



**ASEAN CORPORATE GOVERNANCE SCORECARD (ACGS)  
SELF-ASSESSMENT  
AS OF 15 APRIL 2015**

Question	Answer
<p><b>LEVEL 1</b> <b>PART C: ROLE OF STAKEHOLDERS</b> <b>Does the company disclose a policy that:</b></p>	
<p>C.1.1</p>	<p>Stipulates the existence and scope of the company's efforts to address customers' welfare?</p> <p>YES, the Company's Customer Welfare Policy is incorporated in the Code of Ethics. This policy is also elaborated in the Sustainability Report.</p> <p><b>References:</b></p> <ul style="list-style-type: none"> <li>• Code of Ethics, Sec III.C. Customer Welfare <a href="http://www.smprime.com/code-business-conduct-and-ethics">http://www.smprime.com/code-business-conduct-and-ethics</a></li> <li>• 2014 Sustainability Report, page 11 <a href="http://www.smprime.com/annual-reports">http://www.smprime.com/annual-reports</a></li> <li>• Annual Corporate Governance Report, Sec H.1, page 36 <a href="http://www.smprime.com/annual-corporate-governance-report">http://www.smprime.com/annual-corporate-governance-report</a></li> </ul>
<p>C.1.2</p>	<p>Explains supplier/contractor selection practice?</p> <p>YES, the Company has a Supplier Selection Policy, as disclosed in its Annual Report and website. This is also explained further in the Sustainability Report.</p> <p><b>References:</b></p> <ul style="list-style-type: none"> <li>• 2014 Annual Report, Supplier Selection, page 47 <a href="http://www.smprime.com/annual-reports">http://www.smprime.com/annual-reports</a></li> <li>• Company website <a href="http://www.smprime.com/company-policies">http://www.smprime.com/company-policies</a></li> </ul>

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C.1.3	Describes the company's efforts to ensure that its value chain is environmentally friendly or is consistent with promoting sustainable development?	<p>YES, consistent with its Mission, the Company's Environmental Sustainability Policy is incorporated in the Code of Ethics. This policy is also mentioned in the Sustainability Report and the Annual Corporate Governance Report.</p> <p><b>References:</b></p> <ul style="list-style-type: none"> <li>• 2014 Annual Report, Mission <a href="http://www.smprime.com/annual-reports">http://www.smprime.com/annual-reports</a></li> <li>• Company website <a href="http://www.smprime.com/vision-and-mission">http://www.smprime.com/vision-and-mission</a></li> <li>• Code of Ethics, Sec III.E. Environmental Sustainability <a href="http://www.smprime.com/code-business-conduct-and-ethics">http://www.smprime.com/code-business-conduct-and-ethics</a></li> <li>• 2014 Sustainability Report, President's Message, page 6 <a href="http://www.smprime.com/annual-reports">http://www.smprime.com/annual-reports</a></li> <li>• Annual Corporate Governance Scorecard, H.1, page 36 <a href="http://www.smprime.com/annual-corporate-governance-report">http://www.smprime.com/annual-corporate-governance-report</a></li> </ul>
C.1.4	Elaborates the company's efforts to interact with the communities in which they operate?	<p>YES, the Company's Corporate Social Responsibility Policy is incorporated in the Code of Ethics. This is also elaborated further in the Sustainability Report.</p> <p><b>Reference:</b></p> <ul style="list-style-type: none"> <li>• Code of Ethics, Sec III.D. Corporate Social Responsibility <a href="http://www.smprime.com/code-business-conduct-and-ethics">http://www.smprime.com/code-business-conduct-and-ethics</a></li> </ul>

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		<ul style="list-style-type: none"> <li>• 2014 Sustainability Report, page 12 <a href="http://www.smprime.com/annual-reports">http://www.smprime.com/annual-reports</a></li> <li>• Annual Corporate Governance Report, Sec H.1, page 36 <a href="http://www.smprime.com/annual-corporate-governance-report">http://www.smprime.com/annual-corporate-governance-report</a></li> </ul>
C.1.5	Describe the company's anti-corruption programmes and procedures?	<p>YES, the Company stresses full compliance with laws and adherence to ethical practices, as stated in the Code of Ethics. It also has a whistleblowing policy called Policy on Accountability, Integrity and Vigilance (PAIV), which provides for an environment where corrupt practices are reported to the appropriate level of Management and acted upon. It has also issued Guidelines on the Acceptance of Gifts and Travel Sponsored by Business Partners.</p> <p><b>References:</b></p> <ul style="list-style-type: none"> <li>• Code of Ethics Sec II. Compliance with Laws and Sec III. Ethical Practices Guidelines on Acceptance of Gifts (Annex 2) Guidelines on Travel Sponsored by Business Partners (Annex 3) <a href="http://www.smprime.com/code-business-conduct-and-ethics">http://www.smprime.com/code-business-conduct-and-ethics</a></li> <li>• Company Website – Policy on Accountability, Integrity and Vigilance <a href="http://www.smprime.com/company-policies">http://www.smprime.com/company-policies</a></li> <li>• 2014 Annual Report, Communication and Compliance, pages 47-48 <a href="http://www.smprime.com/annual-reports">http://www.smprime.com/annual-reports</a></li> <li>• Annual Corporate Governance Report, Sec H.1, page 36 <a href="http://www.smprime.com/annual-corporate-governance-report">http://www.smprime.com/annual-corporate-governance-report</a></li> </ul>
C.1.6	Describes how creditors' rights are safeguarded?	<p>YES, the Company has a Policy on the Protection of Creditors' Rights, as disclosed in its Annual Report and website.</p>

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		<p><b>References:</b></p> <ul style="list-style-type: none"> <li>• Company Website <a href="http://www.smprime.com/company-policies">http://www.smprime.com/company-policies</a></li> <li>• 2014 Annual Report, Creditors' Rights, page 47 <a href="http://www.smprime.com/annual-reports">http://www.smprime.com/annual-reports</a></li> <li>• Annual Corporate Governance Report, Sec H.1, page 37 <a href="http://www.smprime.com/annual-corporate-governance-report">http://www.smprime.com/annual-corporate-governance-report</a></li> </ul>
<b>Does the company disclose the activities that it has undertaken to implement the above mentioned policies?</b>		
C.1.7	Customer health and safety	<p>The Company has implemented several programs and activities for its customers and in larger communities where it operates internally and via SM Cares, its corporate social responsibility arm. These are disclosed in the 2014 Sustainability Report, Annual Report and the Company's website.</p> <p><b>References:</b></p> <ul style="list-style-type: none"> <li>• 2014 Sustainability Report, page 13 (Stakeholder Engagement Mechanisms) pages 33-39 (SM Cares) <a href="http://www.smprime.com/annual-reports">http://www.smprime.com/annual-reports</a></li> <li>• 2014 Annual Report, SM Cares, pages 36-37; Corporate Governance&gt; Risk Management, Control and Audit System, page 45 <a href="http://www.smprime.com/annual-reports">http://www.smprime.com/annual-reports</a></li> <li>• Company website <a href="http://www.smprime.com/code-business-conduct-and-ethics">http://www.smprime.com/code-business-conduct-and-ethics</a></li> <li>• Annual Corporate Governance Report, Sec H.1, page 36 <a href="http://www.smprime.com/annual-corporate-governance-report">http://www.smprime.com/annual-corporate-governance-report</a></li> </ul>

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C.1.8	Supplier/Contractor selection and criteria	<p>The Company adopts an internal procurement process based on its Supplier Selection Policy, which involves, among others, the securing of quotes from at least 3 suppliers, as disclosed in the Annual Corporate Governance Report.</p> <p><b>Reference:</b></p> <p>Annual Corporate Governance Report, Sec. H.1  <a href="http://www.smprime.com/annual-corporate-governance-report">http://www.smprime.com/annual-corporate-governance-report</a></p>
C.1.9	Environmentally-friendly value chain	<p>The Company's programs and activities in support of an environmentally-friendly value chain are disclosed in its Sustainability Report.</p> <p><b>Reference:</b></p> <ul style="list-style-type: none"> <li>• 2014 Sustainability Report, pages 21-31  <a href="http://www.smprime.com/annual-reports">http://www.smprime.com/annual-reports</a></li> <li>• Annual Corporate Governance Report, Sec H.1, page 36  <a href="http://www.smprime.com/annual-corporate-governance-report">http://www.smprime.com/annual-corporate-governance-report</a></li> </ul>
C.1.10	Interaction with the communities	<p>The Company has implemented several programs and activities for its customers and in larger communities where it operates via SM Cares, its corporate social responsibility arm. These are disclosed in the 2014 Sustainability Report and the Company's website.</p> <p><b>References:</b></p> <ul style="list-style-type: none"> <li>• 2014 Sustainability Report, SM Cares, pages 33-39  <a href="http://www.smprime.com/annual-reports">http://www.smprime.com/annual-reports</a></li> <li>• Company website  <a href="http://www.smprime.com/code-business-conduct-and-ethics">http://www.smprime.com/code-business-conduct-and-ethics</a></li> <li>• Annual Corporate Governance Report, Sec H.1, page 36  <a href="http://www.smprime.com/annual-corporate-governance-report">http://www.smprime.com/annual-corporate-governance-report</a></li> </ul>

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C.1.11	Anti-corruption programmes and procedures	<p>In addition to operationalizing its whistleblowing policy, the Company conducted an external training on anti-bribery/anti-corruption policies and fraud risk assessment in 2014.</p> <p><b>Reference:</b></p> <p>Annual Corporate Governance Report, Sec H.1, page 36  <a href="http://www.smprime.com/annual-corporate-governance-report">http://www.smprime.com/annual-corporate-governance-report</a></p>
C.1.12	Creditors' rights	<p>Standard disclosure of creditors' rights is observed in all loan agreements in compliance with the Policy on Protection of Creditors' Rights.</p> <p><b>Reference:</b></p> <p>Annual Corporate Governance Report, Sec H.1, page 37  <a href="http://www.smprime.com/annual-corporate-governance-report">http://www.smprime.com/annual-corporate-governance-report</a></p>
C.1.13	Does the company have a separate corporate responsibility (CR) report/section or sustainability report/section?	<p>YES, in addition to the Annual Report, the Company issues a Sustainability Report every year.</p> <p><b>Reference:</b></p> <p>2014 Sustainability Report  <a href="http://www.smprime.com/annual-reports">http://www.smprime.com/annual-reports</a></p>
<b>C.2 Where stakeholder interests are protected by law, stakeholders should have the opportunity to obtain effective redress for violation of their rights.</b>		
C.2.1	Does the company provide contact details via the company's website or Annual Report which stakeholders (e.g. customers, suppliers, general public etc.) can use to voice their concerns and/or complaints for possible violation of their rights?	<p>YES, the Company's website has a separate Contact Us section, which contains a drop down menu accessible for concerns/complaints. In addition, the email address of the Company's Corporate Governance Office is displayed in the Corporate Governance page of the website.</p> <p><b>References:</b></p> <ul style="list-style-type: none"> <li>Contact Us  <a href="http://www.smprime.com/contact-us">http://www.smprime.com/contact-us</a></li> </ul>

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		<ul style="list-style-type: none"> <li>Corporate Governance page  <a href="http://www.smprime.com/overview-0">http://www.smprime.com/overview-0</a></li> </ul>
<b>C.3 Performance-enhancing mechanisms for employee participation should be permitted to develop.</b>		
C.3.1	Does the company explicitly disclose the health, safety, and welfare policy for its employees?	<p>YES, the Company's Employee Welfare Policy is incorporated in the Code of Ethics.</p> <p><b>Reference:</b></p> <ul style="list-style-type: none"> <li>Code of Ethics, Sec III.D. Employee Welfare  <a href="http://www.smprime.com/code-business-conduct-and-ethics">http://www.smprime.com/code-business-conduct-and-ethics</a></li> <li>Annual Corporate Governance Report, Sec H.3, page 37  <a href="http://www.smprime.com/annual-corporate-governance-report">http://www.smprime.com/annual-corporate-governance-report</a></li> </ul>
C.3.2	Does the company publish relevant information relating to health, safety and welfare of its employees?	<p>YES, information about the health, safety and welfare of employees are disclosed in the Company website, as well as in the Sustainability Report.</p> <p><b>References:</b></p> <ul style="list-style-type: none"> <li>Company Website – Employee Wellness and Development Programs  <a href="http://www.smprime.com/code-business-conduct-and-ethics">http://www.smprime.com/code-business-conduct-and-ethics</a></li> <li>2014 Sustainability Report, page 13 (Stakeholder Engagement Mechanisms) and pages 19-21 (Social Development)  <a href="http://www.smprime.com/annual-reports">http://www.smprime.com/annual-reports</a></li> <li>Annual Corporate Governance Report, Sec H.3, page 37  <a href="http://www.smprime.com/annual-corporate-governance-report">http://www.smprime.com/annual-corporate-governance-report</a></li> </ul>
C.3.3	Does the company have training and development programmes for its employees?	<p>YES, information about the training and development of employees are disclosed in the Company website, as well as in the Sustainability Report.</p>

Question		Answer
		<p><b>References:</b></p> <ul style="list-style-type: none"> <li>• Company Website – Employee Wellness and Development Programs <a href="http://www.smprime.com/code-business-conduct-and-ethics">http://www.smprime.com/code-business-conduct-and-ethics</a></li> <li>• 2014 Sustainability Report, pages 20-21 (Holistic Development) <a href="http://www.smprime.com/annual-reports">http://www.smprime.com/annual-reports</a></li> <li>• Annual Corporate Governance Report, Sec H.3, page 38 <a href="http://www.smprime.com/annual-corporate-governance-report">http://www.smprime.com/annual-corporate-governance-report</a></li> </ul>
C.3.4	Does the company publish relevant information on training and development programmes for its employees?	<p>YES, information about the training and development of employees are disclosed in the Company website, as well as in the Sustainability Report.</p> <p><b>References:</b></p> <ul style="list-style-type: none"> <li>• Company Website – Employee Wellness and Development Programs <a href="http://www.smprime.com/code-business-conduct-and-ethics">http://www.smprime.com/code-business-conduct-and-ethics</a></li> <li>• 2014 Sustainability Report, pages 20-21 (Holistic Development) <a href="http://www.smprime.com/annual-reports">http://www.smprime.com/annual-reports</a></li> <li>• Annual Corporate Governance Report, Sec H.3, page 38 <a href="http://www.smprime.com/annual-corporate-governance-report">http://www.smprime.com/annual-corporate-governance-report</a></li> </ul>
C.3.5	Does the company have a reward/compensation policy that accounts for the performance of the company beyond short-term financial measures?	<p>YES. In line with the Code of Ethics, employee compensation and rewards are determined based on the individual performance of the employee and overall Company performance. On an annual basis, performance is measured against defined targets, which are based on both financial and non-financial indicators of progress towards the short and long-term goals of the Company. This compensation and reward system is designed to retain employee, enhance their performance and ensure achievement of short and long-term goals of the Company.</p>



Question		Answer
		<p><b>Reference:</b></p> <p>Annual Corporate Governance Report, Sec H.3(d)  <a href="http://www.smprime.com/annual-corporate-governance-report">http://www.smprime.com/annual-corporate-governance-report</a></p>
<p><b>C.4 Stakeholders including individual employee and their representative bodies should be able to freely communicate their concerns about illegal or unethical practices to the board and their rights should not be compromised for doing this.</b></p>		
C.4.1	<p>Does the company have procedures for complaints by employees concerning illegal (including corruption) and unethical behaviour?</p>	<p>YES, the Company's Policy on Accountability, Integrity and Vigilance (PAIV), was adopted to create an environment where concerns and issues, made in good faith, may be raised freely within the organization.</p> <p><b>References:</b></p> <ul style="list-style-type: none"> <li>• 2014 Annual Report, page 48  <a href="http://www.smprime.com/annual-reports">http://www.smprime.com/annual-reports</a></li> <li>• Company website  <a href="http://www.smprime.com/company-policies">http://www.smprime.com/company-policies</a></li> <li>• Annual Corporate Governance Report, Sec H.4, page 38  <a href="http://www.smprime.com/annual-corporate-governance-report">http://www.smprime.com/annual-corporate-governance-report</a></li> </ul>
C.4.2	<p>Does the company have a policy or procedures to protect an employee/person who reveals illegal/unethical behavior from retaliation?</p>	<p>YES, The PAIV includes provisions for non-retaliation against the whistleblower.</p> <p><b>References:</b></p> <ul style="list-style-type: none"> <li>• 2014 Annual Report, page 48  <a href="http://www.smprime.com/annual-reports">http://www.smprime.com/annual-reports</a></li> <li>• Company website  <a href="http://www.smprime.com/company-policies">http://www.smprime.com/company-policies</a></li> <li>• Annual Corporate Governance Report, Sec H.4, page 38  <a href="http://www.smprime.com/annual-corporate-governance-report">http://www.smprime.com/annual-corporate-governance-report</a></li> </ul>