate Governance:

APPOINTEE	POSITION
CYNTHIA R. DEL CASTILLO	LEAD INDEPENDENT DIRECTOR
HERBERT M. CONSUNJI	CHIEF RISK OFFICER
JOSEPH ADELBERT V. LEGASTO	INTERNAL AUDIT LEAD COORDINATOR
PUNONGBAYAN & ARAULLO PARTNER IN-CHARGE	CHIEF AUDIT EXECUTIVE

Audit and Related Party Transaction Committee

The Audit and RPT Committee shall consist of at least three (3) members, who shall preferably have accounting and finance backgrounds, the majority of whom shall be Independent Directors.

The Chairman of the Audit and RPT Committee shall be an Independent Director, and the members will be appointed annually by the Board.

The Committee assists the Board in the discharge of its oversight responsibilities over the financial reporting, external audit performance, internal audit function, internal control and risk management processes of the Company. It also helps the Board ensure compliance with reporting, legal and regulatory requirements.

The Audit and RPT Committee has reviewed the effectiveness and adequacy of the internal control and risk management systems from the reports provided by internal and external auditors, Management's assessment of internal controls and its own evaluation.

The appointment, re-appointment and removal of the external auditor is a primary responsibility of the Committee.

In 2024, the Committee convened four (4) times, with the following attendance record:

Position	Name	Appointment Date	No. of Meetings Held	Attendance
Chairman	Bernardo M. Villegas	May 21, 2024	4	4
Member	Roberto L. Panlilio	May 21, 2024	4	4
Member	Cesar A. Buenaventura	May 21, 2024	4	4

Board Risk Oversight Committee

The Board Risk Oversight Committee is composed of at least three (3) members, majority of whom are Independent Directors. It is chaired by an Independent Director.

Among the duties and responsibilities of the Committee is to promote an open discussion and awareness on the risks faced by the Company and its subsidiaries, which may have a potential impact on the Company's performance.

It is also tasked with reviewing the Company's risk management function to ensure that senior management has the proper position, staff and resources to manage such risks.

Position	Name	Appointment Date	No. of Meetings Held	Attendance
Chairman	Roberto L. Panlilio	May 21, 2024	2	2
Member	Bernardo M. Villegas	May 21, 2024	2	2
Member	Maria Cristina C. Gotianun	May 21, 2024	2	2

Corporate Governance Committee

(with functions of Nomination & Election and Compensation & Remuneration committees)

The Corporate Governance (CG) Committee is tasked with ensuring compliance with, and proper observance of, corporate governance principles and practices. In addition, it shall perform the functions of the Nomination and Election Committee and the Compensation and Remuneration Committee.

It is composed of at least three (3) members, majority of whom should be Independent Directors, including the Chairman.

In 2024, the CG Committee convened twice, with the following attendance record:

Position	Name	Appointment Date	No. of Meetings Held	Attendance
Chairman	Cynthia R. Del Castillo	May 21, 2024	2	2
Member	Bernardo M. Villegas	May 21, 2024	2	2
Member	Roberto L. Panlilio	May 21, 2024	2	2

Other Functions of the CG Committee

Nomination and Election

- Reviewed and evaluated the profile of the candidates for the nomination and election of Board of Directors
- Ensured that the qualifications of candidates for Directors are aligned with the corporate strategic direction of the Company
- Prepared the final list of candidates to the Board of Directors, which was appended in the Definitive Information Statement disclosed to the PSE and SEC and sent to the stockholders
- Reviewed the effectiveness and implementation of the Diversity Policy
- Conducted Board Diversity methodology and progress report

Compensation and Remuneration

- Developed the compensation and remuneration policy of Directors
- Reviewed the compensation and remuneration policy and recommended the amount of remuneration for non-executive directors
- Developed the rewards and compensation program for employees

Strategy and Sustainability Committee

The Strategy and Sustainability Committee (SSC) will assist and advise the Board of Directors in developing, assessing and overseeing major financial and investment plans and other material issues that may affect the sustainability of the Company.

Majority of the Committee members must be Independent Directors. The Chief Executive Officer shall be a member of the Committee.

The Committee shall also review and make recommendations to the Board regarding raising and deployment of capital, corporate expansion, organizational development, ESG matters, among others.

In 2024 the SSC convened four (4) times, with the following attendance record:

Position	Name	Appointment Date	No. of Meetings Held	Attendance
Chairman	Isidro A. Consunji	May 21, 2024	4	4
Member	Bernardo M. Villegas	May 21, 2024	4	4
Member	Roberto L. Panlilio	May 21, 2024	4	4

Board Meeting and Attendance

In 2024, the Board had thirteen (13) meetings. The SEC minimum board meeting attendance requirement is 50 percent.

To strengthen Board participation, the Company set the quorum for board meetings and decisions to at least 2/3 of the Board members. All Directors fully complied with the SEC and Company attendance requirement in 2024.

The CG Manual requires the disclosure of the board meeting attendance record of Directors on or before January 15 of the following year. On 14 January 2025, the Company filed with the SEC and PSE a sworn certification of the Board's attendance record for calendar year 2024. The same disclosure was also uploaded in the company website.

For the calendar year 2024, the Board approved the schedules of board and audit committee meetings during its board meeting held on 27 October 2023.

For 2025, the Board approved the schedules of the board and committee meetings on 07 November 2024.

Corporate Secretary

The Corporate Secretary provides a schedule of regular board meetings and board committee meetings, in line with our regulatory reporting dates. Special board meetings may be called as the need arises.

The Corporate Secretary assists the Chairman in setting the Board agenda and provides Directors with meeting agenda and related materials in advance of the board meeting date.

This is to provide Directors with accurate and sufficient information to make educated decisions during the board meeting.

The Corporate Secretary likewise provides guidance on the correct legal procedures to ensure that the Board complies with its obligations under the law and the Company's Articles of Incorporation.

In addition, the Corporate Secretary maintains the integrity of the minutes of board meetings, and provides updates to the Directors and Management regarding statutory and regulatory changes.

Our Corporate Secretary is Atty. Noel A. Laman, a founder and Senior Partner at Castillo Laman Tan Pantaleon & San Jose. Serving as Assistant Corporate Secretary is Atty. Ma. Pilar P. Gutierrez, a partner at the same law firm.

Both possess the legal qualifications and competencies to effectively perform the corporate secretarial and related duties of the position.

Board Appointment and Re-election

Candidates for the Board of Directors shall be nominated by a stockholder of the Corporation. Pursuant to the Corporation Code, any stockholder who holds at least one (1) share of stock shall be entitled to nominate and elect a candidate for Board position.

The elected members of the Board of Directors shall hold office for one (1) year, until their successors are elected and qualified.

Any vacancy in the Board other than removal by the stockholders or expiration of term, may be filled by the vote of the majority of the remaining Directors, if still constituting a quorum; otherwise the vacancy must be filled by the stockholders in a regular or special meeting called for the purpose. A Director so elected to fill the vacancy shall be elected only for the unexpired term of his predecessor in office.

The qualifications and disqualifications of Directors are identified in the Company's CG Manual.

Remuneration of Directors

Each Director shall receive a reasonable per diem for his attendance at every board meeting.

Directors receive a per diem of P80,000 for each board meeting attended and a per diem of P40,000 for each committee meeting attended.

Subject to the approval of the stockholders owning at least a majority of the outstanding capital stock, Directors may also be granted compensation other than per diems, provided, that the total yearly compensation of Directors shall not exceed ten percent (10%) of the net income before income tax of the Corporation during the preceding year.

The form and amount of Directors' compensation will be determined and approved by the Compensation and Remuneration Committee in accordance with the policies and principles under its Charter.

In 2024, the aggregate amount of cash bonus variable pays related to the preceding year's financial performance and total compensation package received by executive and non-executive Directors, including Independent Directors and the CEO, did not exceed the abovementioned limits set by the Company's Amended By-laws.

AGGREGATE REMUNERATION ACCRUED IN 2023

Remuneration Item	Executive Directors	Non-Executive Directors (other than ID)	Independent Directors (ID)
Fixed Remuneration	5,141,500.00	-	-
Variable Remuneration	-	-	-
Per diem Allowance	2,440,000.00	2,400,000.00	3,320,000.00
Bonuses	-	-	-
Stock Options and/or other financial instruments	-	-	-
Others (Specify)	-	-	-
TOTAL	7,581,500.00	2,400,000.00	3,320,000.00

Internal Controls and Risk Oversight

Our internal control process is designed to provide reasonable assurance regarding the achievement of objectives relating to operations, reporting and compliance. Everyone within the Company is responsible for the effective implementation of internal controls.

The Board is responsible for the Company's governance and oversight function, and holds Management accountable for the internal control system.

Management owns the internal control system and is responsible for instituting robust internal control policies and procedures.

The internal audit function independently evaluates the soundness of the Company's key risks and organizational and procedural controls. This assists the Board—through the Audit Committee, and Management in assessing whether the internal control system is effectively designed and implemented.

Punongbayan & Araullo, a member firm of Grant Thornton International, Ltd., is the internal auditor of the Company.

The Board, through the Audit and RPT Committee, and Management's criteria for evaluating the soundness of internal control include a review of its control environment, risk assessment, control activities, information and communication, and monitoring activities.

In 2024, the Audit and RPT Committee reviewed the effectiveness of the internal control system based on its assessment, from the reports provided by internal and external auditors, and from Management's assessment of internal controls.

The Audit Committee approves the appointment, re-appointment and removal of the internal auditor.

Enterprise Risk Management Policy

Our Enterprise Risk Management (ERM) Policy provides the framework for managing risks across our Company, while striving to create more value for our stakeholders.

The risk management framework is integrated within the strategic planning process, which will engage all of the subsidiaries to be able to align with the overarching objectives of the Company. The principal goal of the organization is to maximize the value of the firm by achieving superior risk-adjusted returns for its stakeholders over the long-term.

Regular board meetings are conducted at DMCI HI together with the Presidents of each subsidiary to discuss the overall goals and objectives of the Group. DMCI HI Chief Executive Officer (CEO) also meets regularly with the Executive and Management Committees of the operating subsidiaries to discuss strategies, key result areas and critical enterprise-level risks to ensure a decisive response to their respective opportunities and challenges.

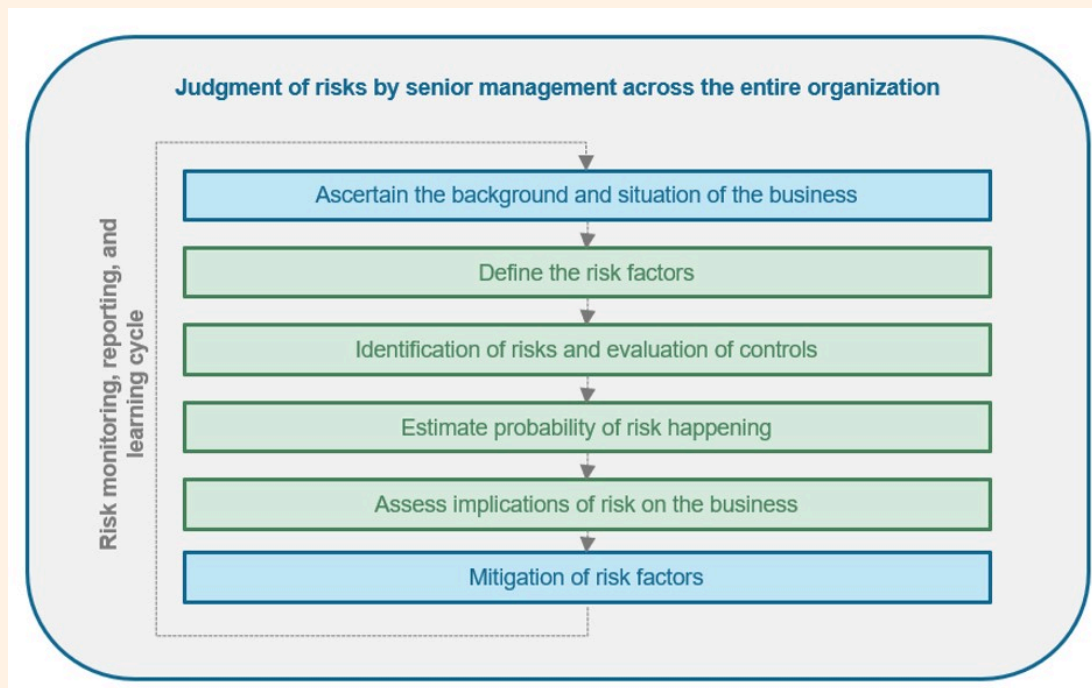
Our subsidiaries, through their respective functional units and business segments, employ a pragmatic approach to risk management, seeking to deliver our trademark operating efficiency while ensuring adherence to regulatory, contractual, health, safety and quality standards, and managing risks from planning to day-to-day operations.

The Chief Risk Officer (CRO) is responsible for enabling the facilitation and escalation of the strategy and risk management framework to the ROC which oversees the strategy and risk management of the Company and its subsidiaries. The CRO is also tasked to lead efforts that oversee the entire risk management framework. The CRO is responsible for implementing policies and procedures to manage risks and ensure risk management strategies are executed. The CRO also leads the assessment and monitoring of risks across the entire organization by engaging with the different subsidiaries through the BURMs, as well as corporate functions that include finance, strategy, investor relations, human resources, and legal.

Our Risk Management Framework

The risk management framework is integrated within the strategic planning process, which will engage all of the subsidiaries to be able to align with the overarching objectives of the Company. The principal goal of the organization is to maximize the value of the firm by achieving superior risk-adjusted returns for its stakeholders over the long-term. The Committee oversees and works with our CRO, General Counsel, Chief Compliance Officer and other senior management in ensuring that risk management responsibilities are effectively carried out.

The risk management process is an essential part of business operations and entrenched in the organization's culture and practices. The Company's risk management framework consists of the following:



In 2024, the Risk Management Focal points were identified. The foregoing points, as shown in the matrix below, will be regularly tested through a Risk Management Assessment, along with the Strategic Planning Process.

Macroeconomic risk: Slowdown in business activity due to global financial and local political, socio-economic turmoil, and security concerns may hamper business units from operating at optimal capacity. The acceleration of inflation will cause profit margins to narrow, while the volatility of commodity prices including coal and nickel will add uncertainty on the sales volume and revenue. Business units optimize production and operations depending on macroeconomic environment.

Regulatory risk: DMCI HI is a conglomerate where some business activities are in regulated industries that regularly undergo a significant amount of regulatory and/or political changes. Any failure to predict or influence policy outcomes such as the denial of concessions and mining operations permits may have a material adverse effect on the group's business and financial condition. Any constraints and limitations regarding ESG may hinder business units from operating at a cost-effective manner and may even restrict operations altogether. The group is actively monitoring the operating landscape for current regulations and any changes that may have an impact on existing and potential markets. Management nurtures relationships with all levels of government by conducting policy dialogues and consultations.

Succession planning uncertainty: DMCI group of companies relies on certain key individuals in senior management for leadership, who have been integral in the group's revenue and profitability. The experience, knowledge, business relationships and expertise that would be lost should these individuals retire could be difficult to replace and could result in a decrease in financial performance. DMCI HI periodically identifies potential successors to key management position and prepares talent for taking on greater responsibilities as the circumstances may require.

Absence of investments for growth: DMCI HI invests in sectors that are believed to be key growth areas in the Philippines, particularly in infrastructure, mining, power generation, logistics, and real estate sectors. The group wants to establish its presence in allied businesses from which it can derive new sources of growth and value creation while managing the risks. Thorough discussion of the business plan, strategy for execution, and capital allocation are carried out by responsible business development personnel that are identified and are made accountable for a particular sector.

Uncollected receivables and outstanding inventory: Receivables and inventories of businesses may be overdue which affect the cash flows and liquidity of the company. The business unit's performance is measured against several metrics including days sales outstanding and days sales inventory, with the intention of establishing adequate financial controls over operating deliverables, ensuring proper credit lines are available, and monitoring the demand and supply imbalance.

Power generation plants unavailability: Power plants may experience unplanned shutdown and forced outages of its power plants, thereby increasing the repairs and maintenance expenses as well as incur opportunity cost on potential energy sales. This can be mitigated through optimization of fuel blending and intensifying preventive maintenance activities.

Credit health deterioration: Some of the business units under DMCI HI requires fund raising from external sources. Any inability to obtain financing from banks would adversely affect the company's ability to execute its expansion plans. Business units set a maximum amount of debt maturities guided by a cash allocation plan to anticipate funding requirements, manage refinancing, and liquidity risks. The group's portfolio of assets and strong balance sheet provides flexibility to tap both debt and equity capital markets in various stages of the economic cycle.

Cybercrime: DMCI HI businesses are exposed to information and technology infrastructure downtime and potential breach to critical information due to malwares, hacking, and cybercrime. The group has a roadmap to strengthen and enhance existing security detection, vulnerability and patch management configuration management, identity access management, events monitoring, data loss prevention and network perimeter capabilities to ensure cyber threats are managed.

To mitigate such risks, we want to ensure that we are addressing the specific risk factors through a robust risk management system that will allow the company to maximize opportunities for reinvention and navigate challenges.

Chairman and President

The Chairman and President roles are unified to ensure strong, central leadership and to enhance efficiency.

To foster an appropriate balance of power, the functions of the two positions are clearly delineated in the Board Charter, Manual on Corporate Governance and By-Laws of the Company.

To ensure that the Board gets the benefit of independent views and perspectives, the Chairman and CEO does not sit on any of the board committees. Board resolutions are also decided upon by at least two-thirds (2/3) of the Board members.

Board committees are mainly composed of independent and non-executive Directors and are tasked to recommend and report to the Board any major business decisions.

Lead Independent Director

The Board designated a Lead Independent Director among the Independent Directors since the incumbent Chairman of the Board is not independent and assumes the role of the CEO/President at the same time.

Atty. Cynthia R. Del Castillo was appointed by the Board as the Lead Independent Director. The functions of the position include, among others, the following:

- Serve as an intermediary between the Chairman and the other Directors when necessary;
- Convene and chair meetings of the non-executive directors; and
- Contribute to the performance evaluation of the Chairman, as required.

Regular Directors

A Director's office is one of trust and confidence. Directors are expected to act in the best interest of the Corporation in a manner characterized by transparency, accountability and fairness. They should also exercise leadership, prudence and integrity in directing the Corporation towards sustained progress.

Directors must conduct fair business transactions for the Company and ensure that his/her personal interest does not conflict with the interests of the Company. They should also act judiciously, exercise independent judgment, and follow the norms of conduct outlined in the New Manual of Corporate Governance.

Independent Directors

An Independent Director (ID) is defined as one who apart from his fees and shareholdings, is independent of Management and substantial shareholders, and free from any business or other relationship which could, or could reasonably be perceived to, materially interfere with his exercise of independent judgment in carrying out his responsibilities as a Director of the Corporation.

Our IDs possess the qualifications and none of the disqualifications under existing Philippine regulatory rules and requirements for IDs.

They have been nominated by a non-controlling shareholder during the nomination process, and are independent of Management and major shareholders of the Company. More importantly, they bring objectivity to Board deliberations and discussions.

Independent Director Succession Policy

We believe that the Board of Directors is responsible for directing the long-term success of our Company, and their optimal composition over time is critically important to investors and other key stakeholders. As such, robust board succession planning is necessary to establish and maintain a competent, entrepreneurial, independent and inclusive Board.

Our succession plan is intended to give assurance and confidence to all stakeholders of the Company, demonstrating that changes in leadership would be carefully planned, communicated and implemented by the Board.

This policy outlines the process for identifying and replacing Independent Directors, who are key to maintaining objectivity and broad expertise within the Board. It should be applied in conjunction with the Board Diversity Policy, Manual on Corporate Governance, By-Laws and other corporate documents of the Company.

Criteria

An Independent Director (ID) shall possess appropriate skills, experience, knowledge and stature in at least one of these fields: construction, engineering, finance, law, management, corporate governance, operations or other disciplines related to the Company's businesses.

To qualify for selection, candidates should:

- Meet the independence criteria of the Securities and Exchange Commission (SEC)
- Have extensive experience and proven record of professional success and leadership
- Be of good repute and have the highest level of personal and professional ethics, integrity and values
- Be free of major conflicts of interest, in particular having no continuing operating or executive role in any company that competes with any of the Company's subsidiaries

Identification and Selection

The Nomination and Election Committee shall identify, pre-screen and shortlist ID candidates, who will then be recommended to the Board for deliberation and selection.

Term Limits

An Independent Director shall serve for a maximum cumulative term of nine (9) years. The cumulative period shall start from the year 2012 in accordance with the rules and circulars of the SEC.

After which, the independent director shall be perpetually barred from re-election as such in the same company, but he/she may continue to qualify for nomination and election as a non-independent director.

Executive Succession Planning

Our commitment to leadership continuity is embodied in our Executive Succession Plan Policy, which ensures the stability and accountability of our Company to its stakeholders.

Under the policy, the Board will assess the permanent leadership needs of the Company to help ensure the selection of a qualified and capable leader.

While the Board assesses the leadership needs and recruits a permanent executive officer, the Board will appoint interim executive leadership to ensure that our Company's operations are not interrupted.

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

It is also the policy of our Company to develop a pool of candidates and consider at least three finalist candidates for its permanent CEO position.

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

The interim CEO and any other interested internal candidates are encouraged to submit their qualifications for review and consideration by the Transition Committee for recommendation to the Nomelec according to the guidelines established for the search and recruitment process.

Board and Director Development

To enhance the effectiveness of our Board operations, we provide Directors with comprehensive orientation, training programs, continuing education opportunities, committee assignments, and regular evaluations, among other initiatives.

Newly elected members of the Corporation's Board of Directors will participate in an in-depth orientation or training program, focusing on the Corporation's business operations, policies, and other pertinent matters. This program will adhere to the prescribed number of hours and requirements set by the Securities and Exchange Commission (SEC).

Additionally, new Directors will join an induction program that encompasses key areas such as the Corporation's strategic direction, financial and legal matters, financial reporting processes, compliance programs, the Code of Business Conduct and Ethics, unique operational and business aspects, and the overarching responsibilities of the Board of Directors.

The CG Committee has developed an Onboarding Program for first-time Directors to include:

- Eight-hour orientation on Corporate Governance and Company's governance policies, procedures and best practices
- Company business orientation sessions
- Meeting with key officers of the Company and subsidiaries
- Guided site visits to Company operations
- Board committee familiarization sessions

In order to facilitate the fulfillment of their responsibilities, Directors are given access to, or notice of, continuing educational programs regarding corporate governance and critical issues relating to the operation of public company Boards.

Directors are also encouraged to periodically visit our construction projects, mine sites, power plants, real estate developments and water facilities, to update their knowledge and understanding of our businesses.

Chief Executive Officer Performance Evaluation

The Board conducts annual performance reviews of the CEO based on key result areas, which consist of Board-approved financial and nonfinancial performance metrics.

The Chief Compliance Officer oversees the performance evaluation process while the Corporate Secretary tabulates the rating results and summarizes the evaluation comments. Evaluation results are then submitted to and/or discussed with the CEO for proper disposition or action.

Board Performance Evaluation

The Board conducts an annual performance evaluation to ensure that members effectively fulfill their obligations. The annual performance assessment is divided into four sets.

Full Board Review	The Full Board Review covers Board activities, mission and purpose, governance, board organization, meetings and membership, and management support.
CEO Appraisal	The Board will assess separately the performance of the CEO to rate his financial, strategic, governance, internal processes and business development capacities
Peer Board Review	The Peer Board Review allows each Director to assess their Co-directors in terms of leadership, interpersonal skills, strategic thinking and their contribution to the Board.
Board Committees: <ul style="list-style-type: none">• Audit & RPT• Board Risk Oversight• Corporate Governance	In compliance with the Company's CG Manual and Board Charter, the annual assessment of the performance of the Board Committees has been adapted which contains the oversight responsibilities under the Code of Corporate Governance, i.e. composition and meetings, duties and responsibilities of the members of the committees

In addition, the Chief Compliance Officer, Chief Risk Officer and the Chief Audit Executive will be evaluated by its respective board committees.

Chief Compliance Officer	The assessment of the CCO contains the monitoring, reviewing, and ensuring the compliance by the corporation, its directors, officers and employees with the relevant laws, CG Code, and all governance issuances by the regulators
Chief Risk Officer	This evaluates the performance of the CRO in supervising the entire Enterprise Risk Management process, communicating the top risk, implementing the risk management strategies and action plans.
Chief Audit Executive	The Board will assess the performance of the Chief Audit Executive (Punogbayan & Araullo) mainly in providing independent risk-based assurance service to the Board, Audit Committee and Management. They are evaluated based on their regular and special audit on the company's risk assessment; reviewing, auditing and assessing the efficiency and effectiveness of the internal control system of all areas of the company.

Performance Evaluation Criteria and Process

The CG Committee develops the performance evaluation criteria and process to assess the performance of the CEO, Board of Directors, board committees, and individual Directors. The table below summarizes the criteria for each position.

Chief Executive Officer	<ul style="list-style-type: none"> • Reviewing financial and management performance • Strategic planning process of management • Promoting good governance and ethical conduct across the organization • Risk and crisis management • Monitoring internal control and compliance systems in general • Upholding and supporting corporate sustainability advocacies of the Company
Board of Directors	<ul style="list-style-type: none"> • Composition: • Frequency of meetings • Discharge of roles and responsibilities • Reviewing management performance • Setting strategic directions and goals • Overseeing financial performance and fiduciary accountability of the Company • Exercising governance roles in establishing and upholding Company's core values, strategic objectives, key policies, governance framework and systems to optimize shareholder value

Directors	<ul style="list-style-type: none"> • Attendance and participation in meetings • Exercising duties with due diligence and reasonable care • Maintaining confidentiality • Acting in good faith and in the interests of the Company as a whole • Promoting and upholding corporate governance best practices • Leadership, roles and responsibilities • Board independence and stewardship • Strategic thinking • Interpersonal skills • Board contribution
Chief Compliance Officer	<ul style="list-style-type: none"> • Knowledge in compliance and keep abreast in regulatory developments • Understand the compliance functions • Duties and responsibilities • Monitor and Implement compliance • Determine any compliance issues and possible solutions
Chief Audit Executive	<ul style="list-style-type: none"> • Independence and objectivity • Scope of internal audit function and responsibilities • Internal Audit Plan – submission at least annually to the Audit Committee • Reporting and monitoring – highlighting significant audit findings and recommendations
Chief Risk Officer	<ul style="list-style-type: none"> • Managing the Enterprise Risk Management • Adequacy in authority, resources and support to fulfill his responsibility • Communicating the risks and status of implementation to employees, management and to the board. • Effective and efficient governance of significant risks and opportunities to the company.

PROCESS

- The Chief Compliance Officer prepares and administers the distribution of the assessment forms to the members of the Board and committees
- The Directors and members of the Board committees are given fifteen (15) calendar days to accomplish the said assessment forms.
- Accomplished assessment forms shall be submitted to the Chief Compliance Officer on the deadline set.
- The Company engaged Castillo Laman Tan Pantaleon and San Jose (CLTPSJ) Law Office Corporate to tabulate the ratings and results, after which summarizes the evaluation comments.
- The CLTPSJ will report the results of the evaluation to the Board during a regular or special meeting.

In 2024, the following were approved by the Board:

Amendments	<ul style="list-style-type: none">• Code of Business Conduct and Ethics• Climate Change Policy• Policy of Health, Safety, General Welfare and Development of Employees• Eco-Design Policy• Human Rights Policy• Board Charter• Insider Trading Policy
New Policies	<ul style="list-style-type: none">• Biodiversity Policy• Environmental Policy• Cybersecurity and Information Security Policy

External Audit

An external auditor examines our accounting records to make sure that our financial statements meet government and regulatory requirements.

The Audit and RPT Committee oversees the external audit function on behalf of the Board. Its oversight covers the review and approval of the appointment, reappointment or removal of the external auditor, audit work engagement, scope and related fees, among others.

No Company Director or Officer is a former employee or partner of the current external auditor in the past three years.

The external auditors of the Company and its subsidiaries is the accounting firm Sycip, Gorres, Velayo and Co. (SGV & Co.). Pursuant to the General Requirements of SRC Rule 68, paragraph 3 (Qualifications and Reports of Independent Auditors), the Board of Directors of the Company, upon recommendation of its Audit Committee, approved the engagement of the services of SGV & Co. as external auditor and Ms. Jennifer D. Ticlao as the Partner-in-Charge starting 2022 audit period given the required audit partner rotation every five years.

The re-appointment of the external auditor SGV & Co. is presented to the stockholders for their approval at the annual stockholders' meeting.

Representatives of SGV & Co. are expected to be present at the stockholders' meeting. They will have the opportunity to make a statement if they desire to do so and they are expected to be available to respond to appropriate questions.

External Audit Fees and services

Below are the External Audit Fees of the Company and its subsidiaries for two fiscal years:

	2024	2013
Audit and audit related fees	Php25,732,245.00	Php23,324,509.00
Non-audit	Php2,867,500.00	-

Corporate Information

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Legal Counsel Castillo Laman Tan Pantaleon & San Jose Law Offices 4th Floor, The Valero Tower 122 Valero Street, Salcedo Village Makati City, Metro Manila, Philippines Tel (632) 8810 4371 and 8817 2724 Fax (632) 8819 2724, 8819 2725 and 8817 5938	Stock Transfer Agent Stock Transfer Service, Inc. 34th Floor, Rufino Plaza Ayala Avenue, Makati City Metro Manila, Philippines Tel (632) 8403 2410 and 8403 2412 Fax (632) 8403 2414