



ASEAN CORPORATE GOVERNANCE SCORECARD (ACGS) QUESTIONNAIRE
SELF-ASSESSMENT
 AS OF MAY 31, 2017

Question	Answer
LEVEL 1	
PART B: EQUITABLE TREATMENT OF SHAREHOLDERS	
B.1 Shares and Voting Rights	
B.1.1 Does the company's ordinary or common shares have one vote for one share?	<p>YES, as stated in the Definitive Information Statement, each common share is entitled to one vote. This is also disclosed in the Annual Report.</p> <p>References:</p> <ul style="list-style-type: none"> • 2016 SEC Form 20-IS Definitive Statement (March 13, 2017) ITEM 4. Voting Securities and Principal Holders Thereof – (3) Manner of Voting and Election of Directors, page 5 http://www.smprime.com/annual-financials • 2016 Annual Report, Rights of Shareholders, Voting Right, page 42 http://www.smprime.com/annual-reports
B.1.2 Where the company has more than one class of shares, does the company publicise the voting rights attached to each class of shares (e.g. through the company website / reports/ the stock exchange/ the regulator's website)?	<p>NOT APPLICABLE. The Company only has common shares.</p> <p>References:</p> <ul style="list-style-type: none"> • 2016 SEC Form 20-IS Definitive Statement (March 13, 2017) ITEM 4. Voting Securities and Principal Holders Thereof – (3) Manner of Voting and Election of Directors, page 5 http://www.smprime.com/annual-financials • 2016 Annual Report, Rights of Shareholders, Voting Right, page 42 http://www.smprime.com/annual-reports

B.2 Notice of AGM

Question		Answer
B.2.1	Does each resolution in the most recent AGM deal with only one item, i.e., there is no bundling of several items into the same resolution?	<p>YES, each agenda item during the Annual Stockholders' Meeting is discussed individually.</p> <p>References:</p> <ul style="list-style-type: none"> • 2017 ASM Minutes http://www.smprime.com/disclosure-and-transparency • SEC FORM 17-C: Results of BOD Meeting as of April 25, 2017 (April 25, 2017) http://www.smprime.com/corporate-disclosures • 2016 SEC Form 20-IS Definitive Statement (March 13, 2017) http://www.smprime.com/annual-financials
B.2.2	Are the company's notice of the most recent AGM/circulars fully translated into English and published on the same date as the local-language version?	<p>YES, the Notice of Regular Annual Stockholders' Meeting is stated in English.</p> <p>References:</p> <ul style="list-style-type: none"> • 2016 SEC Form 20-IS Definitive Statement (March 13, 2017) http://www.smprime.com/annual-financials • 2017 ASM Notice of Meeting and Agenda http://www.smprime.com/disclosure-and-transparency

Does the notice of AGM/circulars have the following details:

B.2.3	Are the profiles of directors/commissioners (at least age, academic qualification, date of appointment, experience, and directorships in other listed companies) in seeking election/re-election included?	<p>YES, the profiles of the directors are disclosed in the Definitive Information Statement.</p> <p>The Company, based on its Revised Manual on Corporate Governance, is committed in recognizing and embracing the benefits of having a diverse Board and sees this as an essential element in the attainment of its strategic objectives and maintaining a prudent corporate governance.</p> <p>References:</p> <ul style="list-style-type: none"> • 2016 SEC Form 20-IS Definitive Statement (March 13, 2017) http://www.smprime.com/annual-financials • Revised Manual on Corporate Governance, Sec 1.1.3.2.a, page 4 http://www.smprime.com/corporate-governance-manual
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Question		Answer
B.2.4	Are the auditors seeking appointment/re-appointment clearly identified?	<p>YES, the external auditing firm seeking reappointment is clearly identified in the Rationale for Agenda Items attached to the Notice of the Annual Stockholders' Meeting.</p> <p>References:</p> <ul style="list-style-type: none"> • 2016 SEC Form 20-IS Definitive Statement (March 13, 2017) http://www.smprime.com/annual-financials • 2017 ASM Notice of Meeting and Agenda http://www.smprime.com/disclosure-and-transparency
B.2.5	Were the proxy documents made easily available?	<p>YES, the Proxy Form was attached to the Notice of the Annual Stockholders' Meeting along with the Definitive Information Statement.</p> <p>Reference:</p> <p>2016 SEC Form 20-IS Definitive Statement (March 13, 2017) http://www.smprime.com/annual-financials</p>

B.3 Insider trading and abusive self-dealing should be prohibited.

B.3.1	Does the company have policies and/or rules prohibiting directors/commissioners and employees to benefit from knowledge which is not generally available to the market?	<p>YES, the Company has an Insider Trading Policy.</p> <p>References:</p> <ul style="list-style-type: none"> • Code of Ethics, Sec II.B. Insider Trading and Annex 1 http://www.smprime.com/code-business-conduct-and-ethics • 2016 Annual Report, Insider Trading Policy, page 40 http://www.smprime.com/annual-reports • Website, Insider Trading Policy http://www.smprime.com/company-policies
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Question		Answer
B.3.2	Are the directors / commissioners required to report their dealings in company shares within 3 business days?	<p>YES, directors are required to report any change in their shareholdings in accordance with the Insider Trading Policy.</p> <p>References:</p> <ul style="list-style-type: none"> • Code of Ethics, Sec II.B. Insider Trading and Annex 1 http://www.smprime.com/code-business-conduct-and-ethics • 2016 Annual Report, Insider Trading, page 40 http://www.smprime.com/annual-reports • Website, Insider Trading Policy http://www.smprime.com/company-policies

B.4 Related party transactions by directors and key executives.

B.4.1	Does the company have a policy requiring directors /commissioners to disclose their interest in transactions and any other conflicts of interest?	<p>YES, the Company has a Conflict of Interest Policy.</p> <p>Further, directors annually disclose that they have no conflict of interest transactions for the preceding year.</p> <p>References:</p> <ul style="list-style-type: none"> • Code of Ethics, Sec III.G. Avoiding Conflicts of Interest http://www.smprime.com/code-business-conduct-and-ethics • 2016 Annual Report, Conflict of Interest, page 41 http://www.smprime.com/annual-reports • Website, Conflict of Interest Policy http://www.smprime.com/company-policies • Website, Board of Directors, Director Profile http://smprime.com/board-directors
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Question		Answer
B.4.2	Does the company have a policy requiring a committee of independent directors/commissioners to review material RPTs to determine whether they are in the best interests of the company and shareholders?	<p>YES, as disclosed in the Annual Report and in line with the Company's Related Party Transactions Policy, details of material/significant transactions entered into by the Company with related parties are required to be reviewed by the Related Party Transactions Committee, which is composed of majority of independent directors including the Chairman, to ensure these are conducted at arms' length.</p> <p>References:</p> <ul style="list-style-type: none"> • 2016 Annual Report, Related Party Transactions Committee and Policy, page 39-40 http://www.smprime.com/annual-reports • Website, Related Party Transactions Policy http://www.smprime.com/company-policies • Website, Related Party Transactions Committee and its Charter http://www.smprime.com/board-committees

Question		Answer
B.4.3	Does the company have a policy requiring board members (directors/commissioners) to abstain from participating in the board discussion on a particular agenda when they are conflicted?	<p>YES, in compliance with Philippine laws, conflicted directors are required to inhibit themselves in relevant meetings. In particular, as regards the Annual Stockholders' Meeting, conflicted directors are specifically identified in the Definitive Information Statement.</p> <p>Further, based on the Revised Manual on Corporate Governance, the board shall endeavor to exercise an objective and independent judgment on all corporate affairs. A director with a material interest in any transaction affecting the Company shall abstain from taking part in the deliberations of the same.</p> <p>References:</p> <ul style="list-style-type: none"> • 2016 SEC Form 20-IS Definitive Statement (March 13, 2017) ITEM 3. Interest of Certain Persons in or Opposition to Matters to be Acted Upon, page 4 http://www.smprime.com/annual-financials • Website, Conflict of Interest Policy http://www.smprime.com/company-policies • 2016 Annual Report, Conflict of Interest, page 41 http://www.smprime.com/annual-reports • Revised Manual on Corporate Governance, Sec 1.5.6 page 22 http://www.smprime.com/corporate-governance-manual

Question		Answer
B.4.4	Does the company have policies on loans to directors and commissioners either forbidding this practice or ensuring that they are being conducted at arm's length basis and at market rates?	<p>NOT APPLICABLE. The Company prohibits granting of loans to directors and commissioners. All employment and corresponding compensation packages of directors and executives are duly approved by the Corporate Governance Committee.</p> <p>In addition, any transaction involving directors and other covered persons are covered by the Related Party Transactions Policy, which mandates that such transactions shall be granted at arm's length basis.</p> <p>References:</p> <ul style="list-style-type: none"> • Code of Ethics, Sec II.D. Related Party Transactions and Sec III.G. Avoiding Conflicts of Interest http://www.smprime.com/code-business-conduct-and-ethics • 2016 Annual Report, Related Party Transactions, page 40 http://www.smprime.com/annual-reports • Website, Related Party Transactions Policy http://www.smprime.com/company-policies

B.5 Protecting minority shareholders from abusive actions

B.5.1	Does the company disclose that RPTs are conducted in such a way to ensure that they are fair and at arms' length?	<p>YES. All of the Company's RPTs are conducted at arm's length basis, as stated in the Annual Corporate Governance Report (ACGR). Nature of RPTs is also disclosed in the ACGR and in the Annual Report's Notes to Consolidated Financial Statements.</p> <p>References:</p> <ul style="list-style-type: none"> • 2016 Annual Corporate Governance Report, Sec I.7, pages 39-40 http://www.smprime.com/annual-corporate-governance-report • 2016 Annual Report, Note 21. Related Party Transactions, pages 95-96 http://www.smprime.com/annual-reports
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Question		Answer
B.5.2	In case of related party transactions requiring shareholders' approval, is the decision made by disinterested shareholders?	<p>NOT APPLICABLE. All of the Company's RPTs are conducted at arm's length basis in the normal course of business, as stated in Annual Corporate Governance Report.</p> <p>Per Revised Manual on Corporate Governance and Related Party Transactions (RPT) Policy, all material RPTs which are approved by the Board may be subject to ratification by a vote of the majority of the minority shareholders.</p> <p>References:</p> <ul style="list-style-type: none"> • Website, Related Party Transactions Policy http://www.smprime.com/company-policies • 2016 Annual Corporate Governance Report, Sec I.7, pages 39-40 http://www.smprime.com/annual-corporate-governance-report • Revised Manual on Corporate Governance, Sec I.3.5 page 18 http://www.smprime.com/corporate-governance-manual