

**ASEAN CORPORATE GOVERNANCE SCORECARD (ACGS) QUESTIONNAIRE  
SELF-ASSESSMENT**

Question	Answer
<b>LEVEL 1</b>	
<b>PART A: RIGHTS OF SHAREHOLDERS</b>	
<b>A.1 Basic Shareholders Rights</b>	
A.1.1	<p>Does the company pay (interim and final/annual) dividends in an equitable and timely manner; that is, all shareholders are treated equally and paid within 30 days after being (i) declared for interim dividends and (ii) approved by shareholders at general meetings for final dividends?</p> <p><a href="#">17-C Results of Meetings (April 16, 2014) p. 3</a> As customary with Philippine companies, dividends are paid within 30 days from the record date.</p>
<b>A.2 Right to participate in decisions concerning fundamental corporate changes.</b>	
<b>Do shareholders have the right to participate in:</b>	
A.2.1	<p>Amendments to the company's constitution?</p> <p>YES, Amendment of Charter, By-Laws or Other Documents are submitted for approval during the stockholders meeting. This is disclosed in the <a href="#">2013 20-IS Definitive Statement</a> under ITEM 15 and ITEM 17 (p. 38 of 158).</p>
A.2.2	<p>The authorisation of additional shares?</p> <p>YES, the Company complies with applicable Philippine laws regarding authorisation of additional shares.</p>
A.2.3	<p>The transfer of all or substantially all assets, which in effect results in the sale of the company?</p> <p>YES, the Company complies with applicable Philippine laws regarding transfer of all or substantially all assets, resulting in the effective sale of the Company.</p>
<b>A.3 Right to participate effectively in and vote in general shareholder meetings and should be informed of the rules, including voting procedures, that govern general shareholder meetings.</b>	
A.3.1	<p>Do shareholders have the opportunity, evidenced by an agenda item, to approve remuneration (fees, allowances, benefit-in-kind and other emoluments) or any increases in remuneration for the non-executive directors/commissioners?</p> <p>YES, the Company complies with applicable Philippine laws regarding approval of remuneration for non-executive directors.</p>
A.3.2	<p>Does the company provide non-controlling shareholders a right to nominate candidates for board of directors/commissioners?</p> <p>YES, the Company follows the system of cumulative voting for the election of its directors to give shareholders the opportunity to elect members of the Board individually, as disclosed in <a href="#">The Dynamic World of SM 2013</a> Annual Report under section on Corporate Governance Rights of Shareholders (p. 51 of 116).</p>

Question		Answer
A.3.3	Does the company allow shareholders to elect directors/commissioners individually?	YES, this is explained in the <a href="#">2013 20-IS Definitive Statement</a> under Item 4. Voting Securities and Principal Holders Thereof – (2) Manner of Voting of the SEC Form-20-IS (p. 12 of 158).
A.3.4	Does the company disclose the voting and vote tabulation procedures used, declaring both before the meeting proceeds?	YES, this is explained in the <a href="#">2013 20-IS Definitive Statement</a> under Item 4. Voting Securities and Principal Holders Thereof – (2) Manner of Voting of the SEC Form-20-IS (p. 12 of 158) and in Item 18. Voting Procedures (p. 38 of 158).
A.3.5	Do the minutes of the most recent AGM record that there was an opportunity allowing for shareholders to ask questions or raise issues?	YES, as disclosed in <a href="#">Minutes of Stockholders' Meeting</a> under Section 10.0. Other Matters (p. 4).
A.3.6	Do the minutes of the most recent AGM record questions and answers?	YES, as disclosed in <a href="#">Minutes of Stockholders' Meeting</a> under Section 10.0. Other Matters (p. 4).
A.3.7	Does the disclosure of the outcome of the most recent AGM include resolution(s)?	YES, results of the Stockholders Meeting include resolutions. Refer to Item II of <a href="#">17-C Results of Meetings (April 16, 2014)</a> (p. 3 of 5).
A.3.8	Does the company disclose the voting results including approving, dissenting, and abstaining votes for each agenda item for the most recent AGM?	<a href="#">Minutes of Stockholders' Meeting</a>
A.3.9	Does the company disclose the list of board members who attended the most recent AGM?	YES, refer to <a href="#">Minutes of Stockholders' Meeting</a> (p. 1).
A.3.10	Did the chairman of the board of directors/commissioners attend the most recent AGM?	YES, refer to <a href="#">Minutes of Stockholders' Meeting</a> (p. 1).
A.3.11	Did the CEO/Managing Director/President attend the most recent AGM?	YES, refer to <a href="#">Minutes of Stockholders' Meeting</a> (p. 1).
A.3.12	Did the chairman of the Audit Committee attend the most recent AGM?	YES, refer to <a href="#">Minutes of Stockholders' Meeting</a> (p. 1).
A.3.13	Did the company organise their most recent AGM in an easy to reach location?	YES. The Annual Stockholders' Meeting was organized near the corporate office. Refer to <a href="#">Minutes of Stockholders' Meeting</a> .
A.3.14	Does the company allow for voting in absentia?	YES, as stated in the <a href="#">By-Laws</a> under Section 7. Manner of Voting (p. 4 – 5).
A.3.15	Did the company vote by poll (as opposed to by show of hands) for all resolutions at the most recent AGM?	Voting procedures during Stockholders Meeting are disclosed in the <a href="#">2013 20-IS Definitive Statement</a> under ITEM 18 Voting Procedures (p. 38 of 158).

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A.3.16	Does the company disclose that it has appointed an independent party (scrutineers/inspectors) to count and/or validate the votes at the AGM?	YES, this is disclosed in the <a href="#">2013 20-IS Definitive Statement</a> under Voting Procedures (p. 38 of 158).
A.3.17	Does the company make publicly available by the next working day the result of the votes taken during the most recent AGM for all resolutions?	YES, results are released the day following the Annual Stockholders Meeting, which was on April 15, 2014. Refer to <a href="#">17-C Results of Meetings (April 16, 2014)</a> .
A.3.18	Do companies provide at least 21-days notice for all resolutions?	YES, the Notice of the Annual Stockholders' Meeting ( <a href="#">17-C Results of Meetings (April 16, 2014)</a> ) was released on March 21, 2014, 24 days prior to the meeting.
A.3.19	Does the company provide the rationale and explanation for each agenda item which require shareholders' approval in the notice of AGM/circulars and/or the accompanying statement?	YES, the Rationale for Agenda Items is attached to the Notice of Stockholders Meeting ( <a href="#">2013 20-IS Definitive Statement</a> , p. 3 of 158).
<b>A.4 Markets for corporate control should be allowed to function in an efficient and transparent manner.</b>		
A.4.1	In cases of mergers, acquisitions and/or takeovers requiring shareholders' approval, does the board of directors/commissioners of the offeree company appoint an independent party to evaluate the fairness of the transaction price?	YES, this is disclosed in <a href="#">The Dynamic World of SM 2013</a> Annual Report, specifically in the Notes to Consolidated Financial Statements – 6. Business Combinations (p. 85 of 116).
<b>A.5 The exercise of ownership rights by all shareholders, including institutional investors, should be facilitated.</b>		
A.5.1	Does the Company publicly disclose policy/practice to encourage shareholders including institutional shareholders to attend the general meetings or engagement with the Company?	YES, such policy/practice is disclosed in <a href="#">The Dynamic World of SM 2013</a> Annual Report under section on Corporate Governance – Disclosure and Transparency – The Annual Stockholders' Meeting (p. 50 – 51 of 116).