# COVER SHEET

A S O 9 5 0 0 2 2 8 3
SEC Registration Number

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

(Company's Full Name)

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

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

| HERBERT M. CONSUNJI | 8888-3000 |
|---|---|
| Contact Person | Company Telephone Number |

3rd Tuesday of May

| 1 2 | 3 1 | **SEC 17-C** | 0 5 | 1 8 |
|---|---|---|---|---|
| Month | Day | FORM TYPE | Month | Day |
| Fiscal Year | | | Annual Meeting | |

N.A.
Secondary License Type, If Applicable

C F D
Dept Requiring this Doc

Amended Articles Number / Section

Total Amount of Borrowings

| Total No. of Stockholders | Domestic | Foreign |
|---|---|---|

To be accomplished by SEC Personnel concerned

File Number

LCU

Document ID

Cashier

S T A M P S

Remarks: Please use BLACK ink for scanning purposes

**SECURITIES AND EXCHANGE COMMISSION**

# SEC FORM 17-C

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

1. November 7, 2022
   Date of Report (Date of earliest event reported)

2. SEC Identification Number ASO95-002283          3. BIR Tax Identification No. 004-703-376

4. DMCI Holdings, Inc.
   Exact name of issuer as specified in its charter

5. Philippines
   Province, country or other jurisdiction of incorporation

6. (SEC Use Only)
   Industry Classification Code:

7. 3/F Dacon Building, 2281 Don Chino Roces Avenue, Makati City — 1231
   Address of principal office — Postal Code

8. (632) 8888-3000
   Issuer's telephone number, including area code

9. Not applicable
   Former name or former address, if changed since last report

10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

| Title of Each Class | No. of Shares Outstanding | Amount |
|---|---|---|
| Common Shares | 13,277,470,000 | Php13,277,470,000.00 |
| Preferred Shares | 960 | 960.00 |
| TOTAL | 13,277,470,960 | Php13,277,470,960.00 |

11. Indicate the item numbers reported herein: Item 9

**Item 9. Other Matters**

This is to inform the investing public that at the meeting of the Board of Directors held today, November 7, 2022, the Board approved the following

1. Consolidated Financial Statements for the period ended September 30, 2022.

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF CONSOLIDATED OPERATIONS AND CONSOLIDATED FINANCIAL CONDITION AS OF AND FOR THE PERIOD ENDED SEPTEMBER 30, 2022 AND 2021

September 30, 2022 (Unaudited) vs September 30, 2021 (Unaudited)

## I. RESULTS OF OPERATIONS

The table below summarizes the performance of DMCI Holdings, Inc. (PSE: DMC), its subsidiaries and associate, also collectively referred to as "the DMCI Group", for the period ended September 30, 2022 and 2021.

- D.M. Consunji, Inc. (DMCI), a wholly owned subsidiary, is one of the leading engineering-based integrated construction firms in the country. It operates in two construction segments: building and infrastructure. It also has separate business units for joint ventures and project support (i.e., concrete production, steel fabrication and equipment rental).

- DMCI Project Developers, Inc. (DMCI Homes), a wholly owned subsidiary, is one of the leading mid-segment developers in the Philippines, offering best-in-class amenities and value-for-money properties in Metro Manila and other key urban areas.

- Semirara Mining and Power Corporation (SMPC), a majority-owned subsidiary (56.65%), is the largest and most modern coal producer in the Philippines. It is the only power generation company in the country that produces its own fuel (coal). Its two wholly owned operating subsidiaries—Sem-Calaca Power Corporation (SCPC) and Southwest Luzon Power Generation Corporation (SLPGC)—provide baseload power to the Luzon and Visayas grids.

- DMCI Power Corporation (DMCI Power), a wholly owned subsidiary, is one of the largest off-grid energy suppliers in the Philippines. It currently operates and maintains thermal, bunker and diesel power plants in parts of Masbate, Oriental Mindoro and Palawan.

- DMCI Mining Corporation (DMCI Mining), a wholly owned subsidiary, extracts nickel ore through surface mining and ships these directly to China and other markets. Currently a single-mine operator, it has nickel assets in Palawan (Berong Nickel Corporation) and Zambales (Zambales Diversified Metals Corporation).

- Maynilad Holdings Corporation, a 27%-owned associate, owns 93% of Maynilad Water Services, Inc. (Maynilad). The largest private water concessionaire in terms of customer base in the Philippines, Maynilad holds a 25-year franchise to establish, operate and maintain a waterworks system and sewerage and sanitation services in the West Zone service area of Metro Manila and the Province of Cavite.

**CONSOLIDATED NET INCOME AFTER NON-CONTROLLING INTERESTS**

| *in Php millions except EPS* | July to September (Q3) | | | January to September (9M) | | |
|---|---|---|---|---|---|---|
| | **2022** | **2021** | **Change** | **2022** | **2021** | **Change** |
| I. SMPC (57%) | 5,750 | 2,282 | 152% | 20,381 | 5,948 | 243% |
| II. DMCI Homes | 1,131 | 900 | 26% | 3,853 | 3,225 | 19% |
| III. Maynilad | 396 | 406 | -3% | 1,108 | 1,124 | -1% |
| IV. DMCI Power | 212 | 158 | 35% | 549 | 428 | 28% |
| V. DMCI Mining | 78 | 165 | -53% | 1,087 | 983 | 11% |
| VI. Parent and others | 12 | (2) | 609% | (27) | 15 | -280% |
| VII. D.M. Consunji, Inc. | (207) | 101 | -305% | 549 | 428 | 28% |
| **Core Net Income** | **7,372** | **4,010** | **84%** | **27,627** | **12,308** | **124%** |
| Nonrecurring Items | (34) | (17) | 100% | 2 | 1,168 | -100% |
| **Reported Net Income** | **7,338** | **3,993** | **84%** | **27,629** | **13,476** | **105%** |
| **EPS (reported)** | **0.55** | **0.30** | **84%** | **2.08** | **1.01** | **105%** |

**Q3 2022 vs Q3 2021 Consolidated Highlights**

- The DMCI Group set a new profit record of Php 7.34 billion as its net income soared by 84% from Php 3.99 billion. This translated to an earnings per share (EPS) of Php 0.55.

  Its robust performance was mainly attributable to higher selling prices for coal, nickel, electricity and residential condominium units.

- Excluding nonrecurring items, core net income likewise accelerated by 84% from Php 4.01 billion to Php 7.37 billion. Nonrecurring items (NRI) in 2021 and 2022 are mostly due to Maynilad's donations, severance pay and loan prepayment fees.

- SMPC and DMCI Homes accounted for 94% of core net income.

**9M 2022 vs 9M 2021 Consolidated Highlights**

- Reported net income (RNI) more than doubled (105%) from Php 13.48 billion to Php 27.63 billion, which translated to an EPS of Php 2.08 and a return on equity (ROE) of 28.1%. RNI and ROE during the period both reached all-time high levels.

  The DMCI Group's record performance was primarily due to better selling prices for its coal, nickel, power and residential projects, coupled with higher revenue recognition from its construction and real estate businesses.

- Excluding nonrecurring gain in 2021 largely due to the combined effect of gain from deferred tax remeasurement under CREATE Act (Php 993 million) and land sale (Php 203 million), as well as Maynilad's severance and donations expenses (Php 28 million), core net income more than doubled (124%) from Php 12.31 billion to Php 27.63 billion.

- SMPC, DMCI Homes and DMCI Mining accounted for 92% of core net income.

- Strong operating results led to a significant boost in the Group balance sheet, with key liquidity, solvency and book value per share (BVPS) ratios all improving by double digits. Since end-2021, current ratio is up by 41% from 2.25x to 3.16x, while net debt to equity ratio dropped by 73% from 0.32 to 0.08. BVPS expanded by 24% from 6.61 to 8.21.

- Consolidated cash reached a record-high (Php 43.2 billion) after capital expenditures (Php 17.6 billion), net loan availment (Php 2.2 billion) and cash dividend payout in April (Php 0.48 per share or Php 6.4 billion).

  DMC declared additional cash dividends of Php 0.72 per share (Php 9.6 billion in total), which is scheduled for payout in November 2022 (Q4).

**Q3 2022 vs Q3 2021 Subsidiaries and Associate Performance**

**I. Semirara Mining and Power Corporation (SMPC)**

Core income contribution from SMPC expanded by 152% from Php 2.28 billion to Php 5.75 billion owing to the triple-digit earnings growth of its coal and power businesses. To explain:

Coal Segment

- **Better selling prices.** Semirara coal average selling price (ASP) increased by 83% from P2,831/metric ton (MT) to P5,173/MT on the back of rising index prices and higher-grade coal sold.

  Average Newcastle price (NEWC) advanced by 151% from US$167.5 to US$420.7, with the index even hitting an all-time high of US$452.8 during the week of September 9. Indonesian Coal Index 4 (ICI4) price uptrend was more muted, rising by 12% from US$ 72.8 to US$ 81.7.

- **Foreign exchange boost.** Average US$/Php exchange rate increased by 13% from US$ 1: Php 50.5 to US$ 1: Php 57.0, while average US$/JP¥ exchange rate dropped by 26% from US$ 1: JP¥ 110.07 to US$ 1: JP¥ 138.20.

  This led to foreign exchange gains from its US dollar-denominated coal exports and Japanese yen-denominated equipment imports.
- **Cash cost - COS decline.** Cash cost component of cost of sales (COS) slipped by 4% from Php 4.66 billion to Php 4.47 billion mainly due to lower shipments, tempered by higher fuel costs. Fuel costs accounted for 54% of COS (vs 37% in Q3 2021).

- **Improved profit margins.** Core EBITDA margin widened from 42% to 51%, while net profit margin improved from 33% to 50%. Profit margins widened as ASP movement outpaced the increase in operating costs.

The segment also reported the following operational highlights:

- **Higher production.** Production rallied by 75% from 2.0 million metric tons (MMT) to 3.5 MMT, while strip ratio went down from 17.5 to 10.0 because of controlled water seepage in Molave mine and easier access to coal in East Block 4 (nearing depletion) and South Block 5. Projected strip ratio for 2022 remains at 10.79.

- **Lower sales.** Total shipments receded by 18% from 3.9 MMT to 3.2 MMT, mainly driven by a 59-percent drop in exports from 2.7 MMT to 1.1 MMT. Bulk (67%) of exports went to South Korea, followed by China (10%), Thailand (10%), Vietnam (9%) and Brunei (4%).

Domestic sales improved by 75% from 1.2 MMT to 2.1 MMT as sale to own plants more than doubled (133%) on the improved availability of SCPC Unit 1 and SLPGC Unit 1.

- **Ample ending coal inventory.** Ending high-grade coal inventory ballooned 17x from 0.1 MMT to 1.7 MMT on lower shipments and stronger-than-expected mine production.

Power

- **Improved plant availability.** Overall plant availability went up by 18% from 55% to 65%, following the continuous operations of SCPC Unit 1, coupled with the reduced unplanned outages of SLPGC plants (15 days in Q3 2022 vs 70 days in Q3 2021).

  However, average capacity dropped by 13% from 796MW to 695MW due to the commissioning activities of SCPC Unit 2 and occasional deration of the three other plants.

- **Higher gross generation.** Higher plant availability led to double-digit growth (16%) in gross generation from 873 gigawatt hours (GWh) to 1,010 GWh as both SCPC and SLPGC delivered higher outputs.

- **Lower power sales.** Total power sales fell by 6% from 1,032 GWh to 970 GWh owing to high base effect. While the segment sold more power in 2021, some of it came from replacement power purchases to meet power supply contract obligations. Contracted capacity shifted downward (43%) from 414.35MW to 234.15MW.

- **Pivot to spot sales.** At the end of Q2 2022, 61% of running dependable capacity (540MW) was uncontracted. With 329.65 MW of capacity available for dispatch to the spot market and 9 GWh of commissioning dispatch from SCPC Unit 2, total spot power sales volume more than tripled (213%) from 165 GWh to 517 GWh. Conversely, bilateral contract quantity (BCQ) sales contracted by 48% from 867 GWh to 453 GWh.

- **Elevated selling prices.** Overall ASP jumped by 52% from Php 4.09/KWh to Php 6.23/KWh on higher spot sales at elevated rates. Spot ASP climbed by 50% from Php 5.49/KWh to Php 8.24/KWh, largely due to thin power reserves and high fuel costs. Spot sales accounted for 53% of total dispatch, a marked increase from 16% last year.

- **Minimal replacement power purchases.** Total spot purchases eased by 41% from Php 841 million to Php 496 million. The segment was a net seller to the market by 458GWh (vs net buyer 23 GWh in Q3 2021).

SMPC recorded its best-ever third quarter standalone net income of Php 10.15 billion, more than double (153%) from Php 4.01 billion last year.

**II. DMCI Project Developers Inc. (DMCI Homes)**

DMCI Homes contributed Php 1.13 billion in core net income, a 26-percent upswing from Php 900 million. This was due to the combined effect of the following:

- **Higher selling price.** Average selling price (ASP) rose by 18% from Php 110,000 to Php 130,000 per square meter, while ASP per unit sold grew even faster at 33% from Php 5.58 million to Php 7.40 million.

  Better ASP cushioned the impact of topline weakness (-8% from Php 5.85 billion to Php 5.37 billion), which resulted from lower construction accomplishments, higher cancellations and lesser new accounts that qualified for revenue recognition.

- **Lower COS.** Cost of sales dropped by 14%, steeper than topline, from Php 4.22 billion to Php 3.62 billion. This was mainly due to lower construction costs and construction accomplishments.

- **OPEX uptick.** Operating expenses went up by 5% from Php 617 million to Php 647 million on higher sales incentives and digital marketing spending.
- **More Other Income**. Other income swelled by 43% from Php 254 million to Php 362 million owing to higher forfeitures and rental income.

- **Better profit margins**. Core net income margins improved from 16% to 21% following higher selling prices of projects that qualified for revenue recognition, lower construction costs, and higher Other Income. The growth in margins was tempered by higher income tax provision and operating expenses.

The company also reported the following operational highlights:

- **Sales upsurge.** Total units sold recovered by 132% from 1,128 to 2,613 following the launch of Fortis Residences in Makati City and Sage Residences in Mandaluyong City. Residential sales surged by 130% from 633 units to 1,455 units, while parking slot sales soared by 134% from 495 units to 1,158 units.

- **Near-triple sales value.** Total sales value nearly tripled (199%) from Php 3.91 billion to Php 11.69 billion on the back of higher unit sales and selling prices.

- **Ample inventory.** Total Inventory grew by 30% from Php 44.7 billion to Php 58.2 billion. Ready-for-occupancy (RFO) inventory jumped by 31% from Php 11.6 billion to Php 15.2 billion with the Q3 completion of Infina Towers, Prisma Residences, The Celandine and Verdon Parc.

  Meanwhile, pre-selling inventory was up by 30% from Php 33.1 billion to Php 43.0 billion largely due to the launch of three major projects, namely The Erin Heights, Fortis Residences and Sage Residences. Pre-selling units accounted for 74% of total inventory.

- **Substantial land bank.** Land bank expanded by 18% from 185.2 hectares to 219.1 hectares following land banking activities in Luzon, which grew by 49% from 64.6 square meters to 96.4 square meters.

Standalone net income grew by 25% from Php 919 million to Php 1.15 billion. The company did not record any non-recurring item during the period.

**III. Maynilad Water Services, Inc. (Maynilad)**

Core net income contribution from associate Maynilad slightly weakened (-3%) from Php 406 million to Php 396 million due to the following:

- **Higher cash costs and noncash opex.** Total cash expenses quickened by 18% with the imposition of franchise tax and higher fuel and utilities expenses, which were tempered by lower personnel costs. Noncash operating expenses likewise grew double digits (14%) from Php 1.10 billion to Php 1.25 billion due to additional amortization of concession assets.
- **Disproportionate topline growth.** Compared to spending, revenues from water and wastewater services grew at a slower pace (9%) from Php 5.44 billion to Php 5.93 billion. The uptick was primarily due to higher billed volume, average effective tariff and other fees collected (government tax).

- **Recovering billed volume.** Billed volume recovered by 4% from 129.6 million cubic meters (MCM) to 134.3 MCM owing to easing COVID-19 restrictions and low base effect from aggressive disconnection in 2021.

- **Improving average effective tariff.** Average effective tariff inched up by 2% from Php 41.5 to Php 42.4 on higher billed volume and better customer mix. From 15.9%, commercial customers accounted for 17.4%, while domestic customers declined from 84.1% to 82.6%.

The company also reported the following operational highlights:

- **Lower water losses**. From 32.7%, average non-revenue water (NRW) declined to 28.6% because of better supply-demand management and network diagnostic activities.

- **Reduced water production.** Production slipped by 2% from 192.6 million cubic meters (MCM) to 188.0 MCM due to persisting algae bloom in Laguna Lake which curbed water production in the Putatan water treatment plants.

- **Shortened supply window.** 24-hour availability declined by 17% from 95.1% to 78.6% owing to algae bloom-induced supply disruptions in parts of the company's concession area.

Reported net income slid by 6% from Php 1.64 billion to Php 1.54 billion. Excluding nonrecurring items, core net income fell by 3% from Php 1.70 billion to Php 1.66 billion.

**IV. DMCI Power Corporation (DMCI Power)**

DMCI Power reported a 35-percent improvement in core net income from Php 158 million to Php 212 million due in large part to the following:

- **Higher energy sales**. Total energy sales rose by 10% from 101.7 GWh to 112.0 GWh owing to stronger demand in Oriental Mindoro, whose other independent power producers struggled with plant unavailability and lower output from renewable energy sources.

  Masbate sales rose by 8% on strengthening demand while Palawan, which accounts for 38% of total sales, contracted by 6% following a 17-day preventive maintenance of the Aborlan bunker plant.

- **Historic selling prices.** Average selling price (ASP) went up by 39% from Php 13.7/KWh to Php 19.0/KWh due to surging fuel prices.

- **Steeper cost of sales growth.** COS growth (62%) outpaced revenue growth (53%) owing to higher fuel cost and plant maintenance costs for Palawan. From Php 1.10 billion, COS hit Php 1.78 billion during the period.

**V. DMCI Mining Corporation (DMCI Mining)**

Core net income contribution from DMCI Mining retreated by 53% from Php 165 million to Php 78 million because of the following:

- **Lower Shipments.** Total shipments plunged by 50% from 211,000 wet metric tons (WMT) to 106,000 WMT mainly due to unfavorable weather conditions and low inventory owing to the depletion of its Palawan mine in Q4 last year.

- **Production Decline.** Left with only one operating mine, total production dropped by 44% from 269,000 WMT to 149,000 WMT. To meet demand, Zambales more than doubled its production (107%) from 72,000 WMT to 149,000 WMT.

- **Better selling prices.** Average selling price (ASP) rose by 31% from US$ 32/WMT to US$ 42/WMT amid higher market prices and flattish (-1%) average grade sold (1.31%).

- **Favorable forex rates.** Average US$/Php exchange rate went up by 10% from US$ 1: Php 49 to US$ 1: Php 54.

- **Lower core profit margins.** Despite a 29-percent drop in revenues (from Php 338 million to Php 240 million), total cash costs declined at a slower pace (7%) from Php 219 million to Php 204 million mainly due to higher fuel costs and fixed cash costs for shipping and manpower. Core profit margins declined from 54% to 33%.

The company also reported the following operational and financial highlights:

- **Reduced stockpile.** Total ending inventory plunged by 76% from 450,000 WMT to 109,000 WMT as Palawan inventory dropped by 94% from 342,000 WMT to 21,000 WMT on mine depletion. Meanwhile, Zambales stockpile declined by 19% from 108,000 WMT to 88,000 WMT on higher shipment.

- **Higher cash and same debt levels.** Cash levels improved by 75% from Php 0.8 billion (as of end of December 2021) to Php 1.4 billion due to strong nickel sales, tempered by capex spending (Php 269 million) for Palawan exploration activities and Zambales fleet expansion. Debt level remains at Php 350 million.

Reported net income contracted by 56% from Php 181 million to Php 80 million.

**VI. D.M. Consunji, Inc. (DMCI)**

From a net income to Php 101 million, DMCI swung to a net loss of Php 207 million due to the following:

- **Drop in revenue recognition.** Construction revenues declined by 13% from Php 4.67 billion to Php 4.07 billion owing to fewer projects, slowdown in accomplishments and conservative take-up on price escalation claims.

- **Higher costs.** Despite the double-digit topline drop, cost of sales declined at a much slower pace (-3%) from Php 4.14 billion to Php 4.00 billion due to higher raw materials costs, which are still subject to claims.

- **Negative margin.** EBITDA margin plunged to negative territory from 9% to -8% on lower topline.

- **Order book slowdown.** Order book shrank by 12% from Php 51.7 billion to Php 43.7 billion on anemic construction demand, propped up by Php 8.4 billion in newly-awarded projects in 2022.

DMCI financial performance plummeted by 265% from a standalone net income of Php 140 million to a net loss of Php 231 million.

**Outlook**

The DMCI Group expects inflationary pressures, demand slowdown and foreign currency volatility to affect the growth trajectory of its businesses.

Construction and real estate face stiff challenges as high interest rates and economic uncertainly weigh down client demand. Rising input cost as a result of supply disruptions and weakening local currency is also likely to affect margins and liquidity.

Meanwhile, demand for coal, nickel and electricity will largely depend on how the global economy, European energy crisis and China pandemic reopening will play out.

Favorable exchange rates should provide some earnings lift. A strong US$/Php is net positive for the Group as around 70% of our 9M 2022 consolidated net income is attributable to coal and nickel exports. However, these gains could be partially offset by higher construction supply costs.

The Group's value engineering expertise, strong cash position and absence of foreign-denominated debt should work in its favor in the near to medium-term.

2. Approval of the following policies (see attached)
    a. Diversity, Equality and Inclusion Policies in compliance with the Magna Carta of Women and in line with the Bloomberg Gender Equality Index
        i. Bereavement Leave Policy
        ii. Employee Engagement Policy
        iii. Gender Equality and Representation Policy
    b. Disclosure Policy

**SIGNATURES**

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

DMCI Holdings, Inc.
Issuer

**Herbert M. Consunji**
Executive Vice President & Chief Finance Officer

November 7, 2022

# DIVERSITY, EQUALITY, & INCLUSION (DEI) 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+.

## 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.

# DISCLOSURE POLICY

## I. PURPOSE

The Disclosure Policy ("the Policy") of DMCI Holdings, Inc. (the "Company") outlines the procedures and practical guidelines for the consistent, transparent, regular and timely public disclosure and dissemination of material information about the Company and its subsidiaries.

## II. SCOPE

This Policy covers the following:

1. All reports filed with the Securities and Exchange Commission (SEC) under the Securities Regulation Code (SRC) and its Implementing Rules and Regulations (IRR)

2. All reports filed with the Philippine Stock Exchange (PSE) under the PSE Disclosure Rules

3. All non-structured disclosures such as press releases, official company statements or reports, investor relations and media presentations, president's report, or any material fact or event which would reasonably affect the market price of the Company

4. Electronic communications such as emails and Company's website

## III. RESPONSIBILITY

The Chief Compliance Officer (CCO) shall be responsible for implementing this Policy and ensuring compliance with the disclosure obligations.

He/She is also responsible for keeping the Board informed of all material developments and significant information disseminated to the investing public.

The CCO will closely coordinate with Corporate Communications, Finance, Investor Relations and relevant subsidiaries to prepare the disclosure to be disseminated to the investing public.

## IV. DESIGNATED SPOKESPERSON

The Company communicates only through its designated primary and secondary spokespersons, which include the following:

| Primary | Secondary |
|---|---|
| • Chairman and President<br>• Chief Finance Officer<br>• Vice President for Corporate Communications<br>• Investor Relations Officer | • Presidents of subsidiary and affiliate companies<br>• Chief Finance Officers of subsidiary and affiliate companies<br>• Designated resource persons of subsidiary and affiliate companies |

| | |
|---|---|

## V. MATERIAL INFORMATION

Material Information is any information relating to the business and affairs of the Company that results in or may reasonably be expected to affect investors’ decisions in relation to the trading of the Company’s shares.

The Company is required to disclose to the PSE once it becomes aware of any material information, corporate act or development of the Company and its subsidiaries, within ten minutes (10) from receipt of such information or the happening or occurrence of said act, development or event. Disclosure must be made to the PSE prior to its release to the news media.

However, the above rule shall not apply when the following instances are present:

1. The activity or development is still considered soft information.
2. The disclosure of the information would be in contravention to any existing laws of the land.

*(PSE Disclosure Rules Section 4.1)*

## VI. CONFIDENTIALITY

The Board of Directors, Officers and employees of the Company and its subsidiaries are bound to confidentiality and must not leak any information before an official disclosure is made.

## VII. FORWARD-LOOKING INFORMATION

Disclosures containing forward-looking statements must be accompanied by cautionary statements or disclaimer which cautions the readers that future results may differ.

## VIII. TRADING RESTRICTIONS

The Company will impose a trading halt up to two (2) trading days from the date the material information is obtained by the directors, the management and employees of the Company and its subsidiaries.

## IX. MONITORING AND OVERSIGHT OF THIS POLICY

The Corporate Governance Committee will review this Disclosure Policy from time to time and recommend updates to the Board, if necessary. Any material changes proposed to this Disclosure Policy will be subject to the approval of the Board.

###