


## General Announcement::SEC/PSE Annual Corporate Governance Report

## Issuer &amp; Securities

<b>Issuer/ Manager</b>	DEL MONTE PACIFIC LIMITED
<b>Securities</b>	DEL MONTE PACIFIC LIMITED - VGG270541169 - D03

## Announcement Details

<b>Announcement Title</b>	General Announcement
<b>Date &amp; Time of Broadcast</b>	25-Jun-2014 08:46:17
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<b>Announcement Sub Title</b>	SEC/PSE Annual Corporate Governance Report
<b>Announcement Reference</b>	SG140625OTHR7CUQ
<b>Submitted By (Co./ Ind. Name)</b>	Yvonne Choo
<b>Designation</b>	Company Secretary
<b>Description (Please provide a detailed description of the event in the box below)</b>	Submission of FY2013 Annual Corporate Governance Report to the Securities & Exchange Commission and the Philippine Stock Exchange, in compliance with the requirements of the Philippine Revised Code of Corporate Governance.  Please see attached.
<b>Attachments</b>	 <a href="#">DMPL-ACGR-25062014.pdf</a> Total size =1219K


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# COVER SHEET

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S.E.C. Registration Number

DEL MONTE PACIFIC LIMITED

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(Company's Full Name)

o/o JY CAMPOS CENTRE 9th AVE. COR. 30th ST.

BONIFACIO GLOBAL CITY TAGUIG CITY

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

ANTONIO E. S. UNGSON

Contact Person

(02) 856 2888

Company Telephone Number

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Month Day  
Fiscal Year

A	C	G	R
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FORM TYPE

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Month Day  
Annual Meeting

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Secondary License Type, if Applicable

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Amended Articles Number/Section

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Total No. of Stockholders

Total Amount of Borrowings

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Domestic

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Foreign

To be accomplished by SEC Personnel concerned

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SECURITIES AND EXCHANGE COMMISSION

SEC FORM – ACGR

ANNUAL CORPORATE GOVERNANCE REPORT

1. Report is Filed for the Year 2013
2. Exact Name of Registrant as Specified in its Charter Del Monte Pacific Limited
3. Craigmuir Chambers, PO Box 71 Road Town, Tortola, British Virgin Islands  
Address of Principal Office Postal Code
4. SEC Identification Number N/A
5.  (SEC Use Only)  
Industry Classification Code
6. BIR Tax Identification Number N/A
7. +65 6324 6822  
Issuer's Telephone number, including area code
8. N/A  
Former name or former address, if changed from the last report

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## A. BOARD MATTERS

### 1) Board of Directors

Number of Directors per Articles of Incorporation	7 <sup>1</sup>
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Actual number of Directors for the year	7
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#### (a) Composition of the Board

Complete the table with information on the Board of Directors:

Director's Name	Type [Executive (ED), Non-Executive (NED) or Independent Director (ID)]	If nominee, identify the principal	Nominator in the last election (if ID, state the relationship with the nominator)	Date first elected	Date last elected (if ID, state the number of years served as ID) <sup>2</sup>	Elected when (Annual/Special Meeting)	No. of years served as director
Rolando C. Gapud	NED	N/A	Nominating Committee ("NC")	20 Jan 2006	15 Apr 2014	Annual	8
Joselito D. Campos, Jr.	ED	NutriAsia Pacific Ltd	NC	20 Jan 2006	28 Apr 2006	Annual	8
Edgardo M. Cruz, Jr.	ED	N/A	NC	02 May 2006	30 Apr 2012	Annual	8
Benedict Kwek Gim Song	ID	N/A	NC	30 Apr 2007	15 Apr 2014	Annual	7
Patrick L. Go	ID	N/A	NC	19 April 2001	30 Apr 2013	Annual	13
Dr. Emil Q. Javier	ID	N/A	NC	30 Apr 2007	30 Apr 2013	Annual	7
Godfrey E. Scotchbrook	ID	N/A	NC	28 Dec 2000	30 Apr 2012	Annual	14

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

The Company is committed to the highest standards of corporate governance and supports the principles of openness, integrity, and accountability.

#### *Board Responsibilities*

The Board of Directors shapes the long-term viability of the Company, reviews material issues and provides guidance on matters relating to shareholders and their concern, and sustainability.

The Board has also put in place a framework of prudent and effective controls that allows risks to be assessed and managed. The Board ensures that obligations to shareholders and other stakeholders are understood and complied with. With the Company Secretary's assistance, the Board and Management are kept continually apprised of their compliance obligations and responsibilities arising from regulatory requirements and changes.

<sup>1</sup> Article 86 of the Company's Articles of Association (the "Articles") states that "the number of directors shall be not less than two. There shall be no maximum number of directors unless otherwise determined from time to time by the members at a general meeting.

<sup>2</sup> Reckoned from the election immediately following January 2, 2012.

The Company has a team that looks after Compliance. There is a "Whistle Blower Programme" in place. A separate team evaluates and manages Risks and both Compliance and Risk Issues are reported to the Board of Directors.

#### *Treatment of Shareholders*

The Group treats all shareholders fairly and equitably, and recognizes, protects and facilitates the exercise of shareholders' rights. Moreover, the Group continually reviews and updates such governance arrangements.

Shareholders are informed of changes in the Company's business that would likely to materially affect the value of the Company's shares.

The Group ensures that shareholders have the opportunity to participate effectively in and vote at General Meetings. Shareholders are informed of the rules, including voting procedures that govern General Meetings.

The Group is committed to engaging its stakeholders and providing easy and regular access to timely, effective, fair, pertinent and accurate information about the Company, in clear language. The Group has an Investor Relations ("IR") policy that clearly articulates and promotes this.

#### *Respect for Stakeholders*

The Group is committed to engaging its stakeholders and providing easy and regular access to timely, effective, fair, pertinent and accurate information about the Company, in clear language. It is also committed to grow our business in a manner that sustains a healthy balance among diverse interests of all our stakeholders – our employees and their families, business partners, customers and host communities. To achieve this, the Company engages its stakeholders to identify key issues affecting them and the company.

#### *Disclosure Duties*

The Group provides descriptive and detailed disclosure whenever possible and avoids boilerplate disclosure, and immediately announces any material information known to the Company concerning the Company or any of its subsidiaries or associated companies.

Material information, including but not limited to, the Company's financial position, performance, ownership, strategies, activities and governance, are disclosed to all shareholders and investing community equally via the Singapore Exchange Securities Trading Limited ("SGX-ST") and Philippine Stock Exchange ("PSE") portals (i.e., no selective disclosure), and pursuant to the requirements of the Philippine Securities Regulation Code.

#### *(c) How often does the Board review and approve the vision and mission?*

The Board approves the Company's vision, mission and values, and reviews them on a continuing basis.

#### *(d) Directorship in Other Companies*

##### *(i) Directorship in the Company's Group<sup>3</sup>*

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

Director's Name	Corporate Name of the Group Company	Type of Directorship (Executive, Non-Executive, Independent). Indicate if director is also the Chairman
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<sup>3</sup> The Group is composed of the parent, subsidiaries, associates and joint ventures of the company.

Rolando C. Gapud	NutriAsia Pacific Ltd..	N/A
	FieldFresh Foods Private Ltd	N/A
	Del Monte Foods, Inc.	Chairman
	DMPL India Pte Ltd	N/A
	DMPL India Limited	N/A
	DMPL Foods Limited	N/A
	Del Monte Foods Holdings Limited	N/A
Joselito D. Campos, Jr.	NutriAsia Group of Companies	N/A
	FieldFresh Foods Private Ltd.	N/A
	Del Monte Foods, Inc.	Vice Chairman
	DMPL Foods Limited	N/A
	DMPL India Pte Ltd	N/A
	DMPL India Limited	N/A
	Del Monte Foods Holdings Limited	N/A
	Del Monte Philippines, Inc.	Chairman
	Philippine Packing Management Service Corporation	Chairman
Edgardo M. Cruz, Jr.	NutriAsia Group of Companies	N/A
	Del Monte Foods, Inc.	N/A
	DMPL Foods Limited	N/A
	Del Monte Foods Holdings Limited	N/A
	DMPL India Limited	N/A
	Del Monte Philippines, Inc.	N/A
	Philippine Packing Management Service Corporation	N/A
Benedict Kwek Gim Song	Del Monte Foods, Inc.	N/A
Patrick L. Go	Del Monte Foods, Inc.	N/A
Emil Q. Javier	Del Monte Foods, Inc.	N/A
Godfrey E. Scotchbrook	Del Monte Foods, Inc.	N/A

(ii) *Directorship in Other Listed Companies*

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

Director's Name	Name of Listed Company	Type of Directorship (Executive, Non-Executive, Independent). Indicate if director is also the Chairman.
Joselito D. Campos, Jr.	San Miguel Corporation	Independent
Patrick L. Go	Pancake House, Inc.	Independent
	Dynamic Holdings Ltd. (Hong Kong-listed)	Independent
Godfrey E. Scotchbrook	Boustead Singapore Ltd. (Singapore-listed)	Independent
	Convenience Retail Asia (Hong Kong-listed)	Independent

(iii) *Relationship within the Company and its Group*

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

Director's Name	Name of the Significant Shareholder	Description of the relationship
Joselito D. Campos, Jr.	NutriAsia Pacific Ltd.	Mr Campos is a director and



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

	Guidelines	Maximum Number of Directorships in other companies
<b>Executive Director</b>	N/A	N/A
<b>Non-Executive Director</b>	N/A	N/A
<b>CEO</b>	N/A	N/A

Not applicable; the Board has not set any limit.

In cases where a Director has multiple Board representations, the NC assesses whether such Director has been adequately carrying out his duties as a Director of the Company. The NC noted the confirmations from Directors who held multiple Board representations that their time/effort in carrying out their duties as Directors of the Company would not be compromised.

In determining whether each Director is able to devote sufficient time to discharge his duty, the NC has taken cognizance of the requirement of the revised Code of Corporate Governance issued on 02 May 2012 by the Monetary Authority of Singapore (the "2012 Code"), but is of the view that its assessment should not be restricted to the number of board representations of each Director and his respective principal commitments per se. The contributions by Directors to and during meetings of the Board and Board Committees, as well as their attendance at such meetings, should also be taken into account.

(e) *Shareholding in the Company*

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

Name of Director	Number of Direct shares	Number of Indirect shares / Through (name of record owner)	% of Capital Stock
Rolando C. Gapud	980,000	-	0.08
Joselito D. Campos, Jr.	5,104,800	-	0.39
Edgardo M. Cruz, Jr.	2,362,900	-	0.18
Dr. Emil Q. Javier	358,240	-	0.03
<b>TOTAL</b>	<b>8,805,940</b>	-	<b>0.68</b>

2) **Chairman and CEO**

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

Yes ☒

No ☐

Identify the Chair and CEO:

<b>Chairman of the Board</b>	Rolando C. Gapud
<b>CEO/Managing Director</b>	Joselito D. Campos, Jr.

(b) *Roles, Accountabilities and Deliverables*

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

	<b>Chairman</b>	<b>Chief Executive Officer/Managing Director</b>
Role	<p>The Chairman sets the tone of Board meetings to encourage proactive participation and constructive discussions on agenda topics.</p> <p>The Chairman presides at meetings of directors and members.</p>	<p>The CEO/Managing Director handles the management and administration of the Company's business.</p>
Accountabilities	<p>At any meeting of the members, the Chairman shall be responsible for deciding whether any resolution has been carried or not, and the result of his decision shall be announced to the meeting and recorded in the minutes. If in doubt as to the outcome of any resolution put to vote, he shall cause a poll to be taken of all votes cast upon such resolution.</p>	
Deliverables	<p>The Chairman ensures that Directors and shareholders alike receive clear, timely and accurate information from Management, thus maintaining the Company's high standards of corporate governance.</p>	

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

For 2013, the NC had initiated a review on the succession planning of Board members, CEO and Key Executives of the Company. The Company has in place a succession plan, with a portfolio of well-trained candidates to assume the responsibilities of Key Executives in the event of an immediate vacancy.

**4) Other Executive, Non-Executive and Independent Directors**

*Does the company have a policy of ensuring diversity of experience and background of directors in the board? Please explain.*

Yes, the Company has (through the NC) adopted procedures for the selection, appointment and re-appointment of Directors, in order to increase transparency of the nominating process. All appointments and re-appointments of Directors are first reviewed and considered by the NC and then recommended for approval by the Board.

The NC will evaluate the balance of skills and competencies on the Board and in consultation with the Chairman of the Board and Management, determine the desired skill sets and qualities for a particular appointment.

The NC will evaluate the suitability of a prospective candidate based on his qualification and experience, ability to commit the time and effort in the effective discharge of his duties and responsibilities, independence, past business and related experience and track record. The NC will also identify any core competencies that will complement those of current Directors on the Board to ensure diversity of experience.

The current Directors of the Company bring invaluable experience, extensive business network and expertise in specialized fields such as strategic planning, mergers and acquisitions, corporate finance and restructuring, accounting, marketing and business development, risk and crisis management, corporate communications and investor relations.

The size, composition, range of experience and the varied expertise of current Board members allow discussions on policy, strategy and performance to be critical, informed and effective.

*Does it ensure that at least one non-executive director has an experience in the sector or industry the company belongs to? Please explain.*

Yes; in selecting potential new directors, the NC will seek to identify the competencies required to enable the Board to fulfill its responsibilities.

Dr. Emil Q Javier, one of the Company's non-executive directors, is a Filipino agronomist widely recognized in the international community for his academic leadership and profound understanding of developing country agriculture. His experience and knowledge are extremely helpful to the Company's agro operations.

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

	<b>Executive</b>	<b>Non-Executive</b>	<b>Independent Director</b>
Role	As a working employee of the Company, he is responsible for and involved in its day-to-day affairs.	The Non-Executive Directors contribute to the Board process by monitoring and reviewing Management's performance against pre-determined goals and objectives.	The Independent Director provides a non-executive perspective and contributes a balanced viewpoint to the Board.
Accountabilities			They exercise independent judgment and discretion on the Group's business activities and transactions, in particular, in situations involving conflict of interest and other complexities.
Deliverables			

*Provide the company's definition of "independence" and describe the company's compliance to the definition.*

The NC, on an annual basis, determines whether or not a director is independent, taking into account the "2012 Code.

Independence is taken to mean that Directors have no relationship with the Company, or its related corporations, its 10% shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Director's independent business judgment.

The 2012 Code states that the independence of any Director who has served on the Board beyond nine (9) years from the date of his first appointment should be subject to particularly rigorous review.

The NC had assessed the independence of each Director, including Directors whose tenure had exceeded nine (9) years from the date of their first appointment. In this regard, the NC noted that Mr. Patrick L Go (first appointed on 19 April 2001) and Mr. Godfrey E. Scotchbrook (first appointed on 28 December 2000) would be deemed non-independent under the guidelines of the 2012 Code.

The NC had noted that Mr. Patrick L. Go, although first appointed in 2001, was re-designated as an Independent Director in 2006. In addition, based on the NC's observation, both Mr. Patrick L Go and Mr. Godfrey E Scotchbrook had demonstrated independent mindedness and conduct at the Board and Board Committee meetings. The NC is of the firm view and opinion that both Mr. Patrick L. Go and Mr. Godfrey E. Scotchbrook are able to exercise independent judgment in the best interest of the Company in the discharge of their duties as Directors despite their extended tenure in office.

The NC having reviewed the individual Directors' judgment and conduct in carrying out their duties for

the year in review, deems that Mr Patrick L Go, Dr Emil Q Javier, Mr Benedict Kwek Gim Song and Mr Godfrey E Scotchbrook continue to be independent.

*Does the company have a term limit of five consecutive years for independent directors? If after two years, the company wishes to bring back an independent director who had served for five years, does it limit the term for no more than four additional years? Please explain.*

The Company does not have a policy on term limits. The Company, however, follows the rules and guidelines of the 2012 Code.

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

### (a) Resignation/Death/Removal

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

Name	Position	Date of Cessation	Reason

Not applicable; there were no changes in the composition of the Board of Directors for the year 2013.

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

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

Procedure	Process Adopted	Criteria
a. Selection/Appointment		
(i) Executive Directors	The directors shall be elected by the members for such term as the members determine. <sup>4</sup>  The Directors may appoint any person to be a director in case of a vacancy. Any director so appointed shall hold office until the next annual general meeting ("AGM") of the Company and shall be available for re-election at that meeting. <sup>5</sup>  The NC determines whether the Directors possess the required qualifications and expertise. It reviews the appointments and then recommends for Board approval.	Suitability of the nominee or candidate will be assessed based on his qualification and experience, past business and related experience, ability to commit time and effort in the effective discharge of duties and responsibilities, and track record.
(ii) Non-Executive Directors		
(iii) Independent Directors		
b. Re-appointment		
(i) Executive Directors	All directors hold office for a maximum period of three years whereupon they shall	In general, contributions and performance of each Director are considered, taking into account

<sup>4</sup> Article 85 of the Articles.

<sup>5</sup> Article 92 of the Articles.

	retire in accordance with the Company's Articles but are eligible for re-election. <sup>6</sup>	his attendance and participation at the Board and Board committee meetings, as well as the time and effort accorded to the Company/Group's business and affairs.
(ii) Non-Executive Directors	The NC is tasked with the review of the performance and contribution of the Board in order to nominate them for re-election or re-appointment.	
(iii) Independent Directors		
<b>c. Permanent Disqualification</b>		
(i) Executive Directors	The Group adopts the prescribed rules and procedures in the 2012 Code (and the Revised SEC Code of Corporate Governance).	
(ii) Non-Executive Directors		
(iii) Independent Directors		
<b>d. Temporary Disqualification</b>		
(i) Executive Directors	The Group adopts the prescribed rules and procedures in the 2012 Code (and the Revised SEC Code of Corporate Governance).	
(ii) Non-Executive Directors		
(iii) Independent Directors		
<b>e. Removal</b>		
(i) Executive Directors	Article 90 of the Articles provides:  (1) A director may be removed from office, with or without cause, by a special resolution of members. (2) If a director becomes of unsound mind or becomes bankrupt, he shall be removed from office by an ordinary resolution of members or a resolution of directors or shall resign. (3) If a director becomes prohibited by law from acting as a director, he shall be removed from office by an ordinary resolution of members or a resolution of directors or shall resign immediately from the Board.	
(ii) Non-Executive Directors		
(iii) Independent Directors		
<b>f. Re-instatement</b>		
(i) Executive Directors	None.	
(ii) Non-Executive Directors		
(iii) Independent Directors		
<b>g. Suspension</b>		
(i) Executive Directors	None.	
(ii) Non-Executive Directors		
(iii) Independent Directors		

*Voting Result of the last Annual General Meeting:*

During the Company's last AGM held on 15 April 2014, the following directors were re-elected:

Name of Director	Votes Received (FOR)
Mr. Rolando C. Gapud	926,190,950
Mr. Benedict Kwek Gim Song	927,071,750

<sup>6</sup> Article 88 of the Company's Articles of Association.

## 6) Orientation and Education Program

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

New Directors undergo an orientation program whereby they are briefed by the Company Secretary on their obligations as Directors, as well as the Group's corporate governance practices, and relevant statutory and regulatory compliance issues, as appropriate. They are also briefed by Management on the Group's industry and business operations. Ongoing orientation includes visits to the Group's plantation and manufacturing facilities for existing Directors, in order for Board members to gain a firsthand understanding and appreciation of the Group's business operations.

Moving forward, timely updates on developments in accounting matters, legislation, jurisprudence, government policies and regulations affecting the Group's business and operations are likewise provided to all Directors.

(b) *State any in-house training and external courses, including programs and seminars, attended by Directors and Senior Management<sup>7</sup> for the past three (3) years:*

The following are the trainings and seminars attended by the Company's Directors:

### For Year 2012:

Date	No. of Hours	Training/Seminar	Organizer	Attendees
Singapore				
09 Mar 2012	3.5	How Boards Can Work with the Internal Auditor and the Management to Satisfy Regulatory Requirements on Internal Control	Singapore Institute of Directors (SID), RSM Ethos and The Institute of Internal Auditors Singapore	Patrick L Go Benedict Kwek Gim Song
23 May 2012	3.5	Effective Board Leadership (EBL) Program EMB Module 2: The Board & Fund Raising	SID, presented by Provenance Capital PTe Ltd & Stamford Law Corp	Patrick L Go
15 Jun 2012	2.25	Executive Share Schemes: Design Considerations & Cost Implications	SID and Aon Hewitt	Patrick L Go Benedict Kwek Gim Song
17 Jul 2012	3.5	Listed Company Director (LCD) Program LCD Module 2: Audit Committee Essentials	SID, presented by Pricewaterhouse-Coopers	Patrick L Go
23 Oct 2012	3.5	Listed Company Director (LCD) Program LCD Module 2: Audit Committee Essentials	SID, presented by Pricewaterhouse-Coopers	Patrick L Go
06-07 Nov 2012	16.0	Program for Enhancing Board Stewardship	Stewardship & Corporate Governance Centre	Patrick L Go
Hong Kong				
04 May 2012	1.0	Board Training on Emerging Skills and China Risks 2012	CRA, presented by Pricewaterhouse-Coopers	Godfrey E Scotchbrook
23 Nov 2012	0.5	The Need for a Risk and Sustainability Committee	CRA	Godfrey E Scotchbrook
23 Nov 2012	1.5	Retailing in 20202	CRA, presented by Pricewaterhouse-	Godfrey E Scotchbrook

<sup>7</sup> Senior Management refers to the CEO and other persons having authority and responsibility for planning, directing and controlling the activities of the company.

23 Nov 2012	1.0	Update on Price Sensitive Information Disclosure	Coopers CRA, presented by Mayer Brown JSM	Godfrey E Scotchbrook
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**For Year 2013:**

Date	No. of Hours	Training/Seminar	Organizer	Attendees
<b>Philippines</b>				
18 May 2013	8.0	SEC's Revised Code of Corporate Governance	Center for Global Best Practices	Edgardo M Cruz, Jr
03-04 Jul 2013	16.0	Board Directors' Guide for Audit Committees	Center for Global Best Practices	Edgardo M Cruz, Jr
<b>Singapore</b>				
09 May 2013	3.5	Insights for Directors Forum	Singapore Corporate Governance Centre	Patrick L Go
28 May 2013	8.0	LCD Module 1: Listed Company Director Essentials: Understanding the Regulatory Environment in Singapore –What Every Director Ought to Know	Singapore Institute of Directors (SID)	Joselito D Campos, Jr Edgardo M Cruz, Jr
18 Jul 2013	2.0	Defamation, Privacy and Reputation Management	SID and RHTLaw Taylor Wessing LLP	Patrick L Go
17 Nov 2013	3.0	Deloitte Independent Non-Executive Directors Series Workshop #8: Accounting & Auditing Update for Smooth Year-End Financial Reporting Process	Deloitte	Patrick L Go
<b>Hong Kong</b>				
07 May 2013	1.0	Board Training on Sustainability – Considerations for Board of Directors	Convenience Retail Asia (CRA)	Godfrey E Scotchbrook
08 Aug 2013	1.0	Board Training on Inside Information Disclosure	CRA, presented by Davis Polk & Wardwell	Godfrey E Scotchbrook
14 Dec 2013	1.5	Board Training on: - Hong Kong Competition Ordinance - Changes to the Trade Description Ordinance	CRA, presented by Mayer Brown JSM	Godfrey E Scotchbrook

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

Please refer to the table in the preceding section.

Name of Director/Officer	Date of Training	Program	Name of Training Institution
same as above	-	-	-

**B. CODE OF BUSINESS CONDUCT & ETHICS (waiting for Gil's inputs)**

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

To legally and ethically perform its business function and ensure consistency of its behavior, the

Company has a Code of Business Ethics which Directors, Management and all employees abide by.

Business Conduct & Ethics	Directors	Senior Management	Employees
(a) Conflict of Interest	<p>Pursuant to the Code of Business Ethics (the "Code", for purposes of this section), all employees are prohibited from engaging in any activity or harboring any personal interests that conflict or appear to conflict with the Company's interests.</p> <p>All employees are required to disclose any conflict of interest on an annual basis.</p>		
(b) Conduct of Business and Fair Dealings	<p>The Code prescribes how the Company and its employees should deal with business partners and stakeholders including customers, suppliers, shareholders, the government and relevant communities.</p> <p>Under the Code, the Company expects from all its officers and employees the highest standards of business and personal ethics, utmost fairness and actions in accordance with the highest moral principles.</p>		
(c) Receipt of gifts from third parties	<p>The Code strictly prohibits any solicitation or offering of gifts, payments or commissions by Company employees or their families, or by suppliers or their representatives, in exchange for business or for personal gain.</p> <p>Employees should report any such violations or suspected violations.</p>		
(d) Compliance with Laws & Regulations	<p>The Code requires that the Company shall endeavor to comply with all laws, rules and regulations that govern its business. The Company shall be guided by the principles of ethical conduct when dealing with the government, its agencies and instrumentalities. The Company shall respect the laws of all countries where it conducts business. The Company shall promote honesty and integrity in dealing with government agencies and instrumentalities. Company employees are prohibited from influencing the government's judgment or conduct through the giving of bribes or other unlawful inducements.</p>		
(e) Respect for Trade Secrets/Use of Non-public Information	<p>The Company's Corporate Disclosure Policy sets the guidelines on the disclosure of company information to the investment community, the press, industry consultants and other audiences (the public) to govern the disclosure of material, non-public information in a manner designed to provide broad, non-exclusionary distribution of information so that the public has equal access to the information.</p> <p>The Company's Policy of Trade Secret Confidentiality and Non-Competition sets the guidelines for the handling of confidential company information.</p> <p>As a rule, the employees and officers shall protect company proprietary information from unauthorized disclosure to third parties.</p>		
(f) Use of Company Funds, Assets and Information	<p>There are various Company policies covering the use of funds, assets and information. Examples include policies on IT security, revolving funds, approval levels, procurement, etc.</p> <p>Employees and officers are bound to safeguard company assets</p>		



	and facilities at all times.
(g) Employment & Labor Laws & Policies	The Code provides that the Company shall promote equal opportunity for employment and career advancement regardless of age, race, gender, ethnicity and religion. It opposes child labor and other forms of exploitation of workers.
(h) Disciplinary action	The Company has a Disciplinary Action Policy with the objective of ensuring that employees will have a better understanding of company rules and regulations that have a direct impact on their rights, welfare and safety and to assist supervisors and managers in handling disciplinary cases in order to guarantee that all employees will be afforded due process and receive fair and constructive treatment.
(i) Whistle Blower	A Whistleblower Protection Policy and Program has been in place since 2004 to promote the highest standards of business and personal ethics in the conduct of the Company's business. To uphold governance, this whistleblower policy encourages officers, employees, contractors, suppliers and business partners to report information about any fraudulent, unlawful, unethical, wasteful, unsafe practices against or involving the Company by protecting the whistleblower from any retaliation, harassment or adverse employment consequence or other discriminatory acts by reason of the reporting.
(j) Conflict Resolution	<p>The Company has a contract management policy that actively monitors the relationship of the Company with its counterparties and provides for a forum for issues to be surfaced and resolved at the earliest opportunity.</p> <p>The Company participates in a labor management cooperation council at which the Company and employee unions discuss and resolve issues affecting the employees, their families and the communities. These LMCs pave the way for efficient and expeditious negotiations between the Company and the unions.</p>

**2) Has the code of ethics or conduct been disseminated to all directors, senior management and employees?**

Yes; the Code of Business Ethics had been disseminated to all directors, senior management and employees of the Company and Group.

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

The Company's Code of Business Ethics is covered in the on-boarding process with copies provided. Compliance is monitored through daily interactions, management reviews and whistleblowing reports.

**4) Related Party Transactions**

*(a) Policies and Procedures*

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

Related Party Transactions	Policies and Procedures
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(1) Parent Company	The Company's Interested Person Transactions (IPT) policy and manual set out the definitions, general guidelines, and review and monitoring procedures to be adopted across the Group. The manual presents a comprehensive view of IPT and the procedures that all affected Group personnel, including members of senior management, directors and employees in Purchasing, Treasury, Finance, Sales, Legal, Internal Audit, must follow.
(2) Joint Ventures	
(3) Subsidiaries	
(4) Entities Under Common Control	The Company established review procedures to ensure that the IPTs: (1) will be carried out on an arm's length basis and on normal commercial terms; and (2) will not be prejudicial to the interests of the Company and its minority shareholders.
(5) Substantial Stockholders	
(6) Officers including spouse/ children/ siblings/ parents	In general, the transactions with related parties are carried out based on terms agreed between the parties. Pricing for the sales of products are market driven, less certain allowances. For purchases, the Group's policy is to solicit competitive quotations. Bids from any related party are evaluated on arm's length commercial terms and subject to bidding against third party suppliers. Purchases are normally awarded based on the lowest price.
(7) Directors including spouse/ children/ siblings/ parents	
(8) Interlocking director relationship of Board of Directors	<p>The Audit Committee ("AC") reviews the internal audit report on the IPT on a quarterly basis to ascertain that the established review procedures are complied with.</p> <p>If, however, during such periodic reviews, the AC determines that the review procedures have become inappropriate or insufficient in view of changes to the nature of, or the manner in which, the business activities of the Group are conducted, then the Company will revert to its shareholders for a fresh mandate based on a new set of guidelines and review procedures that would ensure compliance with the established standards above.</p>

(b) *Conflict of Interest*

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

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

	Details of Conflict of Interest (Actual or Probable)
Name of Director/s	-
Name of Officer/s	-
Name of Significant Shareholders	-

There are none.

(ii) *Mechanism*

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

	Directors/Officers/Significant Shareholders
Company	Annual disclosures

Group	Annual disclosures
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## 5) Family, Commercial and Contractual Relations

(a) Indicate, if applicable, any relation of a family,<sup>8</sup> commercial, contractual or business nature that exists between the holders of significant equity (5% or more), to the extent that they are known to the company:

Names of Related Significant Shareholders	Type of Relationship	Brief Description of the Relationship
N/A	N/A	N/A

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

Names of Related Significant Shareholders	Type of Relationship	Brief Description
NutriAsia Pacific Ltd. ("NAPL")	Contractual	NAPL is a guarantor in a US\$165 million bridge facility between/ among the Company, the Bank of the Philippine Islands and BPI Capital Corporation.

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

Name of Shareholders	% of Capital Stock affected (Parties)	Brief Description of the Transaction
N/A	N/A	N/A

## 6) Alternative Dispute Resolution

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

	Alternative Dispute Resolution System
Corporation & Stockholders	Stockholders who have concerns may initially elevate such matters or concerns to the Investor Relations Officer, or the Company Secretary, or Management or the Board of Directors.
Corporation & Third Parties	The Company considers and explores with the other parties involved, mutually acceptable alternative modes of dispute resolution to the extent that such modes are reasonable and will not prejudice the Company's interests.
Corporation & Regulatory Authorities	

## C. BOARD MEETINGS & ATTENDANCE

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

The meetings of the Board of Directors are scheduled at each calendar year-end.

### 2) Attendance of Directors

During the year in review (2013), the Board held a total of six (6) meetings. The Company's Articles allow

<sup>8</sup> Family relationship up to the fourth civil degree either by consanguinity or affinity.

for tele-conference and video-conference meetings to facilitate participation by Board members and Management.

Board	Name	Date of Election	No. of Meetings Held during the year	No. of Meetings Attended	%
Chairman	Mr. Rolando C Gapud	20 Jan 2006	6	6	100
Member	Mr. Joselito D Campos, Jr	20 Jan 2006	6	6	100
Member	Mr. Edgardo M Cruz, Jr	02 May 2006	6	6	100
Independent	Mr. Benedict Kwek Gim Song	30 Apr 2007	6	6	100
Independent	Mr. Patrick L Go	19 Apr 2001	6	6	100
Independent	Dr. Emil Q Javier	30 Apr 2007	6	6	100
Independent	Mr. Godfrey E Scotchbrook	28 Dec 2000	6	6	100

- 3) **Do non-executive directors have a separate meeting during the year without the presence of any executive? If yes, how many times?**

No.

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

No; under Article 114 of the Company's Articles, a meeting of directors is duly constituted if, at the commencement of the meeting, there are present in person or by alternate, not less than one-half of the total number of directors (or such other number as may be determined by a resolution of directors), unless there are only two (2) directors in which case the quorum shall be two (2), provided that in such a case, the chairman of the meeting shall not have the casting vote.

## 5) Access to Information

- (a) *How many days in advance are board papers<sup>9</sup> for board of directors meetings provided to the board?*

Management provides the Board with timely and complete information prior to Board meetings and on an ongoing basis. These include relevant information and explanatory notes for matters that are presented to the Board, such as budgets and forecasts. Typically, the board papers are provided to the board at least 7 days in advance of board meetings.

At Board meetings, the Group's actual results are compared with budgets, and material variances are explained. The strategies and forecasts for the following months are discussed and approved as appropriate.

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

Yes, the Directors have separate and independent access to Management and the Company Secretary.

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

The Company Secretary is responsible for ensuring that Board procedures are followed and that applicable rules and regulations are complied with.

The Company Secretary attends and prepares minutes of all Board and Board committee meetings. She assists the Chairman in ensuring that Board procedures are observed and regularly reviewed to ensure the effective functioning of the Board, and that the Company's Memorandum of Association ("Memorandum") and the Articles, and relevant rules and regulations are complied with.

<sup>9</sup> Board papers consist of complete and adequate information about the matters to be taken in the board meeting. Information includes the background or explanation on matters brought before the Board, disclosures, budgets, forecasts and internal financial documents.

The Company Secretary ensures the flow of qualitative information within the Board and its committees and between senior Management and the Non-Executive Directors. She is the primary channel of communication between the Company and the SGX-ST and liaises with the Company's Chief Legal Counsel and Compliance Officer insofar as PSE is concerned.

The Company Secretary advises newly-appointed Directors on their duties and obligations as Directors, the Group's governance practices, and relevant statutory and regulatory compliance matters, as part of an orientation program. In addition, she assists with the professional development and training of Board members as appropriate.

- (d) *Is the company secretary trained in legal, accountancy or company secretarial practices? Please explain should the answer be in the negative.*

Yes; the Company Secretary is trained in company secretarial services.

- (e) *Committee Procedures*

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

Yes ☒

No ☐

Committee	Details of the procedures
Executive	N/A
Audit	The Management provides the Board with timely and complete information prior to Board meetings and on an ongoing basis. These include relevant information and explanatory notes for matters that are presented to the Board, such as budgets and forecasts.
Nomination	
Remuneration	
Others (specify)	N/A

## 6) External Advice

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

Aside from access to the advice and services of Management and the Company Secretary, the Directors may, in appropriate circumstances, seek independent professional advice concerning the Company's affairs at the Company's expense.

## 7) Change/s in existing policies

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

Existing Policies	Changes	Reason
-	None	-

## D. REMUNERATION MATTERS

### 1) Remuneration Process

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

Process	CEO	Top 4 Highest Paid Management Officers
(1) Fixed remuneration	Proposals on remuneration packages for CEO and Key Management Personnel are made by Management and submitted to	

	<p>the Remuneration &amp; Share Option Committee ("RSOC") for consideration. The RSOC, having considered Management's proposals, would recommend the same to the Board for approval. The RSOC also administers the Del Monte Pacific Executive Stock Option Plan, Del Monte Pacific Restricted Share Plan and Del Monte Pacific Performance Share Plan.</p> <p>Remuneration proposals are benchmarked against comparable companies.</p> <p>Directors who are interested in any decision relating to their own remuneration would abstain from all discussions and deliberation in connection thereto.</p>
(2) Variable remuneration	
(3) Per diem allowance	
(4) Bonus	
(5) Stock Options and other financial instruments	
(6) Others (specify)	

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

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

	Remuneration Policy	Structure of Compensation Packages	How Compensation is Calculated
Executive Directors	A significant and appropriate proportion of the remuneration of EDs should be structured so as to link rewards to corporate and individual performance and align such Directors' interests with those of shareholders.	<p>Structure:</p> <ul style="list-style-type: none"> <li>• Board Chairman: US\$79,200 per annum</li> <li>• Directors: US\$43,200 per annum</li> <li>• AC Chairman: US\$19,800 per annum</li> <li>• RSOC Chairman: US\$9,900 per annum</li> <li>• NC Chairman: US\$9,900 per annum</li> <li>• AC Members: US\$10,800 per annum</li> <li>• RSOC Members: US\$5,400 per annum</li> <li>• NC Members: US\$5,400 per annum</li> </ul>	<p>The level and structure of remuneration are:</p> <ol style="list-style-type: none"> <li>Aligned with the long-term interest and risk policies of the Company and are appropriate to attract, retain and motivate Directors to provide good stewardship of the Company;</li> <li>Performance-related and aligned with the interests of shareholders and promote the Company's long term success;</li> <li>Symmetric with risk outcomes; and</li> <li>Comparable with the industry and other companies.</li> </ol>
Non-Executive Directors	The NEDs should not be overly compensated to the extent that their independence may be compromised.		The remuneration of NEDs is appropriate to the level of their contributions, taking into account factors, such as effort and time spent, and responsibilities

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

Yes; Article 95 of the Articles provides that with the prior approval by an ordinary resolution of members at a general meeting, the directors may, by a resolution of directors, fix or increase or any way vary the emoluments of directors with respect to services to be rendered in any capacity to the Company provided always that in respect of an increase, fees payable to directors shall not be increased except pursuant to an ordinary resolution passed at a general meeting, where notice of the proposed increase had been given in the notice for that particular general meeting.

Remuneration Scheme	Date of Stockholders' Approval
Directors' fees and emoluments are tabled at stockholders' meeting annually, for stockholders' approval.	Annual basis
The Del Monte Pacific Executive Stock Option Plan 1999 ("ESOP") of the Company	Approved and amended by its shareholders at general meetings held on 30 July 1999 and 21 February 2002, respectively. Expired on 24 July 2009.
Del Monte Pacific Restricted Share Plan ("Del Monte Pacific RSP") and Del Monte Pacific Performance Share Plan ("Del Monte Pacific PSP") (collectively the "Share Plans")	Approved by shareholders at general meeting held on 26 April 2005.

### 3) Aggregate Remuneration

The following table shows the disclosure on remuneration of the Company's Directors and the CEO for the most recent year:

Remuneration Bands and No. of Key Executives	Fixed Salary/ Consultancy Fees %	Director Fees %	Variable Income/ Bonus %	Benefits in Kind %
<b>EXECUTIVE DIRECTORS</b>				
<b>Above S\$500,000</b>				
Mr. Joselito D. Campos, Jr.	63	4	33	-
<b>S\$250,000 to below S\$500,000</b>				
Mr. Edgardo M. Cruz, Jr.	76	15	6	3
<b>NON-EXECUTIVE DIRECTORS</b>				
<b>Below S\$250,000</b>				
Mr. Rolando C. Gapud	-	100	-	-
Mr. Patrick L. Go	-	100	-	-
Dr. Emil Q. Javier	54 <sup>1</sup>	44	2	-
Mr. Benedict Kwek Gim Song	-	100	-	-
Mr. Godfrey E. Scotchbrook	-	100	-	-

Note:

<sup>1</sup>Refers to consultancy fees.

The remuneration of Directors and the CEO are disclosed in bands of S\$250,000/- with a maximum disclosure band of S\$500,000/- and above.

Although the disclosure is not in compliance with the recommendation of the 2012 Code, the Board is of the view that given confidentiality and commercial sensitivity attached to remuneration matters,

disclosure in bands of S\$250,000/- in excess of S\$500,000/- will not be provided. In addition, for personal security reasons, the names of the Company's top five Key Executives are not disclosed.

There is no immediate family member (as defined in the Listing Manual of the SGX-ST) of a Director or the CEO in the employment of the Company whose annual remuneration exceeds S\$150,000 during the year.

#### 4) Stock Rights, Options and Warrants

##### (a) Board of Directors

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

The following Directors have outstanding options as of 30 April 2014:

Director's Name	Number of Direct Option/ Rights/Warrants	Number of Indirect Option/ Rights/Warrants	Number of Equivalent Shares	Total % from Capital Stock
Godfrey E Scotchbrook	360,000	None	360,000	0.027%
Benedict Kwek Gim Song	300,000	None	300,000	0.023%
Patrick L Go	240,000	None	240,000	0.018%
Total	900,000	None	900,000	0.068%

\*At an exercise price of S\$0.627 per share.

Of the total outstanding options, 750,000 options were granted on 07 March 2008. The option periods for this batch of options are:

- Up to 60% exercisable from 07 March 2010 to 06 March 2012;
- Up to 40% exercisable from 07 March 2012 to 06 March 2018.

Of the total outstanding options, 150,000 options were granted on 30 April 2013. The option period for this batch of option is 100% from 30 April 2013 to 06 March 2018.

##### (b) Amendments of Incentive Programs

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

Incentive Program	Amendments	Date of Stockholders' Approval
N/A		

Not applicable; there were no amendments or discontinuation of any incentive programs introduced.

#### 5) Remuneration of Management

For 2013, the following table shows the disclosure on remuneration of top 5 key executives who are not at the same time executive directors:

Remuneration Bands and No. of Key Executives	Fixed Salary %	Variable Income/ Bonus %	Benefits in Kind %
Above S\$500,000			
1	35	64	1



1	93	2	5
<b>S\$250,000 to below S\$500,000</b>			
1	89	10	1
1	84	15	1
<b>Below S\$250,000</b>			
1	88	5	7

As with the disclosure on the remuneration of the Directors and CEO, the remuneration of the top five Key Executives are similarly disclosed in bands of S\$250,000/- with a maximum disclosure band of S\$500,000/- and above.

## E. BOARD COMMITTEES

### 1) Number of Members, Functions and Responsibilities

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

Committee	No. of Members			Committee Charter	Functions	Key Responsibilities	Power
	Executive Director (ED)	Non-executive Director (NED)	Independent Director (ID)				
Executive <sup>10</sup>	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Audit	1	1	3	<p>Under its terms of reference ("TOR"), the primary role of the AC is to assist the Board with discharging its responsibility to safeguard the Company's assets, maintain adequate accounting records, develop and maintain effective systems of internal controls and risk management, ensure integrity of financial statements, and provide arrangements whereby concerns on financial improprieties or, other matters raised by whistle-blowers are investigated and appropriate follow up action taken.</p> <p>In particular, the AC:</p> <ol style="list-style-type: none"> <li>1. Reviews the scope and results of the audit and its cost effectiveness;</li> <li>2. Ensures the independence and objectivity of the external auditors;</li> <li>3. Reviews the non-audit services provided by the Company's external auditors; and</li> <li>4. Reviews significant financial reporting issues so as to ensure the integrity of the Company's financial statements and any announcements relating to the Company's financial performance;</li> <li>5. Conducts periodic reviews of all interested persons transactions;</li> <li>6. Investigates any matter within its TOR, has unrestricted and has access to Management and the Head of the Internal Audit department, and has full discretion to invite any Director or Executive Officer to attend its meetings; and</li> </ol>			

<sup>10</sup> The Board of Directors has not created or delegated its powers to an Executive Committee.

				<p>7. Monitors the adequacy and effectiveness of the Group's internal controls system and internal audit function and ensures independent investigation of matters such as improprieties in financial reporting; and</p> <p>8. Makes recommendations to the Board on the appointment, re-appointment and removal of the external auditors including the remuneration and terms of engagement of the external auditors.</p> <p>In the year in review, the AC had reviewed the audit and non-audit services of the external auditors and was satisfied that the auditors continue to be independent.</p>
Nomination	1	1	4	<p>Under its TOR, the Nomination Committee (NC) is mainly responsible for making recommendations to the Board on all new Board appointments to ensure a formal and transparent process. It reviews the Board's composition and effectiveness, and determines whether Directors possess the requisite qualifications and expertise and whether the independence of Directors is compromised.</p> <p>The NC has adopted procedures for the selection, appointment and re-appointment of Directors.</p> <p>The NC will evaluate the suitability of a prospective candidate based on his qualification and experience, ability to commit time and effort in the effective discharge of his duties and responsibilities, independence, past business and related experience and track record. The NC will also identify any core competencies that will complement those of current Directors on the Board.</p> <p>The NC is also tasked with reviewing the performance and contribution of Directors in order to nominate them for re-election or re-appointment. The NC will review, in particular, the Directors' attendance and participation at meetings of the Board and Board committees and their efforts and contributions towards the success of the Group's business and operations.</p>
Remuneration and Share Option	1	1	3	<p>The Remuneration and Stock Option Committee's ("RSOC") principal function is to ensure that a formal and transparent procedure is in place for fixing the remuneration packages of the Directors as well as Key Executives of the Group. It is at liberty to seek independent professional advice as appropriate.</p> <p>Under its TOR, the RSOC is responsible for reviewing and recommending a remuneration framework for the Board and the Company's Key Senior Executives. The RSOC assumed the role of the Employee Share Option Plan Committee, previously responsible for administering the Del Monte Pacific Executive Stock Option Plan, the Del Monte Pacific Restricted Share Plan and the Del Monte Pacific Performance Share Plan.</p>

				The RSOC considers all aspects of remuneration - Director's fees, salaries, allowances, bonuses, options, share awards and other benefits-in-kind. All remuneration matters are ultimately approved by the Board.			
Others	N/A	N/A	N/A	N/A	N/A	N/A	N/A

## 2) Committee Members

### (a) Executive Committee

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

Not applicable.

### (b) Audit Committee

Office	Name	Date of Appointment	No. of Meetings Held	No. of Meetings Attended	%	Length of Service in the Committee
Chairman (ID)	Benedict Kwek Gim Song	30 Apr 2007	5	5	100	7
Member (ED)	Edgardo M Cruz, Jr	02 May 2006	5	5	100	8
Member (NED)	Rolando C Gapud	20 Jan 2006	5	5	100	8
Member (ID)	Partick L Go	19 Apr 2001	5	5	100	13
Member (ID)	Godfrey E Scotchbrook	28 Dec 2000	5	5	100	14

*Disclose the profile or qualifications of the Audit Committee members.*

The members of the AC are highly qualified with at least two (2) members having the requisite financial management experience and expertise.

The Board is of the view that the inclusion of an Executive Director in the AC would facilitate discussions at the AC meetings.

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

The Group maintains an effective system of internal controls addressing financial, operational, compliance and information technology risks. These controls are designed to provide reasonable

assurance as to the effectiveness and efficiency of operations, reliability of financial reporting, and compliance with applicable laws and regulations.

The effectiveness of these controls is subject to review by the Group's Internal Audit Department and is monitored by the AC. In addition, the Company's external auditors also review the effectiveness of the Group's key internal controls as part of their audit for the year with respect to financial reporting. Significant non-compliance in internal controls, together with recommendations for improvement, is reported to the AC. A copy of this report is also issued to the relevant department for follow-up action.

The AC reviews the scope and results of the audit and its cost effectiveness. The AC also ensures the independence and objectivity of the external auditors. Likewise, it reviews the non-audit services provided by the Company's external auditors. In the year in review, the AC had reviewed the audit and non-audit services of the external auditors and was satisfied that the auditors continue to be independent.

(c) *Nomination Committee*

Office	Name	Date of Appointment	No. of Meetings Held	No. of Meetings Attended	%	Length of Service in the Committee
Chairman (ID)	Godfrey E Scotchbrook	28 Dec 2000	2	2	100	14
Member (ED)	Edgardo M Cruz, Jr	02 May 2006	2	2	100	8
Member (NED)	Rolando C Gapud	20 Jan 2006	2	2	100	8
Member (ID)	Benedict Kwek Gim Song	30 Apr 2007	2	2	100	7
Member (ID)	Patrick L Go	19 April 2001	2	2	100	13
Member (ID)	Emil Q Javier	30 Apr 2007	2	2	100	7

(d) *Remuneration and Share Option Committee*

Office	Name	Date of Appointment	No. of Meetings Held	No. of Meetings Attended	%	Length of Service in the Committee
Chairman (ID)	Godfrey E Scotchbrook	28 Dec 2000	4	4	100	14
Member (ED)	Edgardo M Cruz, Jr	02 May 2006	4	4	100	8
Member (NED)	Rolando C Gapud	20 Jan 2006	4	4	100	8
Member (ID)	Benedict Kwek Gim Song	30 Apr 2007	4	4	100	7
Member (ID)	Patrick L Go	19 April 2001	4	4	100	13

(e) *Others (Specify)*

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

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

Not applicable.

### 3) Changes in Committee Members

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

Not applicable; there were no changes in committee membership that occurred during the year.

### 4) Work Done and Issues Addressed

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

Name of Committee	Work Done	Issues Addressed
Executive	Not applicable.	
Audit	Review of following Quarterly Reports such as: Management reports, consolidated financials of the Group and each business unit, review quarterly results announcements/press releases, internal audit reports; enterprise risk management, corporate compliance report, external auditors' reports, review the non-audit services provided by the Auditors, determine independence of the Auditors, propose the re-appointment of Messrs KPMG as Auditors, report on Contingent Liabilities, report on Interested Person Transactions, report on Ageing of Receivables, consider the adequacy of internal controls addressing financial, operational and compliance risks; receive whistle blowing reports (where applicable); meet with the External Auditors and Internal Auditor without the presence of Management.	
Nomination	Review / consider / recommend the following: Board performance evaluation for FY2012, the findings of the NC performance evaluation for FY2012, nomination of the Directors named below for re-election at the forthcoming AGM, nomination of Directors over age of 70 for continuation in office, confirmation of independence by the Independent Directors, multiple board representations held by directors, revised TOR of the NC, NC's compliance with its TOR, appointment of Lead Independent Director.	
Remuneration	Review / consider / recommend the following: Findings of the RSOC performance evaluation for FY2012, performance appraisals of the CEO, COO and Senior Managers of the Group, Directors' fees for the financial year ending 31 December 2013, RSOC's compliance with its TOR, approve release of share awards vesting in 2013, 2013 Key Executives' Salary Plans including CEO & COO, adjustment to unvested share awards held by Key Executives, as well as the unexercised options held by the Directors, arising from the Company's Bonus Issue exercise; authorise the Company's share buy back to satisfy the adjustment to share awards/options arising from the Company's Bonus Issue exercise; compensation packages for key officers following acquisition of DMFI.	

Others (specify)	Not applicable.
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## 5) Committee Program

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

Name of Committee	Planned Programs	Issues to be Addressed
Executive	N/A	
Audit	The AC shall continue to review the financial reporting issues of the Company, and evaluate the adequacy and effectiveness of the Group's internal controls and risk management policies, as well as its internal audit functions.  The AC shall also periodically review the interested person transactions of the Group.	
Nomination	The NC shall continue to assess the effectiveness of the Board and its committees, the contributions of the members of the Board, and determine the independence of each Director.	
Remuneration and Share Option	The RSOC shall continue to review the remuneration framework and packages of the Directors and Key Executives, and make any proper recommendations to the Board.  It shall also continue to administer the Del Monte Pacific Executive Share Option Scheme, Del Monte Pacific Restricted Share Plan and Del Monte Pacific Performance Share Plan, and determine any other long-term incentive scheme.	
Others (specify)	N/A	

## F. RISK MANAGEMENT SYSTEM

### 1) Disclose the following:

#### (a) Overall risk management philosophy of the company;

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The AC is responsible for developing and monitoring the Group's risk management policies. The committee reports regularly to the Board of Directors on its activities. The Group's risk management policies are established to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits.

The AC oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The AC is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the AC.

#### (b) A statement that the directors have reviewed the effectiveness of the risk management system and commenting on the adequacy thereof;

Based on the internal controls established and maintained by the Group, work performed by the internal and external auditors, and reviews performed by management, various Board Committees and the Board, the AC and the Board are of the opinion that the Group's internal controls, addressing financial, operational, compliance and information technology risks, were adequate as at 31

December 2013.

The Board received written confirmation from the CEO and the Chief Financial Officer ("CFO") (a) that the financial records have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances; and (b) that the Company's risk management and internal control systems are effective.

*(c) Period covered by the review;*

The review covers the period from January 2013 to December 2013.

*(d) How often the risk management system is reviewed and the directors' criteria for assessing its effectiveness; and*

Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

Risk assessment and evaluation take place as an integral part of the annual operating plan ("AOP"). Having identified key risks to the achievement of the Group's AOP, mitigating actions are formulated in respect of each significant risk. Identified risks are also included and monitored in the corporate risk register, and mitigating measures are followed up.

The Board continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved.

*(e) Where no review was conducted during the year, an explanation why not.*

Not applicable; a review was conducted during and for the covered year 2013.

## 2) Risk Policy

*(a) Company/Group*

Give a general description of the company's risk management policy, setting out and assessing the risk/s covered by the system (ranked according to priority), along with the objective behind the policy for each kind of risk:

<b>Risk Exposure</b>	<b>Risk Management Policy</b>	<b>Objective</b>
Enterprise-Risk Management Program	The Group has an established enterprise-wide risk management program that aims to provide a structured basis for proactively managing financial, operational, compliance and information technology risks in all levels of the organization. Risk management is a regular board agenda item.	
Group Assets	It is the Group's practice to assess annually with its insurance brokers and insurance companies the risk exposure relating to the assets of, and the possible liabilities from, its operations. Assets are insured at current replacement values. Additions during the current year are automatically included with provision for inflation protection.  During the year in review, all major risks were adequately covered, except where the premium costs were considered excessive in relation to the probability and extent of a loss.	
Foreign Currency	The Group normally enters into transactions denominated in various foreign currencies. In addition, the Group maintains their respective books and accounts in their functional currencies. As a result, the Group is subject to transaction and translation exposures resulting from currency exchange rate fluctuations, especially between the Philippine peso and US dollar.  To a certain extent, the Group has a natural hedge between the two	

	currencies due to its revenue and cost mix. It is the Group's policy to optimize its natural hedge.
Inflation	The Group's costs are affected by inflation. However, the Group has lessened the impact of cost increases by actively controlling its overall cost structure and introducing productivity-enhancing and cost management measures. The Group also considers inflation in pricing adjustments with its market customers.
Cash and Interest Rate Management	<p>The Group's cash balances are placed with reputable global and major Philippine banks and financial institutions. The Group manages its interest income by placing the cash balances with varying maturities and interest rate terms. This includes investing the Company's temporary excess liquidity in short term low-risk securities from time to time. The Group obtains financing through bank borrowings and leasing arrangements. Financing is obtained from bank credit facilities, for both short-term and long-term requirements and/or through the sale of assets, particularly receivables from its customers.</p> <p>The Group's policy is to obtain the most favorable interest rate available without increasing its foreign currency exposure.</p>
Credit Risk	<p>The Group sells its products through major distributors and buyers in various geographical regions. Management has a credit risk policy which includes, among others, the requirement of certain securities to ensure prompt observance and performance of the obligations of its distributors and other buyers from time to time.</p> <p>The group monitors its outstanding trade receivables on an ongoing basis. There is no significant concentration of credit risk with any distributor or buyer.</p>
International Business	The Group's overall earnings from its trading activities with international customers are primarily affected by movements in the worldwide supply, demand and prices of its products. Prices for pineapple juice concentrate are largely affected by the supply situation in Thailand and the demand situation in the international markets. Given that this is an industrial commodity product, prices are quite volatile. The Group is shifting production towards more branded ready-to-drink beverage to commoditize its concentrate product.
Branded Business	<p>The Group's branded business in the Philippines and the Indian subcontinent through Del Monte, and in Asia and the Middle East through S&amp;W, is affected by a number of factors, including, but not limited to competition, acceptance of new products, industry trends, distribution expansion, penetration and business partners' risks.</p> <p>The Group's exposure to these risks is managed through the following processes, among others:</p> <ul style="list-style-type: none"> <li>• Focus on consumption-driven marketing strategies;</li> <li>• Shift to branded value-added, packaged products with emphasis on innovation, health and wellness, quality, competitiveness and consumer appeal;</li> <li>• Market and customer diversification;</li> <li>• Increased penetration of high-growth distribution channels and markets;</li> <li>• Building on closer working relationships with business</li> </ul>



	partners.
Agricultural Output	The output of the plantation is subject to certain risk factors relating to weather conditions, crop yields, outgrowers and service providers' performance, and leasehold arrangements. To manage any impact from heavy rainfall and floods, plantings are done in various locations to minimise tonnage loss, and towing units have been augmented to ensure continuity of harvest during wet conditions.
Natural Disasters	<p>The Company's plantations are located in the northern part of Mindanao which is outside the typhoon belt and any earthquake faults. The plantations are located on a high elevation which minimises the risk of flooding. However, there can be no assurance that natural catastrophes will not materially disrupt the Group's business operations (either in Mindanao or other places in the Philippines in the future), or that the Group is fully capable to deal with these situations with respect to all the damages and economic losses resulting from these catastrophes.</p> <p>To manage these risks, the Group develops and executes a long-term strategic plan and annual operating plan, supported by a contingency plan and risk management measures. It also has in place disaster recovery plans and business continuity plans.</p>
Access to Land	<p>The Group's pineapple growing operations cover a total of approximately 23,000 hectares of land in Mindanao, the Philippines. Growership agreements typically provide for an initial 10-year period renewable at the Group's option on a cycle-to-cycle basis, up to five cycles, with each cycle averaging 40 months. Other agreements have been negotiated to provide for an extended period of 20 years.</p> <p>In January 1997, the Group concluded negotiations with the Del Monte Employees' Cooperative for the renewal of their agreement covering approximately 8,000 hectares for a term of 25 years effective from 11 January 1999. This may be further renewed by agreement of the parties.</p> <p>In addition, the Group has under lease approximately 1,000 hectares from the National Development Corporation, a Philippines government-owned and controlled corporation. This lease was renewed for a term of 25 years on 1 March 2007.</p>
Operations	<p>As an integrated producer of processed and fresh fruit products for the world market, the Group's earnings are inevitably subject to certain other risk factors, which include general economic and business conditions, change in business strategy or development plans, production efficiencies, input costs and availability, litigious counterparties, insurgent activities and changes in government regulations, including, without limitation, environmental regulations. The Group develops and executes a long-term strategic plan and annual operating plan, supported by a contingency plan and risk management measures. It also pursues productivity-enhancing and efficiency-generating work practices and capital projects.</p> <p>To manage insurgency risks in its operating units in the Philippines, the Group has strengthened security measures.</p>
Compliance	The Group closely monitors changes in legislation and government regulations affecting the Group's business, including environmental matters. It has a compliance program that aims to monitor and ensure the Group's compliance with laws and regulations. Compliance is a regular board agenda item.

Note: The following table already includes the risk policies covering the Company and the Group.

(b) Group

*Give a general description of the Group's risk management policy, setting out and assessing the risk/s covered by the system (ranked according to priority), along with the objective behind the policy for each kind of risk:*

The Group has adopted and implements a Group-wide approach to risk management. Please refer to the above for details.

(c) Minority Shareholders

*Indicate the principal risk of the exercise of controlling shareholders' voting power.*

<b>Risk to Minority Shareholders</b>
There is a risk that shareholders who hold a significant number of the Company's outstanding shares may not act in the interest of other shareholders. The risk is managed through policies that are intended to protect the rights of minority shareholders including the Company's policies on interested person transactions, conflict of interest, etc.

**3) Control System Set Up**

(a) Company

*Briefly describe the control systems set up to assess, manage and control the main issue/s faced by the company:*

<b>Risk Exposure</b>	<b>Risk Assessment (Monitoring and Measurement Process)</b>	<b>Risk Management and Control (Structures, Procedures, Actions Taken)</b>
Operational, Financial, Compliance and Information Technology Risks	DMPL's Risk Management and Internal Control Policy is adopted from the COSO Framework ("Committee of Sponsoring Organizations of the Treadway Commission's "Internal Control-Integrated Framework").  Risk management reporting is a regular Board agenda.	

(b) Group

*Briefly describe the control systems set up to assess, manage and control the main issue/s faced by the company:*

The Group adopted and implements a Group-wide approach to control systems. Please refer to the above for details.

(c) Committee

*Identify the committee or any other body of corporate governance in charge of laying down and supervising these control mechanisms, and give details of its functions:*

<b>Committee/Unit</b>	<b>Control Mechanism</b>	<b>Details of its Functions</b>
Audit Committee	The AC oversees Management's monitoring of compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The AC is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the AC.	

**G. INTERNAL AUDIT AND CONTROL**

## 1) Internal Control System

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

*(a) Explain how the internal control system is defined for the company;*

The Group's Internal Control Policy adopted COSO Framework's definition of internal control as a process effected by an entity's board of directors, management and other personnel designed to provide reasonable assurance regarding the achievement of objectives in the following categories: effectiveness and efficiency of operations, reliability of financial reporting, and compliance with applicable laws and regulations.

The Group maintains an effective system of internal controls addressing financial, operational, compliance and information technology risks. These controls are designed to provide reasonable assurance as to the effectiveness and efficiency of operations, reliability of financial reporting, and compliance with applicable laws and regulations.

*(b) A statement that the directors have reviewed the effectiveness of the internal control system and whether they consider them effective and adequate;*

Based on the internal controls established and maintained by the Group, work performed by the internal and external auditors, and reviews performed by management, various Board Committees and the Board, the AC and the Board are of the opinion that the Group's internal controls, addressing financial, operational, compliance and information technology risks, were adequate as at 31 December 2013.

The Board had received written confirmation from the CEO and the Chief Financial Officer (a) that the financial records have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances; and (b) that the Company's risk management and internal control systems are effective.

*(c) Period covered by the review;*

The review covers the period from January 2013 to December 2013.

*(d) How often internal controls are reviewed and the directors' criteria for assessing the effectiveness of the internal control system; and*

The effectiveness of these controls is subject to review by the Group's Internal Audit department and is monitored by the AC. In addition, the Company's external auditors also review the effectiveness of the Group's key internal controls as part of their audit for the year with respect to financial reporting. Significant non-compliance in internal controls, together with recommendations for improvement, is reported to the AC. A copy of this report is also issued to the relevant department for follow-up action.

Risk assessment and evaluation takes place as an integral part of the annual operating plan ("AOP"). Having identified key risks to the achievement of the Group's AOP, mitigating actions are formulated in respect of each significant risk. Identified risks are also included and monitored in the corporate risk register, and mitigating measures are followed up.

The Board will, on a continuing basis, endeavor to further enhance and improve the Company's system of internal controls and risk management policies.

*(e) Where no review was conducted during the year, an explanation why not.*

Not applicable; a review was conducted during and for the covered year 2013

## 2) Internal Audit

*(a) Role, Scope and Internal Audit Function*

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

audit function.

Role / Scope	Indicate whether In-house or Outsource Internal Audit Function	Name of Chief Internal Auditor/Auditing Firm	Reporting process
The Internal Audit Department is responsible for reviewing the risk management, control and governance processes to determine whether these are adequate and effectively implemented.	In-house	Gil Ramon Veloso (Group Head – Internal Audit)	The head of Internal Audit reports functionally to the AC and administratively to the CEO.

- (b) Do the appointment and/or removal of the Internal Auditor or the accounting /auditing firm or corporation to which the internal audit function is outsourced require the approval of the audit committee?

Yes.

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

As mentioned in 2(a) above, the head of the Internal Audit Department reports functionally to the AC and administratively to the CEO.

The AC has the authority to investigate any matter within its TOR and has unrestricted access to the Head of the Internal Audit Department. The AC monitors the adequacy and effectiveness of the Group's internal audit function. In the same manner, the Internal Audit Charter provides for the Internal Audit's full and free access to the AC.

- (d) Resignation, Re-assignment and Reasons

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

Name of Audit Staff	Reason
None	N/A

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

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

Progress Against Plans	Quarterly and annually
Issues <sup>11</sup>	Quarterly and annually
Findings <sup>12</sup>	Quarterly and annually
Examination Trends	Quarterly and annually

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

- 1) Preparation of an audit plan inclusive of a timeline and milestones;
- 2) Conduct of examination based on the plan;
- 3) Evaluation of the progress in the implementation of the plan;
- 4) Documentation of issues and findings as a result of the examination;

<sup>11</sup> "Issues" are compliance matters that arise from adopting different interpretations.

<sup>12</sup> "Findings" are those with concrete basis under the company's policies and rules.

- 5) Determination of the pervasive issues and findings ("examination trends") based on single year result and/or year-to-year results;
- 6) Conduct of the foregoing procedures on a regular basis.]

(f) *Audit Control Policies and Procedures*

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

<b>Policies &amp; Procedures</b>	<b>Implementation</b>
Revenue recognition policy	Implemented
Advertising and promotions policy	Implemented
Procurement policy	Implemented
IT Security policy	Implemented
Conflict of interest policy	Implemented
Whistleblower protection policy	Implemented

(g) *Mechanisms and Safeguards*

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

<b>Auditors (Internal and External)</b>	<b>Financial Analysts</b>	<b>Investment Banks</b>	<b>Rating Agencies</b>
<p>The Internal Audit Charter provides that the Internal Audit reports functionally to the AC. It is free to allocate resources, and plan and execute its audits without management interference. The hiring, firing and compensation of the head of IA are also approved by the AC.</p> <p>To ensure independence of the external auditor, it seeks prior approval from the AC in relation to any non-audit services which may be provided to the Company.</p>	<p>In addition to the Company's Code of Business Ethics:</p> <p>The Company's Corporate Disclosure Policy sets the guidelines on the disclosure of company information to the investment community, the press, industry consultants and other audiences (the public) to govern the disclosure of material, non-public information in a manner designed to provide broad, non-exclusionary distribution of information so that the public has equal access to the information.</p> <p>The Company's Policy of Trade Secret Confidentiality and Non-Competition sets the guidelines for the handling of confidential company information.</p> <p>The Company's Securities Dealings Policy adopts and operationalizes the statutory prohibition on certain designated persons within the Company to deal in the Company's securities while in possession of unpublished material price-sensitive information and/or to provide such information to others.</p>		

- (h) *State the officers (preferably the Chairman and the CEO) who will have to attest to the company's full compliance with the SEC Code of Corporate Governance. Such confirmation must state that all directors, officers and employees of the company have been given proper instruction on their respective duties as mandated by the Code and that internal mechanisms are in place to ensure that compliance.*

The Chief Executive Officer, the Chief Financial Officer and the Chief Compliance Officer.

## H. ROLE OF STAKEHOLDERS

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

	Policy	Activities
Customers' welfare	<p>The Company shall continually provide high quality products and best in class service to its customers. It shall endeavor to be the world's best source of processed pineapple, tropical fruit and other products in terms of quality, supply reliability, customer service and price competitiveness.</p> <p>Consumer satisfaction, health and safety shall always be of paramount concern to the Company.</p>	<p>To ensure customer satisfaction, the Company shall strive to establish effective communication lines with its customers and always be sensitive to consumers' concerns and needs.</p> <p>The Company's advertising shall be truthful. Information on the Company's products and services must be accurately communicated.</p>
Supplier/contractor selection practice	The Company acknowledges the importance of building a sound relationship with its suppliers. Accordingly, the Company shall conduct business with all customers on the basis of integrity, mutual interest and fairness.	The Company shall conduct business with all customers on the basis of integrity, mutual interest and fairness.
Environmentally friendly value-chain	The Company shall contribute positively to the environment and the communities in which it operates. It shall also promote social responsibility by supporting the health, education and welfare of these communities.	The Company shall protect the environment. The Company shall strive to conserve natural resources, promote sound environmental values and practices, and manage waste effectively, as well as comply with the laws and regulations of the jurisdictions in which it operates.
Community interaction		The Company undertakes various outreach programs to improve the welfare of the local communities in which it operates. These programs may include scholarships, health care, family planning, sports development and other acts of charity.
Anti-corruption programmes and procedures	The Company abhors any form of corruption by its employees and suppliers. Any solicitation or offering of gifts, payments or commissions by Company employees and their families, or by suppliers and their representatives, in exchange for business or for personal gain is strictly prohibited. Employees are expected to report any such violations or suspected violations.	The Group implements a Whistleblower Policy that aims to deter and uncover any corrupt, illegal, unethical behavior of its employees, as well as third parties.
Safeguarding creditors' rights	The Company seeks to build a sound relationship with its business partners	The Company seeks to continue doing business with its partners

	and suppliers including its creditors.	including its creditors on the basis of integrity, mutual interest and fairness.
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**2) Does the company have a separate corporate responsibility (CR) report/section or sustainability report/section?**

Yes; as presented in the Company's 2013 Annual Report.

**3) Performance-enhancing mechanisms for employee participation.**

*(a) What are the company's policy for its employees' safety, health, and welfare?*

The Company is a people-driven organization committed to growing wellness and a high quality of life through healthy working relationships with all its employees.

The Company shall be committed to provide its employees a safe and healthy working environment.

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

The employees are the Group's most valuable resource. Some 3,800 employees work at the plantation, manufacturing facilities, and administrative and marketing offices of the Group companies in the Philippines, India and Singapore.

- **Healthy and Safe Work Environment**

The Company's subsidiary's farm and production facilities employ people from surrounding villages. Workers are paid above average rates in the industry and are informed of the terms and conditions of employment prior to their appointment. They undergo annual medical examinations or whenever required. Child and forced labour and any other form of exploitation are not practised. The Group's Code of Business Ethics prohibits any form of discrimination on the grounds of nationality, ethnic group, religion, age and gender.

In September of 2013, the Company's subsidiary's Manila employees moved to a new location at JY Campos Centre. Low Volatile Organic Compound (VOC) materials were used to ensure health and safety of the building occupants. Our new home is a strategic fit to our core values of social responsibility, environmental stewardship, and health and wellness. It encourages collaboration and better communication among employees.

- **Labor-Management Cooperation**

In the Philippines, Labor-Management Cooperation (LMC) councils meet regularly to discuss and decide issues affecting employees, their families, the Group and the community. Memorandums of agreement with three key labor unions stipulate wage increases and enhancements in benefits for the farm and factory workers from year to year. An LMC Day enjoins plantation union members to celebrate 'wins', including innovations whose benefits have created ripples beyond their own families.

LMCs prepare the ground for efficient and short negotiations between Union and Management, as manifested in the signing of two memorandums of agreements covering enhanced economic and social benefits for close to 3,000 employees at the Plantation and cannery in the Philippines this year.

*(c) State the company's training and development programs for its employees. Show the data.*

- **Training and Development**

The Group cultivates a culture of excellence as we continue to encourage our people to innovate and strive for continuous improvement.

The Group's Roadmap to Global Competitiveness starts with building on the capabilities of each employee on the ground. With the Centre of Excellence on Talent Management, key leaders at the Plantation, Cannery and Philippine Market have developed a Competency Framework that will guide their teams towards achieving the Company's Strategic Roadmap. The Framework that each team drafted pinpoints the specific technical and operational skill set each team member must develop to deliver high performance. Each Competency Framework also serves as a foundation for broad-range people program on recruitment, learning, career development, succession planning and performance management.

Training facilities on-site help employees upgrade technical and other skills. At "PineU" (Pineapple University), plantation personnel hone farming expertise through formal sessions and benchmarking trips. "ManU" (Manufacturing University) opened a breakthrough for cannery staff to reorient on processes and adapt to new technologies. ManU also administers two-year supervisory and trade-traineeship programmes for high-potential applicants and long-serving employees. On the faculty are our senior managers, who count among leading experts in their respective fields. Similar development programs are implemented in Finance through its Finance University and Marketing's Brand Leadership University (BLU). The objective of these programs is to improve and enhance employee development in their respective field of discipline.

A management succession plan is fully in place, with a deep bench of candidates trained among our ranks to be able to immediately assume responsibilities of key management positions in the event of vacancy.

- Employee Engagement

The Company partnered with Aon Hewitt as they embarked on a journey towards employee engagement. The Company's Employee Engagement Survey was launched in November 2012 to gain insights on our employees' "state of emotional and intellectual commitment to Del Monte and the extent to which our organization has captured their hearts and minds".

For its first run, the Company had an impressive response rate of 99.7%, which reflects the Company's employees' interest to be heard. The results of our engagement score show a great opportunity to further increase employee engagement.

Based on the study and analysis, the top engagement drivers that we will focus on are the following: Career Opportunities; Work Activities, Work Processes, Communication, and Work/Life Balance; Organization Reputation, Brand Alignment; and People Practices.

A contest was also launched across the organization to involve everyone in naming the Company's engagement icon. Hence, MONTEE was born to symbolize the Company's engagement behaviors of "Say, Stay, Strive".

The following programs were launched as part of corporate-wide engagement programs:

- a. Career Opportunities
- b. Work Activities, Work Processes, Communication and Work/Life Balance
- c. Organization Reputation, Brand Alignment
- d. People Practices

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

- Benefits

The Group's workforce enjoys one of the most attractive compensation and benefit packages granted to agro-industrial workers in the Philippines. Complementing government-mandated privileges for all employees and qualified dependents is a broad range of free medical and dental services, a comprehensive retirement package, and voluntary plans for providential and insurance benefits.

The Company's performance incentive plan aims to motivate and reward employees who contribute towards attaining and exceeding the Company's annual business objectives. The award is based on



the degree to which divisional and corporate financial objectives are met. This incentive plan covers employees at the levels of supervisors and above.

Plantation employees live with their families in Group-owned houses and dormitories (for unmarried employees) within housing camps complete with social hall, chapel, playground and plaza, day care centre, primary and secondary schools, camp clinics and a 100-bed hospital managed by a medical service provider. Employee-organized cooperatives provide our workers with services that enhance economic benefits for their families. Cooperative members enjoy annual dividends and patronage refunds.

The Del Monte Football Club provides opportunities for children of workers to excel in sports as well as earn scholarship grants. The Group's Football Scholars have been selected as members of the Philippine Football Youth Team, and has had the opportunity to play and represent the country in tournaments held in other Asian countries. Children around the region also join the annual Del Monte Football Cup, now on its eighth year with the support of the Philippine and Asian Football Federations.

Children of cannery employees enjoy free year-round weekend tutorials on basketball and, as scheduled, other sports (tennis, swimming, martial arts) and creative skills (photography, theatre arts). Core Values are introduced through learning exposure that help them grow a strong sense of community and family life.

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

A Whistleblower Policy has been in place since 2004 to promote the highest standards of business and personal ethics in the conduct of the Group's affairs.

The policy aims to deter and uncover corrupt, illegal, unethical, fraudulent or other conduct detrimental to the Group's interests committed by officers and employees as well as third parties/any other persons such as suppliers and contractors. The Group encourages its officers and employees, suppliers and contractors to provide information that evidences unsafe, unlawful, unethical, fraudulent or wasteful practices. It does not disregard anonymous complaints.

This policy enables the Group to effectively deal with reports from whistleblowers in a manner that will protect the identity of the whistleblower and provide for the appropriate use of the information provided. It also establishes the policies for protecting whistleblowers against reprisal by any person internal or external to the Company and provide for the appropriate infrastructure including the appointment of a "Whistleblower Protection Officer", a "Whistleblower Investigations Officer" and alternative means of reporting.

The Board, together with the Chairman of the AC, had appointed a Protection Officer as well as an Investigations Officer to administer the Company's Whistleblower program.

## **I. DISCLOSURE AND TRANSPARENCY**

### **1) Ownership Structure**

#### *(a) Holding 5% shareholding or more*

Shareholder	Number of Shares	Percent	Beneficial Owner
NutriAsia Pacific Limited <sup>13</sup>	869,315,246	67.05%	NutriAsia Pacific Limited

<sup>13</sup> NutriAsia Pacific Limited is a substantial and controlling shareholder of the Company, holding 869,315,246 shares therein. Its immediate holding company is NutriAsia Holdings Ltd. (formerly known as NutriAsia San Miguel Holdings Limited), the ultimate shareholders of which are Golden Chambers Investment Limited ("GCIL") and Star Orchids Limited ("SOL"), which hold 57.8% and 42.2% respectively through their intermediary companies - NutriAsia Holdings Ltd, NutriAsia Inc and Well Grounded Limited. GCIL and SOL are incorporated in the British Virgin Islands, and are beneficially owned by the Campos family.

Lee Pineapple Company Pte. Ltd.	100,422,000	7.75%	Lee Pineapple Company Pte Ltd.
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Name of Senior Management	Number of Direct shares	Number of Indirect shares / Through (name of record owner)	% of Capital Stock
N/A	N/A	N/A	N/A
<b>TOTAL</b>			

**2) Does the Annual Report disclose the following:**

Key risks	Yes
Corporate objectives	Yes
Financial performance indicators	Yes
Non-financial performance indicators	Yes
Dividend policy	Yes
Details of whistle-blowing policy	Yes
Biographical details (at least age, qualifications, date of first appointment, relevant experience, and any other directorships of listed companies) of directors/commissioners	Yes
Training and/or continuing education programme attended by each director/commissioner	Yes
Number of board of directors/commissioners meetings held during the year	Yes
Attendance details of each director/commissioner in respect of meetings held	Yes
Details of remuneration of the CEO and each member of the board of directors/commissioners	No

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

*Explanation on Non-Disclosure of Remuneration Details*

The remuneration of Directors and the CEO are disclosed in bands of S\$250,000/- with a maximum disclosure band of S\$500,000/- and above.

The remuneration of the top five Key Executives are similarly disclosed in bands of S\$250,000/- with a maximum disclosure band of S\$500,000/- and above.

Although the disclosure is not in compliance with the recommendation of the 2012 Code, the Board is of the view that given confidentiality and commercial sensitivity attached to remuneration matters, disclosure in bands of S\$250,000/- in excess of S\$500,000/- will not be provided. In addition, for personal security reasons, the names of the Company's top five Key Executives are not disclosed.

There is no immediate family member (as defined in the Listing Manual of the SGX-ST) of a Director or the CEO in the employment of the Company whose annual remuneration exceeds S\$50,000 during the year.

**3) External Auditor's fee**

The aggregate annual external audit fees billed for the audit of the Company's annual financial statements and services that were provided by the Company's external auditor are as follows:

Name of auditor	Audit Fee*	Non-audit Fee**
KPMG LLP	US\$ 203,000	US\$ 43,000

\* Excluding fees paid to other auditors.

*\*\* Excluding: (a) professional expenses related to the acquisition of the consumer food business from Del Monte Corporation in US, and (b) fees paid to other auditors.*

#### 4) Medium of Communication

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

The Company's disclosures and announcements are disseminated through the SGX and PSE portals, the Company's email alerts and website.

#### 5) Date of release of audited financial report:

The Company's audited financial statements for the year ended 31 December 2013 were released on 24 March 2014.

#### 6) Company Website

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

Business operations	Yes
Financial statements/reports (current and prior years)	Yes
Materials provided in briefings to analysts and media	Yes
Shareholding structure	Yes
Group corporate structure	Yes
Downloadable annual report	Yes
Notice of AGM and/or EGM	Yes
Company's constitution (company's by-laws, memorandum and articles of association)	No

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

The Company's constitutive documents are available upon request.

#### 7) Disclosure of RPT

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

The Company has an Interested Person Transactions (IPT) policy and manual that set out the definitions, general guidelines, and review and monitoring procedures to be adopted across the Company and the Group for ***IPTs*** compliance with the Listing Manual of The Singapore Stock Exchange Securities Trading Limited (SGX-ST). The manual presents a comprehensive view of IPT and the procedures that all affected Group personnel, including members of senior management, directors and employees in Purchasing, Treasury, Finance, Sales, Legal, Internal Audit, must follow in order to comply with the SGX-ST rules. Non-compliance with SGX-ST requirements may lead to a range of sanctions such as public reprimand or in the worst case, de-listing.

The Company has review procedures to ensure that IPTs will be carried out on an arm's length basis and on normal commercial terms, and will not be prejudicial to the interests of the Company and its minority shareholders.

The AC reviews the internal audit report on the IPTs to ascertain that the established review procedures to monitor such transactions have been complied with. The AC reviews the IPTs on a quarterly basis. If during these periodic reviews, the AC is of the view that the review procedures as stated above have become inappropriate or insufficient in view of changes to the nature of, or the manner in which, the business activities of the Group are conducted, the Company will revert to its shareholders for a fresh mandate based on new guidelines and review procedures to ensure that IPTs meet the established

criteria.

In addition to the foregoing, the Company supplements its internal systems with stringent approval threshold requirements to ensure that IPTs are undertaken on an arm's length basis and on normal commercial terms.

The Company maintains a register of transactions carried out with Interested Persons and the Company's internal audit plan will incorporate an annual review of all transactions entered into in the relevant financial year pursuant to the IPT mandate.

The following is a summary of transactions for the year ended 31 December 2013 that had been entered into by the Company/Group with related parties:

RPT	Relationship	Nature	Value (in US\$)
DMPL Management Services Pte Ltd (DMS)	Subsidiary of the Company	Management fees to DMS	588,000
Del Monte Philippines, Inc. (DMPI)	Subsidiary of the Company	Management fees to DMPI	210,000
Del Monte Philippines, Inc. (DMPI Retirement Fund)	Subsidiary of the Company	Rental to DMPI Retirement	20,000
Del Monte Philippines, Inc. (DMPI Provident Fund)	Subsidiary of the Company	Rental to DMPI Retirement	4,000
Del Monte Philippines Inc. (DMPI Retirement)	Subsidiary of the Company	Management fees from DMPI Retirement Fund	(5,000)
NutriAsia, Inc. (NAI)	Affiliate of the Company	Shared IT services from NAI	(87,000)

## J. RIGHTS OF STOCKHOLDERS

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

#### (a) Quorum

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

<b>Quorum Required</b>	Under Article 75 of the Articles, a meeting of members is duly constituted if, at the commencement of the meeting, there are present in person by proxy two members entitled to vote on resolution of members to be considered at the meeting.
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#### (b) System Used to Approve Corporate Acts

Explain the system used to approve corporate acts.

<b>System Used</b>	Electronic poll voting
<b>Description</b>	For greater transparency, the Company had, since 2013, instituted electronic poll voting and all resolutions are put to vote by electronic poll at its AGMs and General Meetings. Announcement of the detailed results of the number of votes cast for and against each resolution, and the respective percentages is also made on the same day.

#### (c) Dividends

The following is the dividend declaration history of the Company for 2010, 2011, 2012 and 2013:

Declaration Date	Record Date	Payment Date
FY 2010	09 March 2011	30 March 2011

FY 2011	26 August 2011 08 March 2012	07 September 2011 28 March 2012
FY 2012	17 August 2012 07 March 2013	05 September 2012 27 March 2013
FY 2013	20 August 2013	04 September 2013

*(d) Stockholders' Participation*

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

The Company encourages shareholder participation at General Meetings and ensures that the venue for General Meetings is in a central location easily accessed by public transportation. It also ensures that shareholders have the opportunity to participate effectively in and vote in the AGMs and General Meetings either in person or by proxy. Shareholders are informed of the rules, including voting procedures, which govern General Meetings.

The Memorandum and Articles of the Company does not allow corporations which provide nominee or custodial services to appoint more than two proxies to vote. The Company does, however, allow non-shareholders to attend the AGM as observers.

Resolutions on each distinct issue are tabled separately at General Meetings.

In General Meetings, shareholders are given the opportunity to communicate their views and direct questions to Directors and Senior Management regarding the Company. All Directors, in particular the Chairman of the Board and the Chairpersons of Board Committees, and the external auditors are present to assist the Board in addressing shareholders' questions.

2. State the company policy of asking shareholders to actively participate in corporate decisions regarding:

**a. Amendments to the company's constitution**

Section 12 of the Company's Memorandum and Article 169 of the Articles state that the Company may amend its Memorandum and Articles by a special resolution of members subject always, for so long as the shares of the Company are listed on the Designated Stock Exchange, to the prior written approval of the Designated Stock Exchange.

Under the Articles, "special resolution" is defined as:

- (a) A resolution approved at a duly convened and constituted meeting of the members of the Company by the affirmative vote of:
  - (i) A majority of not less than three-fourths of the votes of the shares which were present at the meeting and entitled to vote thereon and were voted and not abstained; or
  - (ii) A majority of not less than three-fourths of the votes of each class or series of shares which were present at the meeting and entitled to vote thereon as a class or series and were voted and not abstained; or
- (b) A resolution consented to in writing by:
  - (i) A majority of not less than three-fourths of the votes of shares entitled to vote thereon; or
  - (ii) A majority of not less than three-fourths of the votes of each class or series of shares entitled to vote thereon as a class or series.

**b. Authorization of additional shares**

Under Article 59 of the Company's Articles, the Company may, by an ordinary resolution of members, increase its authorized capital (or, by special resolution of members, reduce its authorized share capital) and, in connection therewith, the Company may, in respect of any unissued shares, increase (or reduce) the number of such shares, increase (or reduce) the par value of any such shares or effect any combination of the foregoing accordingly.

The Articles define "ordinary resolution" as:

- (a) A resolution approved at a duly convened and constituted meeting of the members of the Company by the affirmative vote of:
  - (i) a simple majority of the votes of the shares which were present at the meeting and entitled to vote thereon and were voted and not abstained; or
  - (ii) a simple majority of the votes of each class or series of shares which were present at the meeting and entitled to vote thereon as a class or series and were voted and not abstained; or
- (b) A resolution consented to in writing by:
  - (i) An absolute majority of the votes of shares entitled to vote thereon; or
  - (ii) An absolute majority of the votes of each class or series of shares entitled to vote thereon as a class or series.

**c. Transfer of all or substantially all assets, which in effect results in the sale of the company.**

Article 15(1) of the Articles provides, subject to the provisions of these Articles, the unissued shares of the Company shall, with the approval of the members in general meeting, be at the disposal of the directors who may, without limiting or affecting any rights previously conferred on the holders of any existing shares or class or series of shares, offer, allot, grant options over or otherwise dispose of shares to such persons, at such times and upon such terms and conditions as the Company may, by resolution of directors, determine provided always that:

- (a) No shares shall be issued so as to transfer a controlling interest in the Company without the prior approval of the members in general meeting; and
- (b) Any other issue of shares, the aggregate of which would in any one financial year of the Company exceed the limits referred to in Regulation 15(3), shall be subject to the approval of the members in general meeting.

Also, Article 102(2) states that any sale or disposal by the directors of the Company's main undertaking shall be subject to the approval of the members of the Company in a general meeting.

3. Does the company observe a minimum of 21 business days for giving out of notices to the AGM where items to be resolved by shareholders are taken up?

The Company was incorporated and registered in the British Virgin Islands. Section 65(4) of the Company's Articles of Association states that the period of notice shall be exclusive of the day on which it is served or deemed to be served and exclusive of the day on which the meeting is to be held.

Section 67 of the Articles provides that an annual general meeting and any general meeting at which the passing of a special resolution of members is to be considered shall be called by not less than twenty-one (21) clear days' notice in writing." All other general meetings may be called by not less than fourteen (14) clear days' notice in writing but a general meeting may be called by shorter notice with a few exceptions under the Company's Articles.

**a. Date of sending out notices:**

The Company first sent out the notice of AGM and GM on 24 March 2014 which is 15 business days from the date of meeting.

b. Date of the Annual/Special Stockholders' Meeting:

The Company's latest AGM was held on 15 April 2014. A general meeting was likewise held on the same day.

4. State, if any, questions and answers during the Annual/Special Stockholders' Meeting.

Questions were raised by shareholders and the relevant answers were provided and sufficiently explained to shareholders in respect of the following queries that were raised: the Company's acquisition of DMFI, the gearing levels of the Company, dividend pay-out post acquisition of DMFI, how the Company intends to service its debts, listing of preference shares in Singapore / Philippines, main competitors of DMFI in the US.

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

(a) Annual General Meeting

At the Company's AGM held on 15 April 2014, the following resolutions were put to shareholders and duly passed by way of poll:

Resolution	Approving	Dissenting	Abstaining
<u>Resolution 1</u>			
Adoption of Directors' Report and Audited Financial Statements for the year ended 31 December 2013	926,939,750	30,400	532,335
<u>Resolution 2</u>			
Re-election of Mr Rolando C Gapud, a director retiring pursuant to Article 88 of the Company's Articles of Association	926,190,950	14,000	1,297,535
<u>Resolution 3</u>			
Re-election of Mr Benedict Kwek Gim Song, a director retiring pursuant to Article 88 of the Company's Articles of Association	927,071,750	76,600	354,135
<u>Resolution 4(a)</u>			
Approval of payment of Directors' fees for the financial year ending 31 December 2014	926,984,150	186,800	331,535
<u>Resolution 4(b)</u>			
Authority to fix, increase or vary emoluments of Directors	927,045,150	60,800	396,535
<u>Resolution 5</u>			
Re-appointment of KPMG LLP as Auditors	926,898,950	191,000	412,535
<u>Resolution 6</u>			
Share Issue Mandate	925,979,150	1,208,400	314,935
<u>Resolution 7</u>			
Authority to allot and issue new Shares pursuant to the Del Monte Pacific Executive Stock Option Plan 1999, Del Monte Pacific Restricted Share Plan and the Del Monte Pacific Performance Share Plan	904,768,586	22,383,564	350,335
<u>Resolution 8</u>			
	52,221,904	99,600	875,190,581

Renewal of Shareholders' Mandate for Interested Person Transactions			
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(b) General Meeting

At the Company's general meeting held on 15 April 2014, the following resolutions were put to shareholders and duly passed by way of poll:

Resolution	Approving	Dissenting	Abstaining
<u>Resolution 1</u>			
As a Special Resolution:			
The Proposed Increase of Authorised Share Capital of the Company and the Proposed Amendments to the Memorandum and Articles of Association of the Company.	923,300,650	328,000	518,735
<u>Resolution 2</u>			
As an Ordinary Resolution:			
The Proposed Specific Preference Share Issue Mandate of up to a Maximum Subscription Amount of Us\$500,000,000 to Fund the Acquisition of the Consumer Food Business in the United States.	923,455,650	172,000	529,897

6. Date of publishing of the result of the votes taken during the most recent AGM for all resolutions.

The results of the votes taken at the AGM and GM were uploaded to the SGX-ST and PSE portals on the same day, 15 April 2014.

(e) Modifications

State, if any, the modifications made in the Annual/Special Stockholders' Meeting regulations during the most recent year and the reason for such modification:

Modifications	Reason for Modification
Holders of shares in the Company that were lodged in the PSE were allowed to vote in Manila by manually accomplishing the ballots instead of electronically voting which is not available in Manila.	Electronic voting is not available in Manila.

(f) Stockholders' Attendance

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

Type of Meeting	Names of Board Members/ Officers present	Date of Meeting	Voting Procedure (by poll)	% of SH Attending in Person	% of SH in Proxy	Total % of SH attendance
Annual	Rolando C. Gapud Joselito D. Campos, Jr. Edgardo M. Cruz, Jr. Patrick L. Go Emil Q. Javier Godfrey E. Scotchbrook Luis F Alejandro Ignacio C.O. Sison	15 Apr 2014	By poll or by accomplished proxy instruments with voting instructions	1.22%	0.19%	1.42%



	Richard W. Blossom					
Special	Rolando C. Gapud Joselito D. Campos, Jr. Edgardo M. Cruz, Jr. Patrick L. Go Emil Q. Javier Godfrey E. Scotchbrook Luis F Alejandro Ignacio C.O. Sison Richard W. Blossom	15 Apr 2014	By poll or by accomplished proxy instruments with voting instructions	1.22%	0.19%	1.42%

(ii) *Does the company appoint an independent party (inspectors) to count and/or validate the votes at the AGM/GMs?*

Yes, the Company appointed a Scrutineer from an independent party for purposes of tabulating and validating the votes cast at the AGM and GM.

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

Yes, common shares carry one vote per share.

**(g) Proxy Voting Policies**

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

Company's Policies	
Execution and acceptance of proxies	<p>The proxy form must be duly accomplished, signed and dated by the shareholder, and submitted to the designated officer, in accordance with the instructions given in the Notice of Meeting (AGM/GM). The proxy form is distributed together with the printed Notice of Meetings and Annual Report.</p> <p>Article 70 of the Company's Articles provides:</p> <p>(1) A member may be represented at a meeting of members by a proxy who need not be a member of the Company to speak and vote on behalf of the member, and to vote on a show of hands, on any matter at any general meeting.</p> <p>(2) An instrument of proxy shall be deemed to confer on the holder thereof the authority to demand or join in demanding that a poll be taken at any general meeting or annual general meeting.</p> <p>In the case of joint ownership of shares, Article 73 shall govern:</p> <p>(a) if two or more persons hold shares jointly each of them may be present in person or by proxy at a meeting of members and may speak as a member;</p> <p>(b) if only one of the joint owners is present in person or by proxy he may vote on behalf of all joint owners; and</p> <p>(c) if two or more of the joint owners are present in person or by proxy they must vote as one and the person whose name stands first on the register of members shall be entitled to vote.</p>

Notary	Proxies do not need to be notarized.
Submission of Proxy	Article 72 provides, the instrument appointing a proxy shall be produced at the place appointed for the meeting, or such other place as may specified in the instrument, forty-eight (48) hours before the time for holding the meeting at which the person named in such instrument proposes to vote.
Several Proxies	<p>The Memorandum and Articles of the Company do not allow corporations which provide nominee or custodial services to appoint more than 2 proxies to vote. At present, only the Central Depository (Pte) Ltd (in Singapore) is permitted to appoint more than 2 proxies.</p> <p>Article 71 states:</p> <p>(1) Every member is entitled to attend and vote at a general meeting of the Company where such member is the holder of two or more shares, such person shall be entitled to appoint not more than two proxies to attend and vote instead of him at the same meeting provided that, if the member is the Depository:</p> <p style="padding-left: 40px;">(a) the Depository may appoint more than two proxies to attend and vote at the same general meeting and each proxy shall be entitled to exercise the same powers on behalf of the Depository as the Depository could exercise, including the right to vote individually on a show of hands provided that, on a show of hands or otherwise, it is the votes allocated to the shares that shall be counted and not the number of members who actually voted; and</p> <p style="padding-left: 40px;">X X X</p> <p>(2) In any case where a form of proxy appoints more than one proxy (including the case where such appointment results from a nomination by a Depositor), the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy.</p>
Validity of Proxy	<p>Article 71 (b) and (c) further provide:</p> <p>(b) Unless the Depository specifies otherwise in a written notice to the Company, the Depository shall be deemed to have appointed as the Depository's proxies to vote on behalf of the Depository at a general meeting of the Company each of the Depositors who are individuals and whose names are shown in the records of the Depository as at a time not earlier than forty-eight (48) hours prior to the time of the relevant general meeting supplied by the Depository to the Company and notwithstanding any other provisions in these Articles, the appointment of proxies by virtue of this Article 71(1)(b) shall not require an instrument of proxy or the lodgement of any instrument of proxy;</p> <p>(c) The Company shall accept as valid in all respects the form of instrument of proxy approved by the Depository (the "CDP Proxy Form") for use at the date relevant to the general meeting in question naming a Depositor (the "Nominating Depositor") and permitting that Nominating Depositor to nominate a person or persons other than himself as the proxy or proxies appointed by the Depository. The Company shall, in determining rights to vote and other matters in respect of a completed CDP Proxy Form submitted to it, have regard to the instructions given by</p>

	and the notes (if any) set out in the CDP Proxy Form. The submission of any CDP Proxy Form shall not affect the operation of Article 71(1)(b) and shall not preclude a Depositor appointed as a proxy by virtue of Article 71(1)(b) from attending and voting at the relevant meeting but in the event of attendance by such Depositor, the CDP Proxy Form submitted bearing his name as the Nominating Depositor shall be deemed to be revoked.
Invalidated Proxy	Article 71 further provides:  (d) the Company shall reject any CDP Proxy Form of a Nominating Depositor if his name is not shown in the records of the Depository as at a time not earlier than forty-eight (48) hours prior to the time of the relevant general meeting supplied by the Depository to the Company;
Proxies executed abroad	There is no requirement that proxies executed abroad must be authenticated.
Validation of Proxy	Article 71 (e) states that, on a poll, the maximum number of votes which a Depositor or proxies appointed pursuant to a CDP Proxy Form in respect of that Depositor is able to cast shall be the number of shares credited to the Securities Account of the Depositor as shown in the records of the Depository as at a time not earlier than forty-eight (48) hours prior to the time of the relevant general meeting supplied by the Depository to the Company, whether that number is greater or smaller than the number specified in any CDP Proxy Form or instrument of proxy executed by or on behalf of the Depository.  For security holders with shares listed in the PSE, the Philippine stock transfer agent is the one responsible for receiving and validating the accomplished proxy forms.
Violation of Proxy	

(h) *Sending of Notices*

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

<b>Policies</b>	<b>Procedure</b>
As a rule, the notice of a general meeting of members shall be sent to the Company's shareholders at least 14 clear days.	Article 67 of the Articles of Association provides:  An annual general meeting and any general meeting at which the passing of a special resolution of members is to be considered shall be called by not less than twenty-one (21) clear days' notice in writing. All other general meetings may be called by not less than fourteen (14) clear days' notice in writing but a general meeting may be called by shorter notice:  (a) in the case of a meeting called as an annual general meeting, if it is so agreed by all the members entitled to attend and vote thereat;  (b) in the case of any other meeting, if it is so agreed by a majority in number of the members having the right to attend and vote at the meeting, being a majority together holding not less than ninety per cent (90%) of

	<p>the total number of shares entitled to vote on all matters to be considered at the meeting, or ninety per cent (90%) of the votes of each class or series of shares where members are entitled to vote thereon as a class or series; and</p> <p>(c) in all cases, if all members holding shares entitled to vote on all or any matters to be considered at the meeting have waived notice of the meeting and for this purpose presence at the meeting shall be deemed to constitute waiver.</p> <p>For so long as the shares of the Company are listed on the Designated Stock Exchange, at least fourteen (14) days' notice of any general meeting shall be given by advertisement in an English daily newspaper in circulation in Singapore and in writing to the Designated Stock Exchange.</p> <p>Article 156 of the Articles states:</p> <p>Any notice, document, information or written statement to be given by the Company to members may be served in the case of members holding registered shares in any way by which it can reasonably be expected to reach each member or by mail addressed to each member at the address shown in the share register and in the case of members holding shares issued to bearer, in the manner provided in the Memorandum.</p> <p>Note: "Clear days" is, in relation to the period of notice, that period excluding the day when notice is given or deemed to be given and the day when it is given or on which it takes effect.</p>
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(i) *Definitive Information Statements and Management Report*

<b>Date of Actual Distribution of Definitive Information Statement and Management Report and Other Materials held by market participants/certain beneficial owners</b>	24 March 2014
<b>Date of Actual Distribution of Definitive Information Statement and Management Report and Other Materials held by stockholders</b>	24 March 2014
<b>State whether CD format or hard copies were distributed</b>	<p>Packets with hard copies were distributed to the shareholders. The Annual Report for FY 2013 was distributed in CD format.</p> <p>The Definitive Information Statement and Management Report were uploaded on the PSE website.</p>
<b>If yes, indicate whether requesting stockholders were provided hard copies</b>	N/A

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

Each resolution to be taken up deals with only one item.	Yes
Profiles of directors (at least age, qualification, date of first appointment, experience, and directorships in other listed companies) nominated for election/re-election.	No
The auditors to be appointed or re-appointed.	Yes
An explanation of the dividend policy, if any dividend is to be declared.	N/A
The amount payable for final dividends.	No dividends were declared.
Documents required for proxy vote.	Yes

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

The Notice of the AGM does not disclose the profiles of the Directors; however, the Annual Report accompanying the Notice of AGM would contain such information.

## 2) Treatment of Minority Stockholders

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

Policies	Implementation
<p>The Group treats all shareholders fairly and equitably, and recognizes, protects and facilitates the exercise of shareholders' rights. Moreover, the Group continually reviews and updates such governance arrangements.</p> <p>Shareholders are informed of changes in the Company's business, which are likely to materially affect the value of the Company's shares.</p> <p>The Group ensures that shareholders have the opportunity to participate effectively in and vote at General Meetings. Shareholders are informed of the rules, including voting procedures, which govern General Meetings.</p>	Implemented.

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

The Company's Articles state:

*No person other than a director retiring at the meeting shall, unless recommended by the directors for election, be eligible for election as a director at any general meeting unless not less than eleven (11) clear days before the date appointed for the meeting there shall have been lodged at the Office a notice in writing signed by a member (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election and also a notice in writing signed by the person to be proposed of his willingness to be elected, provided that in the case of a person recommended by the Board for election not less than nine (9) clear days' notice in writing shall be necessary and notice of each and every such person shall be served on the members at least seven (7) days prior to the meeting at which the election is to take place.*

## K. INVESTORS RELATIONS PROGRAM

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

The IR policy of the Company promotes fair and equitable treatment of all shareholders, while recognizing, protecting and facilitating the exercise of shareholders' rights. This is consistent with the listing requirements of the SGX-ST and PSE, and reinforces the Company's commitment to providing easy and regular access to timely, effective, fair, pertinent and accurate information about the Company.

IR is a key function in the Company. As such, the IR manager reports directly to the CFO, who coordinates with the Senior Management on IR, as required. The CFO reports to the CEO who, together with the Executive Committee, gets involved with IR, as needed. The CFO also updates the Board and Senior Management on IR developments and feedback.

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

	Details
(1) Objectives	The objective of IR is to enhance shareholder value.
(2) Principles	<p>The Company's IR is guided by principles of trust, good corporate governance, transparency, openness and quality of disclosure, fairness, timeliness, proactiveness and engagement, accessibility, employment of information technology, and continuous improvement.</p> <p>In summary, these are the principles and corresponding actions which the Company adheres to.</p> <ul style="list-style-type: none"> <li>a) Trust – Grounded on SGX-ST guidelines and principles.</li> <li>b) Good Corporate Governance – Code of Corporate Governance pillars including Communication with Shareholders; Governance and Transparency Index (GTI).</li> <li>c) Transparency, Openness and Quality of Disclosure – Clear communication of business strategy and outlook; issuance of profit alerts, if warranted; management of market expectation.</li> <li>d) Fairness – No selective disclosure; closed-window period</li> <li>e) Timeliness – Timely and accurate information disclosed immediately via the SGXnet, PSE Edge, and the Company's corporate website; IR team is responsive to emails and calls, and targets one day turnaround to answer enquiries.</li> <li>f) Proactiveness and Engagement – Reaching out to the investing community through briefings, one-on-one meetings, conference calls, brokers' conferences, email updates.</li> <li>g) Accessibility – Contact details on IR homepage and annual report; IR manager is contactable by mobile phone.</li> <li>h) Employment of IT/latest tools – Email alerts, corporate website, keeping abreast of different online platforms in the market.</li> <li>i) Continuous improvement – Peer benchmarking, attending IR tasks and forums, keeping abreast of new Code of Corporate Governance and GTI; implementation of best practices.</li> </ul>
(3) Modes of Communications	The Group provides descriptive and detailed disclosure whenever possible and avoids boilerplate disclosures, and immediately announces any material information known to the Company concerning the Company or any of its subsidiaries or associated companies.

	<p>Material information are disclosed to all shareholders and the investing community equally via the SGX-ST and PSE portals (i.e., no selective disclosure), including the Company's financial position, performance, ownership, strategies, activities and governance.</p> <p>The Company observes a closed window period of 2 weeks prior to the announcement of its quarterly results and 1 month prior to the announcement of its full year results. During this period, the Company does not meet nor communicate with the investing community to ensure no selective disclosure is made.</p> <p>The Company announces its financial results on a quarterly basis within the prescribed timeframe and holds joint briefings with the investing community on its half-year and full-year performance in an accessible central location. Key Executives are present during the briefings.</p> <p>The Management Discussion and Analysis (MD&amp;A) report, press release and presentation on the Company's financial results are disseminated through SGXnet, PSE Edge, the Company's email alerts and website all on the same day.</p> <p>The Company strengthens relationships with the investing community through one-on-one meetings, participation in at least 2 annual conferences, forums and road shows organized by stock broking and investing companies, to augment 2 briefings a year.</p> <p>The Company organizes trips to its plantation and cannery, as well as trade checks, for the investing community, providing them with firsthand appreciation and understanding of the Company's operations and markets.</p> <p>The corporate website (<a href="http://www.delmontepacific.com">www.delmontepacific.com</a>) has a dedicated and comprehensive IR section that is user-friendly with easily downloadable and updated press releases, announcements, quarterly reports, presentations and annual reports. Announcements are uploaded as soon as they are released to the SGXnet.</p> <p>The following are also included in the IR site: IR calendar; next events; dividend policy and payout details; bio-data of Directors and senior management; and corporate governance. The following are uploaded in other sections of the website: sustainability; and Code of Business Ethics.</p> <p>The Company is committed to providing easily accessible, timely and relevant information. To maintain an open channel of communication, the Company has an email alert system whereby emails on its developments and updates are sent out to investors on a regular basis. Such information is also announced to the public via the SGXnet and PSE Edge systems.</p> <p>Various IR and communication modes are employed by the Company to establish and maintain frequent engagement and regular dialogue with the investing community, not just for the Company to provide them with information but also to gather their feedback and address their concerns. Insights gathered are taken and where appropriate, acted upon.</p>
(4) Investors Relations Officer	<p>Jennifer Luy</p> <p><a href="mailto:jluy@delmontepacific.com">jluy@delmontepacific.com</a></p> <p>Tel: (65) 6324 6822 / Fax: (65) 6221 9477</p>

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

These matters are subject to review and approval by the Company's Board of Directors.

For material or very important transactions, the Company adheres to the requirements and procedures prescribed by the stock exchanges.

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

The company engaged various independent parties to issue fairness opinion reports on mergers and acquisitions.

## **L. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

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

As a leading global food company, a Corporate Sustainability Team was organized to develop strategic plans guided by the Global Reporting Initiative (GRI) framework and included corporate sustainability as part of the Company's strategic plan, which goes beyond corporate social responsibility and environmental compliance.

In line with its sustainability commitment, many initiatives were taken through business plan, productivity and cost efficiency program, agricultural enhancement measures, supply chain improvements, capital expenditure and facilities improvement projects, and other key programs. The new corporate office is equipped with environment friendly features on energy efficiency, water reduction and waste management, and it enhances the health and safety of its employees.

Substantial focus was given to making life better to the communities where the Company operates. Social services for education, health and livelihood were provided to over 100 communities in Bukidnon and Misamis Oriental, Philippines.

The Company also embarked on environmental initiatives that will contribute to water conservation, recycling and energy consumption. It will continue to explore ways to reduce its environmental footprint and improve its social responsibility.

Del Monte Foundation, Inc. (the "Foundation"), a non-stock and non-profit organization, spearheads the Group's efforts as it expands its reach in the community. The Foundation employs a framework for identifying and selecting community projects, in coordination with the Del Monte Plantation and Cannery, which is in line with the policies and procedures for Sustainability projects.

Teams fan out daily through close to 100 urban and remote villages to deliver vital community services and help residents face new challenges. In the last 5 years (2008-2013), the Foundation served close to 100,000 community residents through scholarships and education, capacity-building, home care and community health, youth development and other programs.

Most of the initiatives undertaken by the Group are set forth in the following table:

<b>Initiative</b>	<b>Beneficiary</b>
<b>LIFE GETS BETTER FOR OUR COMMUNITY</b>	
1. Livelihood Support  The Group embarked on a landmark partnership with select local farmers and entrepreneurs who now earn more from underutilized or unproductive farm land. Farmers learn eco-friendly ways to grow high-volume pineapple and papaya for processing at the cannery. The goal is to make beneficiaries more productive and less dependent on government subsidy for	Included in the training programs were the members of the Pantawid Pamilyang Pilipino Program (4P's) of the Department of Social Welfare and Development (DSWD) in various DMPI plantation areas. This provided opportunity for the poor to learn new skills which they could use for employment or self-employment.  In 2013, about 600 members of the 4P's



financial support.	members benefitted from the training programs.
<p>2. Technical Education</p> <p>The Group promotes short-term technical skills courses as an alternative to college education. Fully-equipped workshops welcome students in food processing, commercial cooking, baking, electronics, welding and woodworking. A compute centre, with 15 computer units and internet access, also serves the community.</p>	<p>Close to 900 men, women and youth received free training during the year. New courses (housekeeping services, massage therapy, bread and pastry-making, fish processing, art and painting, production of fashion accessories and candles) were offered to respond to the community's training needs. Graduates fill in a growing demand for skilled manpower in the region's industry and service sectors.</p>
<p>3. Scholarships and Education</p> <p>Gifted children earn quality education through the Company's academic scholarships, grants-in-aid and sports scholarships. The Jose Yao Campos College Grants-in-Aid Scholarships, launched in 2008, is funded through the personal contribution of Group CEO Joselito D. Campos, Jr.</p>	<p>Following a new selection process that grants scholarships to applicants from the Group's new areas of operations, beneficiaries have increased by 60%, from 235 in the previous school year to 376, the highest scholar enrolment in 2 decades. Under partnership programmes, public and private schools near worksites receive support in the form of supplemental books, teaching aides, and teachers' training.</p>
<p>4. Youth Development</p> <ul style="list-style-type: none"> <li>The Group works closely with the community to harness the potential of the youth to lead and transform their communities into self-sufficient units for nation-building.</li> <li>Also, the Foundation constructed 4 classrooms in Bukidnon last year. The project aims to improve the academic performance of students in schools through the provision of complete classroom facilities to facilitate better learning. The Foundation has partnered with IBM Philippines, Inc. through the IBM Kidsmart Early Learning Programme to bring new technology tools and educational materials to the rural classrooms.</li> </ul>	<p>Rural youth comprises a majority of graduates under the Foundation's technical skills training program. Community youth leaders also join Leadership Trainings after which they are expected to harness resources of their respective youth organizations to attain both medium- and long- term development goals of their communities.</p> <p>About 120 students in public elementary schools benefitted from educational books and learning materials and supplies distributed by the Foundation and its volunteers.</p>
<p>5. Community Health</p> <ul style="list-style-type: none"> <li>Mobile Clinic Project – This provides free out-patient consultation services and medicines to remote communities where health services are needed most.</li> <li>Home Care Education Program</li> <li>With the Del Monte Ladies' Civic Association and the Phillips Memorial Hospital, the Group conducted medical missions or free clinics 8 remote villages.</li> </ul>	<p>From August to December 2013, the Mobile Clinic successfully served close to 10,500 patients in 35 communities.</p> <p>Close to 500 unemployed rural mothers were trained on responsible family care, emergency and disaster handling, solid waste management and other eco-practices.</p> <p>Some 2,800 patients received free medical and</p>

<ul style="list-style-type: none"> <li>Installation of water system projects aimed to provide the basic water need.</li> </ul>	<p>dental services and medicines.</p> <p>Construction of water reservoir for Barangay Kuya, Maramag benefitting 262 households or about 1,200 individuals;</p> <p>Installation of water system for Gawad Kalinga village in Bugo, Cagayan de Oro that benefitted the families of 15 employees affected by Typhoon Sendong (international code name Washi)</p>
<p>6. Building on Community Traditions</p> <ul style="list-style-type: none"> <li>Annual Pineapple Festival</li> </ul>	<p>This brings together the Plantation community and its neighbors to honor a fruit that positively changed rural life in Southern Philippines.</p>
<p>7. Hope Bears Fruits</p> <ul style="list-style-type: none"> <li>Providing community assistance during emergencies and other services to families affected by natural calamities.</li> <li>Providing psychological treatment to victims of calamities.</li> </ul>	<p>Families affected by Supertyphoon Yolanda (international code name Haiyan) In November, as well as victims of the magnitude 7.2 earthquake in Bohol last October 2013.</p> <p>Over 800 residents in 7 barangays in Palompon, Leyte</p>
<b>LIFE GETS BETTER FOR OUR ENVIRONMENT</b>	
<p>1. Waste Management</p> <p>Pineapple pulp waste disposal system, utilization of effluent treatment plants, high-filtration extraction system, and waste segregation.</p>	
<p>2. Responsible Use of Materials</p> <ul style="list-style-type: none"> <li>The Company: <ul style="list-style-type: none"> <li>(1) complies with government standards in the use of fertilizers and industrial chemicals, including safe transport and handling, and collection and recovery of packaging materials; and</li> <li>(2) conducts regular safety audits on our fertilizer and chemical storage and work areas.</li> </ul> </li> <li>A Supplier Quality Management program and product traceability measures are in place to respond to customer requirements.</li> <li>Through "Project Safe," information drives, surveillance audits and safety drills are conducted regularly across all plantation facilities, including employee homes, and at our cannery.</li> </ul>	<p>To ensure a safe environment for our workers and host communities.</p>
<p>3. Green Initiatives</p> <ul style="list-style-type: none"> <li>In support of GAP, we undertake innovative composting, community-based</li> </ul>	<p>Close to 50,000 assorted seedlings were propagated in 2013. Seedlings of indigenous tree</p>

<p>tree planting and reforestation of denuded areas close to our operations sites. The Foundation partnered with the local government and organization to grow seeds in two greenhouses. For this eco-sustainability project, the Foundation provided polyethylene bags, seeds, fertilizers and other inputs and funded a Food-For-Work-Program for farmers supporting the National greening program.</p> <ul style="list-style-type: none"> <li>• Grow-a-Tree Program - each employee volunteers to plant not less than 10 trees and care for these trees through one's employment years.</li> <li>• Coastal clean-up of the shoreline of Macajalar Bay in Mindanao</li> </ul>	<p>species from these nurseries were distributed free to employees and the community during the year.</p> <p>A new Tree Park has opened in Camp Phillips, the centre of the Group's Plantation, where volunteers can plant seedlings and nurture these trees to maturity.</p>
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## M. BOARD, DIRECTOR, COMMITTEE AND CEO APPRAISAL

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

### 1) Board of Directors

The Board has, through the NC, implemented an annual evaluation process to assess the effectiveness of the Board as a whole. The evaluation process is undertaken as an internal exercise and involves Board members completing a questionnaire covering areas relating to the following:

- Board composition;
- Information to the Board;
- Board procedures;
- Board accountability;
- Communication with CEO and Key Executives;
- Succession planning of Key Executives; and
- Standards of conduct by the Board.

The evaluation process takes into account the views of each Board member and provides an opportunity for Directors to provide constructive feedback on the workings of the Board, including its procedures and processes and if these may be improved upon.

An evaluation exercise was carried out in the financial year under review.

Led by the Chairman, this collective assessment was conducted by means of a confidential questionnaire completed by each Director, which is then collated, analyzed and discussed with the NC and the Board with comparatives from the previous year. Recommendations to further enhance the effectiveness of the Board are implemented, as appropriate.

The NC had conducted a performance evaluation of the Board for 2013 and determined that all Directors had contributed effectively and demonstrated full commitment to their roles. No external facilitator had been engaged by the Board for this purpose.

### 2) Individual Directors

The NC is tasked with reviewing the Directors' performance and contributions in order to nominate them for re-election or re-appointment. The NC will review, in particular, the Directors' attendance and participation at meetings of the Board and Board committees, and their efforts and contributions towards the success of the Group's business and operations.

In cases where a Director has multiple Board representations, the NC also assesses whether such Director has been adequately carrying out his duties as a Director of the Company. (The NC noted the confirmation from Directors who held multiple Board representations that their time/effort in carrying out their duties as Directors of the Company would not be compromised.)

In determining whether each Director is able to devote sufficient time to discharge his duty, the NC has taken cognizance of the 2012 Code requirement, but is of the view that its assessment should not be restricted to the number of board representations of each Director and his respective principle commitments per se. The contributions by Directors to and during meetings of the Board and Board Committees, as well as their attendance at such meetings should also be taken into account.

### **3) Board Committees**

#### **a) *Nominating Committee***

In 2012, the NC had implemented an evaluation process to assess the effectiveness of the NC as a whole. The evaluation process is undertaken as an internal exercise and involves NC members completing a questionnaire covering areas relating to:

- i. Memberships and appointments;
- ii. Conduct of NC meetings;
- iii. Trainings and resources available;
- iv. Reporting to the Board;
- v. Process for selection and appointment of new Directors;
- vi. Nomination of Directors and re-election;
- vii. Independence of Directors;
- viii. Board performance evaluation;
- ix. Succession planning;
- x. Multiple Board representations;
- xi. Standards of conduct; and
- xii. Communication with shareholders.

The evaluation process takes into account the view of each NC member and provides for an opportunity for the NC to give constructive feedback on the workings of the NC, including procedures and processes adopted and if these may be improved upon.

The evaluation exercise would continue to be carried out by the NC on an annual basis.

#### **b) *Audit Committee***

In 2011, the AC had implemented an evaluation process to assess the effectiveness of the AC as a whole. The evaluation process is undertaken as an internal exercise and involves AC members completing a questionnaire covering areas relating to:

- i. Memberships and appointments;
- ii. Conduct of AC meetings;
- iii. Trainings and resources available;
- iv. Financial reporting processes;
- v. Financial and operational internal controls;
- vi. Risk management systems;
- vii. Internal and external audit processes;
- viii. Whistle-blowing reporting processes; and
- ix. AC's relationship with the Board.

The evaluation process takes into account the views of each AC member and provides an opportunity for the AC to give constructive feedback on the workshops of the AC including procedures and processes adopted and if these may be improved upon.

The evaluation exercise would continue to be carried out by the AC on an annual basis.

Led by the AC Chairman, a summary of findings prepared based on responses from the

completed questionnaires was discussed with feedback noted.

c) *Remuneration and Share Option Committee*

In 2012, the RSOC implemented an evaluation process to assess the effectiveness of the RSOC as a whole. The evaluation process is undertaken as an internal exercise and involves RSOC members completing a questionnaire covering areas relating to:

- i. Memberships and appointments;
- ii. Conduct of RSOC meetings;
- iii. Trainings and resources available;
- iv. Scope of remuneration matters reviewed;
- v. Reporting to the Board;
- vi. Standards of conduct; and
- vii. Communication with shareholders.

The evaluation process takes into account the views of each RSOC members and provides an opportunity for the RSOC to give constructive feedback on the workings of the RSOC, including procedures and processes adopted and if these may be improved upon.

The evaluation exercise would continue to be carried out by the RSOC on an annual basis.

**4) CEO/President**

The CEO/Managing Director's evaluation is based on his key deliverables and criteria set.

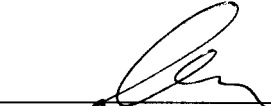
**N. INTERNAL BREACHES AND SANCTIONS**


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

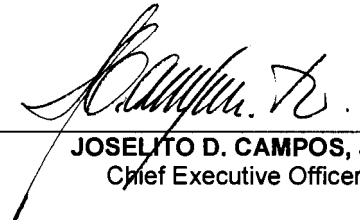
Violation of analogous corporate governance policies could warrant the imposition of penalties which range from reprimand to removal or dismissal of the concerned director, officer or employees.

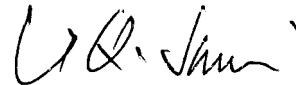
Pursuant to the requirement of the Securities and Exchange Commission, this Annual Corporate Governance Report is signed on behalf of the registrant by the undersigned, thereunto duly authorized, in the City of \_\_\_\_\_ on June 12, 2014.

#### SIGNATURES

  
\_\_\_\_\_  
**ROLANDO C. GAPUD**  
Chairman of the Board

  
\_\_\_\_\_  
**PATRICK L. GO**  
Independent Director

  
\_\_\_\_\_  
**JOSEITO D. CAMPOS, JR.**  
Chief Executive Officer

  
\_\_\_\_\_  
**DR. EMIL Q. JAVIER**  
Independent Director

  
\_\_\_\_\_  
**ANTONIO EUGENIO S. UNGSON**  
Chief Legal Counsel and  
Chief Compliance Officer

**SUBSCRIBED AND SWORN** to before me this 12 day of June 2014, affiants having exhibited to me the following:

NAME

COMPETENT EVIDENCE OF  
IDENTITY

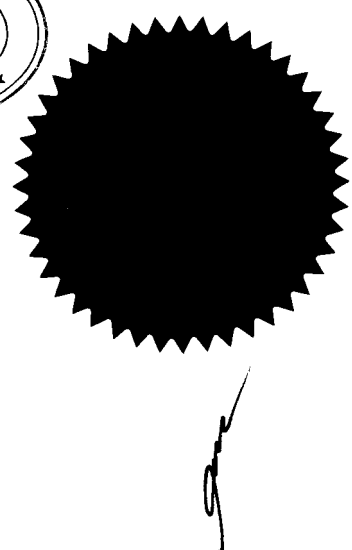
DATE/PLACE OF ISSUE

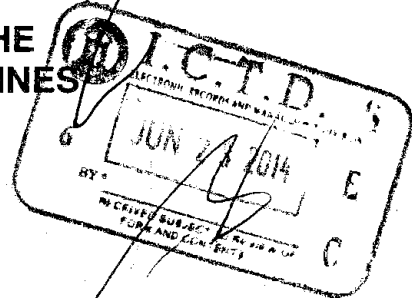
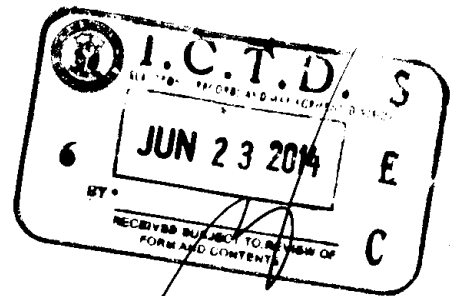




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Book No. \_\_\_\_\_  
Series of 2014.





**FOREIGN SERVICE OF THE  
REPUBLIC OF THE PHILIPPINES**

EMBASSY OF THE PHILIPPINES }  
Consular Section } S.S.  
Singapore }

**CERTIFICATE OF AUTHENTICATION**

I, **VICTORIO MARIO M. DIMAGIBA JR** CONSUL of the Republic of  
the Philippines in Singapore, duly commissioned and qualified, do hereby certify that  
**AMY WONG SOK FAN**

before whom the annexed instrument has been executed to wit:

**ANNUAL CORPORATE GOVERNANCE REPORT DATED 12 JUNE 2014 SIGNED BY ROLANDO C.  
GAPUD, JOSE LITO D. CAMPOS, JR., PATRICK L. GO, EMIL Q. JAVIER AND E. S. UNGSON**

was at the time he/she signed the same Notary Public in Singapore and that  
his/her signature affixed thereto is genuine.

The Embassy assumes no responsibility for the contents of the annexed document.

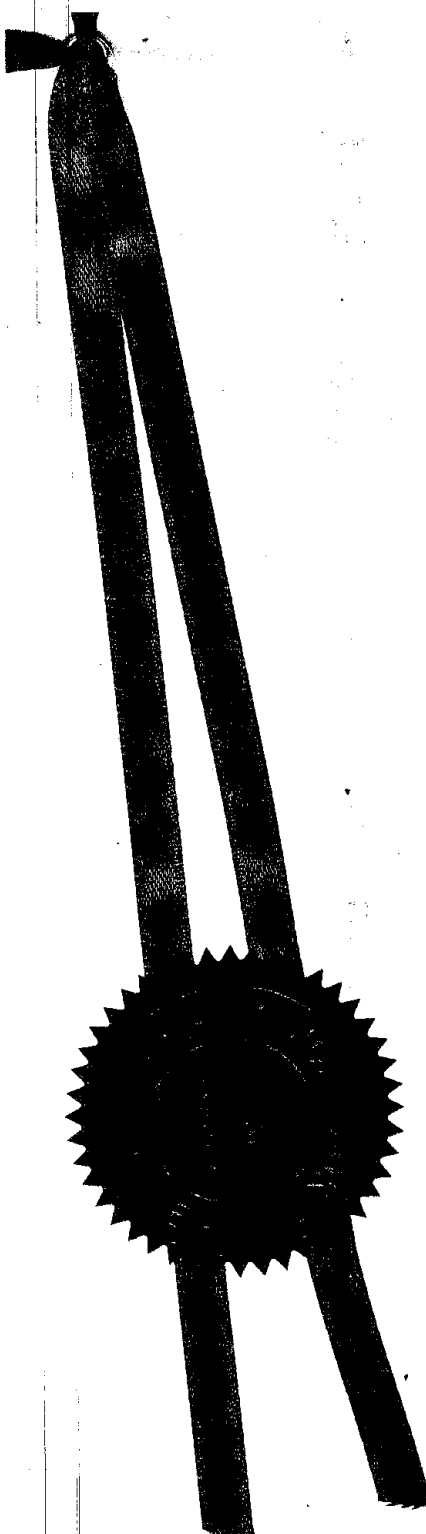
IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Embassy of  
the Philippines in Singapore, this 13th day of JUNE 2014

Service No: 4136

Fee Paid: \$42.

OR NO: 6875

**VICTORIO MARIO M. DIMAGIBA JR**  
CONSUL



TO ALL TO WHOM THESE PRESENTS SHALL COME, I  
**AMY WONG SOK FAN** of 11 Collyer Quay #05-04 The Arcade,  
Singapore 049317, NOTARY PUBLIC, duly authorised and  
appointed, practising in the Republic of Singapore DO HEREBY  
CERTIFY that on the 12<sup>th</sup> day of June 2014 at Singapore  
the attached **ANNUAL CORPORATE GOVERNANCE REPORT** was  
signed by **ROLANDO C. GAPUD, JOSELITO D. CAMPOS, JR.,**  
**PATRICK L. GO, EMIL Q. JAVIER** and **ANTONIO E. S. UNGSON**  
and that the names or signatures of **ROLANDO C. GAPUD,**  
**JOSELITO D. CAMPOS, JR., PATRICK L. GO, EMIL Q. JAVIER** and  
**ANTONIO E. S. UNGSON** subscribed to the said document are in their  
respective proper handwriting.

IN FAITH AND TESTIMONY  
WHEREOF I the said Notary have hereunto  
subscribed my name and affixed my Seal of  
Office at Singapore this 12<sup>th</sup> day of June 2014.

