



INVESTMENTS
CORPORATION

March 31, 2017

PHILIPPINE STOCK EXCHANGE, INC.

Philippine Stock Exchange Plaza
Ayala Triangle, Ayala Avenue
Makati City 1226 Philippines

Attention: **MR. JOSE VALERIANO B. ZUÑO III**
OIC - Head, Disclosure Department

Re: **Submission of the CG Guidelines Disclosure Survey for 2016**

Sir:

In compliance with the Philippine Stock Exchange (PSE) Memorandum No. 2011-0024, we respectfully submit the attached accomplished Corporate Governance Guidelines Disclosure Survey for the year ended 31 December 2016.

Very truly yours,


ATTY. MARIANNE M. GUERRERO
Assistant Corporate Secretary

Cc: **Ms. Vina Vanessa S. Salonga**
Head – Issuer Compliance & Disclosure Department
Philippine Dealing & Exchange Corp.

SM Investments Corporation
10/F One E-Com Center
Harbor Drive
Mall of Asia Complex
1300, Pasay City, Philippines



**THE PHILIPPINE STOCK
EXCHANGE, INC.**

**Corporate Governance Guidelines
for
Listed Companies**

SM Investments Corporation

	COMPLY	EXPLAIN/REFERENCES
Guideline No. 1: DEVELOPS AND EXECUTES A SOUND BUSINESS STRATEGY		
1.1 Have a clearly defined vision, mission and core values.	√	<p>Vision</p> <p>To build world-class businesses that are catalysts for development in the communities we serve.</p> <p>Mission</p> <p>We will partner with our host communities to provide a consistently high standard of service to our customers, look after the welfare of our employees, and deliver sustainable returns to our shareholders, at all times, upholding the highest standards of corporate governance in all our businesses.</p> <p>Values</p> <p>Our core values are driven by leadership, integrity, hard work, innovation, sustainability and accountability.</p> <ul style="list-style-type: none"> • Vision, Mission and Values may be found in the Company's website http://www.sminvestments.com/vision-and-mission • and 2015 Annual Report, Front Cover
1.2 Have a well developed business strategy.	√	<ul style="list-style-type: none"> • Business strategy may be found in investor roadshow material in the Company's website

CORPORATE GOVERNANCE GUIDELINES: DISCLOSURE SURVEY

Company Name: SM Investments Corporation

Date: March 1, 2017

		http://www.sminvestments.com/presentations
1.3 Have a strategy execution process that facilitates effective performance management, and is attuned to the company's business environment, management style and culture.	✓	<ul style="list-style-type: none"> • 2015 Annual Report, Management's Reports
1.4 Have its board continually engaged in discussions of strategic business issues.	✓	<ul style="list-style-type: none"> • Manual on Corporate Governance pg. 3, 1.4. Specific Duties and Functions of the Board http://www.sminvestments.com/corporate-governance-manual
Guideline No. 2: ESTABLISHES A WELL-STRUCTURED AND FUNCTIONING BOARD		
2.1. Have a board composed of directors of proven competence and integrity.	✓	<ul style="list-style-type: none"> • Manual on Corporate Governance pg. 2, 1.Board of Directors http://www.sminvestments.com/corporate-governance-manual • Website http://www.sminvestments.com/board-directors • Annual Corporate Governance Report - Board of Directors http://www.sminvestments.com/annual-corporate-governance-report
2.2. Be lead by a chairman who shall ensure that the board functions in an effective and collegial manner.	✓	<ul style="list-style-type: none"> • Company By-Laws – Chairman of the Board http://www.sminvestments.com/disclosure-transparency
2.3 Have at least three (3) of thirty percent (30%) of its directors as independent directors.	✓	<p>Three (3) out of eight (8) directors are independent directors; 37.5%.</p> <ul style="list-style-type: none"> • Website http://www.sminvestments.com/board-directors

CORPORATE GOVERNANCE GUIDELINES: DISCLOSURE SURVEY

Company Name: SM Investments CorporationDate: March 1, 2017

		<ul style="list-style-type: none"> • Annual Corporate Governance Report - Board of Directors http://www.sminvestments.com/annual-corporate-governance-report
2.4	Have in place written manuals, guidelines and issuances that outline procedures and processes.	<p>✓</p> <ul style="list-style-type: none"> • Manual on Corporate Governance http://www.sminvestments.com/corporate-governance-manual • Board Committee Charters http://www.sminvestments.com/board-management
2.5	Have Audit, Risk, Governance and Nomination & Election Committees of the board.	<p>✓</p> <p>The Company has separate board committees to focus on Audit, Risk Management, Corporate Governance (and Nomination) respectively.</p> <ul style="list-style-type: none"> • Website http://www.sminvestments.com/board-management • Annual Corporate Governance Report - Board Committees http://www.sminvestments.com/annual-corporate-governance-report
2.6	Have its Chairman and CEO positions held separately by individuals who are not related to each other.	<p>X</p> <p>The roles of the Chairman and CEO are held by separate individuals, who are related. Their respective functions and responsibilities are identified in the Manual on Corporate Governance.</p>
2.7	Have a director nomination and election process that ensures that all shareholders are given the opportunity to nominate and elect directors individually based on the number of shares voted.	<p>✓</p> <ul style="list-style-type: none"> • Company By-Laws http://www.sminvestments.com/disclosure-transparency • Manual on Corporate Governance pg.4, 1.5. Nomination and Election of Board of Directors http://www.sminvestments.com/corporate-governance-manual

CORPORATE GOVERNANCE GUIDELINES: DISCLOSURE SURVEY

Company Name: SM Investments CorporationDate: March 1, 2017

		<ul style="list-style-type: none"> • SEC Form 20-IS Information Statement, Voting Procedures & Voting Rights; ASM Notice
2.8 Have in place a formal board and director development program.	√	<p>The evaluation of the Board and President has specific items pertaining to any training or seminars that directors may need to assist in the performance of their duties.</p> <p>Furthermore, the Company has adopted a process wherein the Board is subject to annual corporate governance related trainings.</p> <ul style="list-style-type: none"> • Annual Corporate Governance Report , Continuing Education http://www.sminvestments.com/annual-corporate-governance-report
2.9 Have a corporate secretary.	√	<ul style="list-style-type: none"> • Manual on Corporate Governance pg. 14, 1.9 Corporate Secretary http://www.sminvestments.com/corporate-governance-manual • Website http://www.sminvestments.com/board-directors
2.10 Have no shareholder agreements, by-laws provisions, or other arrangements that constrains the directors' ability to vote independently.	√	<ul style="list-style-type: none"> • Company By-Laws http://www.sminvestments.com/disclosure-transparency • Manual on Corporate Governance pg.16, 2. Shareholders Benefit http://www.sminvestments.com/corporate-governance-manual • Annual Corporate Governance Report http://www.sminvestments.com/annual-corporate-governance-report

Guideline No. 3: MAINTAINS A ROBUST INTERNAL AUDIT AND CONTROL SYSTEM		
3.1 Establish the internal audit function as a separate unit in the company which would be overseen at the Board level.	√	<ul style="list-style-type: none"> • Manual on Corporate Governance pg.15, 1.12. Internal Auditor http://www.sminvestments.com/corporate-governance-manual • Annual Corporate Governance Report http://www.sminvestments.com/annual-corporate-governance-report
3.2 Have a comprehensive enterprise-wide compliance program that is annually reviewed.	√	<ul style="list-style-type: none"> • Manual on Corporate Governance pg.14., 1.10 Compliance Officer http://www.sminvestments.com/corporate-governance-manual • Annual Corporate Governance Report http://www.sminvestments.com/annual-corporate-governance-report
3.3 Institutionalize quality service programs for the internal audit function.	√	<ul style="list-style-type: none"> • Manual on Corporate Governance pg.15, 1.12. Internal Auditor http://www.sminvestments.com/corporate-governance-manual • Annual Corporate Governance Report http://www.sminvestments.com/annual-corporate-governance-report
3.4 Have in place a mechanism that allows employees, suppliers and other stakeholders to raise valid issues.	√	<ul style="list-style-type: none"> • Policy on Accountability, Integrity and Vigilance (PAIV) http://www.sminvestments.com/company-policies • Annual Corporate Governance Report http://www.sminvestments.com/annual-corporate-governance-report
3.5 Have the Chief Executive Officer and Chief Audit Executive attest in writing, at least annually, that a sound internal audit, control and compliance system is in place and working effectively.	√	<ul style="list-style-type: none"> • 2015 Annual Report, Report of the Audit and Risk Management Committee

		<ul style="list-style-type: none"> • 2015 Annual Report, pg. 87, Statement of Management's Responsibility for Financial Statements
Guideline No. 4: RECOGNIZES AND MANAGES ITS ENTERPRISE RISKS		
4.1 Have its board oversee the company's risk management function.	✓	<ul style="list-style-type: none"> • Risk Management Committee Charter http://www.sminvestments.com/board-management • Annual Corporate Governance Report http://www.sminvestments.com/annual-corporate-governance-report
4.2 Have a formal risk management policy that guides the company's risk management and compliance processes and procedures.	✓	<ul style="list-style-type: none"> • Risk Management Committee Charter http://www.sminvestments.com/board-management • Annual Corporate Governance Report http://www.sminvestments.com/annual-corporate-governance-report
4.3 Design and undertake its Enterprise Risk Management (ERM) activities on the basis of, or in accordance with, internationally recognized frameworks such as but not limited to, COSO, (The Committee of Sponsoring Organizations of the Treadway Commission) I and II.	✓	<ul style="list-style-type: none"> • Risk Management Committee Charter http://www.sminvestments.com/board-management • Annual Corporate Governance Report http://www.sminvestments.com/annual-corporate-governance-report
4.4 Have a unit at the management level, headed by a Risk Management Officer (RMO).	✓	<ul style="list-style-type: none"> • Risk Management Committee Charter http://www.sminvestments.com/board-management • Annual Corporate Governance Report http://www.sminvestments.com/annual-corporate-governance-report
4.5 Disclose sufficient information about its risk management procedures and processes as well as the key risks the company is currently facing including how these are being managed.	✓	<ul style="list-style-type: none"> • Risk Management Committee Charter http://www.sminvestments.com/board-management

CORPORATE GOVERNANCE GUIDELINES: DISCLOSURE SURVEY

Company Name: SM Investments Corporation

Date: March 1, 2017

		<ul style="list-style-type: none"> • Annual Corporate Governance Report http://www.sminvestments.com/annual-corporate-governance-report
4.6	Seek external technical support in risk management when such competence is not available internally.	<p>√</p> <ul style="list-style-type: none"> • Risk Management Committee Charter http://www.sminvestments.com/board-management • Annual Corporate Governance Report http://www.sminvestments.com/annual-corporate-governance-report
Guideline No. 5: ENSURES THE INTEGRITY OF FINANCIAL REPORTS AS WELL AS ITS EXTERNAL AUDITING FUNCTION		
5.1	Have the board Audit Committee approve all non-audit services conducted by the external auditor. The Committee should ensure that the non-audit fees do not outweigh the fees earned from the external audit.	<p>√</p> <ul style="list-style-type: none"> • Audit Committee Charter http://www.sminvestments.com/board-management • Annual Corporate Governance Report http://www.sminvestments.com/annual-corporate-governance-report
5.2	Ensure that the external auditor is credible, competent, and should have the ability to understand complex related party transactions, its counterparties, and valuations of such transactions.	<p>√</p> <ul style="list-style-type: none"> • Audit Committee Charter http://www.sminvestments.com/board-management • Annual Corporate Governance Report http://www.sminvestments.com/annual-corporate-governance-report • Manual on Corporate Governance pg.15, 1.11 External Auditor http://www.sminvestments.com/corporate-governance-manual
5.3	Ensure that the external auditor has adequate quality control procedures.	<p>√</p> <ul style="list-style-type: none"> • Audit Committee Charter http://www.sminvestments.com/board-management • Annual Corporate Governance Report

CORPORATE GOVERNANCE GUIDELINES: DISCLOSURE SURVEY

Company Name: SM Investments CorporationDate: March 1, 2017

		http://www.sminvestments.com/annual-corporate-governance-report <ul style="list-style-type: none"> • Manual on Corporate Governance pg.15, 1.11 External Auditor http://www.sminvestments.com/corporate-governance-manual
5.4	Disclose relevant information on the external auditors.	✓ <ul style="list-style-type: none"> • SEC Form 20-IS Information Statement, Independent Auditors • Annual Corporate Governance Report http://www.sminvestments.com/annual-corporate-governance-report
5.5	Ensures that the external audit firm is selected on the basis of a fair and transparent tender process.	✓ <ul style="list-style-type: none"> • Audit Committee Charter http://www.sminvestments.com/board-management • Annual Corporate Governance Report http://www.sminvestments.com/annual-corporate-governance-report • Manual on Corporate Governance pg.15, 1.11 External Auditor http://www.sminvestments.com/corporate-governance-manual
5.6	Have its audit committee conduct regular meetings and dialogues with the external audit team without anyone from management present.	✓ <ul style="list-style-type: none"> • Manual on Corporate Governance pg.15, 1.11 External Auditor http://www.sminvestments.com/corporate-governance-manual • Annual Corporate Governance Report http://www.sminvestments.com/annual-corporate-governance-report
5.7	Have the financial reports attested to by the Chief Executive Officer and Chief Financial Officer.	✓ <ul style="list-style-type: none"> • 2015 Annual Report, pg. 87, Statement of Management's Responsibility for Financial Statements

5.8	Have a policy of rotating the lead audit partner every five years.	✓	<ul style="list-style-type: none"> • Manual on Corporate Governance pg.15, 1.11 External Auditor http://www.sminvestments.com/corporate-governance-manual • Audit Committee Charter http://www.sminvestments.com/board-management
Guideline No. 6: RESPECTS AND PROTECTS THE RIGHTS OF ITS SHAREHOLDERS, PARTICULARLY THOSE THAT BELONG TO THE MINORITY OR NON-CONTROLLING GROUP			
6.1	Adopt the principle of “one share, one vote.”	✓	<ul style="list-style-type: none"> • Company By-Laws http://www.sminvestments.com/disclosure-transparency • Annual Corporate Governance Report http://www.sminvestments.com/annual-corporate-governance-report
6.2	Ensure that all shareholders of the same class are treated equally with respect to voting rights, subscription rights and transfer rights.	✓	<ul style="list-style-type: none"> • Annual Corporate Governance Report http://www.sminvestments.com/annual-corporate-governance-report • Manual on Corporate Governance pg.16. 2. Shareholder’s Benefits http://www.sminvestments.com/corporate-governance-manual
6.3	Have an effective, secure and efficient voting system.	✓	<ul style="list-style-type: none"> • Company By-Laws http://www.sminvestments.com/disclosure-transparency • Annual Corporate Governance Report http://www.sminvestments.com/annual-corporate-governance-report • SEC – 20 IS Information Statement,

CORPORATE GOVERNANCE GUIDELINES: DISCLOSURE SURVEY

Company Name: SM Investments CorporationDate: March 1, 2017

		Voting Procedures & Voting Rights
6.4 Have effective shareholder voting mechanisms such as supermajority or “majority of minority” requirements to protect minority shareholders against actions of controlling shareholders.	✓	<ul style="list-style-type: none"> • Company By-Laws http://www.sminvestments.com/disclosure-transparency • Annual Corporate Governance Report http://www.sminvestments.com/annual-corporate-governance-report • Manual on Corporate Governance pg.16. 2. Shareholder’s Benefits http://www.sminvestments.com/corporate-governance-manual • SEC – 20 IS Information Statement, Voting Procedures & Voting Rights
6.5 Provide all shareholders with the notice and agenda of the annual general meeting (AGM) at least thirty (30) days before a regular meeting and twenty (20) days before a special meeting.	✓	<ul style="list-style-type: none"> • Annual Corporate Governance Report http://www.sminvestments.com/annual-corporate-governance-report • SEC – 20 IS Information Statement, Voting Procedures & Voting Rights; ASM Notice (please check dates)
6.6 Allow shareholders to call a special shareholders meeting, submit a proposal for consideration at the AGM or the special meeting, and ensure the attendance of the external auditor and other relevant individuals to answer shareholder questions in such meetings.	✓	<ul style="list-style-type: none"> • Manual on Corporate Governance pg.16. 2. Shareholder’s Benefits http://www.sminvestments.com/corporate-governance-manual • 2015 Annual Report, The Annual Stockholders’ Meeting • Annual Corporate Governance Report http://www.sminvestments.com/annual-corporate-governance-report
6.7 Ensure that all relevant questions during the AGM are answered.	✓	<ul style="list-style-type: none"> • 2015 Annual Report, The Annual Stockholders’ Meeting • Annual Corporate Governance Report http://www.sminvestments.com/annual-corporate-governance-report

CORPORATE GOVERNANCE GUIDELINES: DISCLOSURE SURVEY

Company Name: SM Investments CorporationDate: March 1, 2017

		corporate-governance-report
6.8	Have clearly articulated and enforceable policies with respect to treatment of minority shareholders.	<ul style="list-style-type: none"> • Manual on Corporate Governance pg.16. 2. Shareholder's Benefits http://www.sminvestments.com/corporate-governance-manual • Annual Corporate Governance Report http://www.sminvestments.com/annual-corporate-governance-report
6.9	Avoid anti-takeover measures or similar devices that may entrench management or the existing controlling shareholder group.	<ul style="list-style-type: none"> • Manual on Corporate Governance pg.16. 2. Shareholder's Benefits http://www.sminvestments.com/corporate-governance-manual • Annual Corporate Governance Report http://www.sminvestments.com/annual-corporate-governance-report
6.10	Provide all shareholders with accurate and timely information regarding the number of shares of all classes held by controlling shareholders and their affiliates.	<ul style="list-style-type: none"> • PSE/SEC Disclosures http://www.sminvestments.com/pse-and-sec-filings • 23-B Statement of Changes in Beneficial Ownership of Securities • Report on Top 100 Stockholders
6.11	Have a communications strategy to promote effective communication with shareholders.	<ul style="list-style-type: none"> • Manual on Corporate Governance pg.16. 2. Shareholder's Benefits http://www.sminvestments.com/corporate-governance-manual • Website – Investor Relations http://www.sminvestments.com/annual-financials • Annual Corporate Governance Report http://www.sminvestments.com/annual-corporate-governance-report

CORPORATE GOVERNANCE GUIDELINES: DISCLOSURE SURVEY

Company Name: SM Investments Corporation

Date: March 1, 2017

6.12	Have at least thirty percent (30%) public float to increase liquidity in the market.	✓	<ul style="list-style-type: none"> • PSE/SEC Disclosures http://www.sminvestments.com/pse-and-sec-filings • 23-B Statement of Changes in Beneficial Ownership of Securities • Report on Top 100 Stockholders • Annual Corporate Governance Report http://www.sminvestments.com/annual-corporate-governance-report
6.13	Have a transparent dividend policy.	✓	<ul style="list-style-type: none"> • Manual on Corporate Governance pg.17. 2.1.5. Right to Dividend http://www.sminvestments.com/corporate-governance-manual • Annual Corporate Governance Report http://www.sminvestments.com/annual-corporate-governance-report
Guideline No. 7: ADOPTS AND IMPLEMENTS AN INTERNATIONALLY-ACCEPTED DISCLOSURE AND TRANSPARENCY REGIME			
7.1	Have written policies and procedures designed to ensure compliance with the PSE and SEC disclosure rules, as well as other disclosure requirements under existing laws and regulations.	✓	<ul style="list-style-type: none"> • Manual on Corporate Governance pg.14. 1.10. Compliance Officer http://www.sminvestments.com/corporate-governance-manual • Annual Corporate Governance Report http://www.sminvestments.com/annual-corporate-governance-report • Code of Ethics, pg. 1 – Compliance with Laws http://www.sminvestments.com/code-ethics
7.2	Disclose the existence, justification, and details on shareholders agreements, voting trust agreements, confidentiality agreements, and such other agreements that may impact on the control, ownership, and strategic direction of the company.	✓	<ul style="list-style-type: none"> • PSE/SEC Disclosures http://www.sminvestments.com/pse-

CORPORATE GOVERNANCE GUIDELINES: DISCLOSURE SURVEY

Company Name: SM Investments CorporationDate: March 1, 2017

		and-sec-filings <ul style="list-style-type: none"> • Annual Corporate Governance Report http://www.sminvestments.com/annual-corporate-governance-report
7.3	Disclose its director and executive compensation policy.	✓ <ul style="list-style-type: none"> • Manual on Corporate Governance pg.10 1.8.B Compensation Committee http://www.sminvestments.com/corporate-governance-manual • Annual Corporate Governance Report http://www.sminvestments.com/annual-corporate-governance-report
7.4	Disclose names of groups or individuals who hold 5% or more ownership interest in the company, significant cross-shareholding relationship and cross guarantees, as well as the nature of the company's other companies if it belongs to a corporate group.	✓ <ul style="list-style-type: none"> • PSE/SEC Disclosures http://www.sminvestments.com/pse-and-sec-filings • Annual Corporate Governance Report http://www.sminvestments.com/annual-corporate-governance-report • Report on Top 100 Stockholders • SEC Form 20-IS Information Statement, Beneficial Ownership
7.5	Disclose annual and quarterly consolidated reports, cash flow statements and special audit revisions. Consolidated financial statements shall be published within 90 days from the end of the financial year, while interim reports shall be published within 45 days from the end of the reporting period.	✓ <ul style="list-style-type: none"> • PSE/SEC Disclosures http://www.sminvestments.com/pse-and-sec-filings • Website – Financials http://www.sminvestments.com/annual-financials
7.6	Disclose to shareholders and the Exchange any changes to its corporate governance manual and practices, and the extent to which such practices conform to the SEC and PSE CG Guidelines.	✓ <ul style="list-style-type: none"> • PSE/SEC Disclosures http://www.sminvestments.com/pse-and-sec-filings • Manual on Corporate Governance pg. 19, 4. Reportorial Or Disclosure System

CORPORATE GOVERNANCE GUIDELINES: DISCLOSURE SURVEY

Company Name: SM Investments CorporationDate: March 1, 2017

		<p>of the Corporation's Governance Policies http://www.sminvestments.com/corporate-governance-manual</p> <ul style="list-style-type: none"> • Annual Corporate Governance Report http://www.sminvestments.com/annual-corporate-governance-report
7.7	Publish and/or deliver to its shareholders in a timely fashion all information and materials relevant to corporate actions that require shareholder approval.	<p>✓</p> <ul style="list-style-type: none"> • PSE/SEC Disclosures http://www.sminvestments.com/pse-and-sec-filings • Manual on Corporate Governance pg.16. 2. Shareholder's Benefits http://www.sminvestments.com/corporate-governance-manual • Annual Corporate Governance Report http://www.sminvestments.com/annual-corporate-governance-report • Website http://www.sminvestments.com/
7.8	Disclose the trading of the corporation's shares by directors, officers (or persons performing similar functions) and controlling shareholders. This shall also include the disclosure of the company's purchase of its shares from the market (e.g share buy-back program).	<p>✓</p> <ul style="list-style-type: none"> • PSE/SEC Disclosures http://www.sminvestments.com/pse-and-sec-filings • 23-B Statement of Changes in Beneficial Ownership of Securities • Trading of Shares By Insiders http://www.sminvestments.com/board-management • Annual Corporate Governance Report http://www.sminvestments.com/annual-corporate-governance-report
7.9	Disclose in its annual report the principal risks to minority shareholders associated with the identity of the company's controlling shareholders; the degree of ownership concentration; cross-holdings among company affiliates; and any	<p>✓</p> <ul style="list-style-type: none"> • PSE/SEC Disclosures http://www.sminvestments.com/pse-and-sec-filings

CORPORATE GOVERNANCE GUIDELINES: DISCLOSURE SURVEY

Company Name: SM Investments CorporationDate: March 1, 2017

<p>imbalances between the controlling shareholders' voting power and overall equity position in the company.</p>		<p><u>and-sec-filings</u></p> <ul style="list-style-type: none"> • SEC Form 20-IS Information Statement • Annual Corporate Governance Report http://www.sminvestments.com/annual-corporate-governance-report
<p>Guideline No. 8: RESPECTS AND PROTECTS THE RIGHTS AND INTERESTS OF EMPLOYEES, COMMUNITY, ENVIRONMENT, AND OTHER STAKEHOLDERS</p>		
<p>8.1 Establish and disclose a clear policy statement that articulates the company's recognition and protection of the rights and interests of key stakeholders specifically its employees, suppliers & customers, creditors, as well the community, environment and other key stakeholder groups.</p>	<p>✓</p>	<ul style="list-style-type: none"> • Code of Ethics http://www.sminvestments.com/code-ethics • Vision, Mission and Values may be found in the Company's website http://www.sminvestments.com/vision-and-mission • Manual on Corporate Governance pg.2. Board of Directors http://www.sminvestments.com/corporate-governance-manual • Annual Corporate Governance Report http://www.sminvestments.com/annual-corporate-governance-report
<p>8.2 Have in place a workplace development program.</p>	<p>✓</p>	<ul style="list-style-type: none"> • Code of Ethics http://www.sminvestments.com/code-ethics • Vision, Mission and Values may be found in the Company's website http://www.sminvestments.com/vision-and-mission • Annual Corporate Governance Report http://www.sminvestments.com/annual-corporate-governance-report

CORPORATE GOVERNANCE GUIDELINES: DISCLOSURE SURVEY

Company Name: SM Investments CorporationDate: March 1, 2017

8.3	Have in place a merit-based performance incentive mechanism such as an employee stock option plan (ESOP) or any such scheme that awards and incentivizes employees, at the same time aligns their interests with those of the shareholders.	X	Management is taking steps to set-up an ESOP.
8.4	Have in place a community involvement program.	√	<ul style="list-style-type: none"> • 2015 Environmental, Social and Governance Report http://www.sminvestments.com/esg-reports • Code of Ethics http://www.sminvestments.com/code-ethics • Annual Corporate Governance Report http://www.sminvestments.com/annual-corporate-governance-report
8.5	Have in place an environment-related program.	√	<ul style="list-style-type: none"> • 2015 Environmental, Social and Governance Report http://www.sminvestments.com/esg-reports • Code of Ethics http://www.sminvestments.com/code-ethics • Annual Corporate Governance Report http://www.sminvestments.com/annual-corporate-governance-report
8.6	Have clear policies that guide the company in its dealing with its suppliers, customers, creditors, analysts, market intermediaries and other market participants.	√	<ul style="list-style-type: none"> • Code of Ethics http://www.sminvestments.com/code-ethics • Annual Corporate Governance Report http://www.sminvestments.com/annual-corporate-governance-report
Guideline No. 9: DOES NOT ENGAGE IN ABUSIVE RELATED-PARTY TRANSACTIONS AND INSIDER TRADING			
9.1	Develop and disclose a policy governing the company's transactions with related	√	<ul style="list-style-type: none"> • Annual Corporate Governance Report

CORPORATE GOVERNANCE GUIDELINES: DISCLOSURE SURVEY

Company Name: SM Investments CorporationDate: March 1, 2017

	parties.		http://www.sminvestments.com/annual-corporate-governance-report <ul style="list-style-type: none"> • Related Party Transactions Policy http://www.sminvestments.com/corporate-governance-policies
9.2	Clearly define the thresholds for disclosure and approval for RPTs and categorize such transactions according to those that are considered <i>de minimis</i> or transactions that need not be reported or announced, those that need to be disclosed, and those that need prior shareholder approval. The aggregate amount of RPT within any twelve (12) month period should be considered for purposes of applying the thresholds for disclosure and approval.	✓	<ul style="list-style-type: none"> • Annual Corporate Governance Report http://www.sminvestments.com/annual-corporate-governance-report • Related Party Transactions Policy http://www.sminvestments.com/corporate-governance-policies
9.3	Establish a voting system whereby a majority of non-related party shareholders approve specific types of related party transactions in shareholders meetings.	✓	<ul style="list-style-type: none"> • Annual Corporate Governance Report http://www.sminvestments.com/annual-corporate-governance-report • Related Party Transactions Policy http://www.sminvestments.com/corporate-governance-policies
9.4	Have its independent directors or audit committee play an important role in reviewing significant RPTs.	✓	<ul style="list-style-type: none"> • Annual Corporate Governance Report http://www.sminvestments.com/annual-corporate-governance-report • Related Party Transactions Committee http://www.sminvestments.com/board-management
9.5	Be transparent and consistent in reporting its RPTs. A summary of such transactions shall be published in the company's annual report.	✓	<ul style="list-style-type: none"> • Annual Corporate Governance Report http://www.sminvestments.com/annual-corporate-governance-report
9.6	Have a clear policy in dealing with material non-public information by company insiders.	✓	<ul style="list-style-type: none"> • Annual Corporate Governance Report http://www.sminvestments.com/annual-corporate-governance-report • Code of Ethics, pg. 2. Item B. http://www.sminvestments.com/code-ethics

CORPORATE GOVERNANCE GUIDELINES: DISCLOSURE SURVEY

Company Name: SM Investments Corporation

Date: March 1, 2017

9.7	Have a clear policy and practice of full and timely disclosure to shareholders of all material transactions with affiliates of the controlling shareholders, directors or management.	✓	<ul style="list-style-type: none"> • Annual Corporate Governance Report http://www.sminvestments.com/annual-corporate-governance-report • Code of Ethics, pg. 2. Item B. http://www.sminvestments.com/code-ethics
Guideline No. 10: DEVELOPS AND NURTURES A CULTURE OF ETHICS, COMPLIANCE, & ENFORCEMENT			
10.1	Formally adopt a code of ethics and proper conduct that guides individual behavior and decision making, clarify responsibilities, and inform other stakeholders on the conduct expected from company personnel.	✓	<ul style="list-style-type: none"> • Code of Ethics http://www.sminvestments.com/code-ethics
10.2	Have a formal comprehensive compliance program covering compliance with laws and relevant regulations. The program should include appropriate training and awareness initiatives to facilitate understanding, acceptance and compliance with the said issuances.	✓	<ul style="list-style-type: none"> • Annual Corporate Governance Report http://www.sminvestments.com/annual-corporate-governance-report • Manual on Corporate Governance, pg.14. 1.10. Compliance Officer http://www.sminvestments.com/corporate-governance-manual • Code of Ethics, pg. 1.Compliance w/ Laws http://www.sminvestments.com/code-ethics
10.3	Not seek exemption from the application of a law, rule or regulation especially when it refers to a corporate governance issue. Should it do so, it has to disclose the reason for such action as well present the specific steps being taken to finally comply with the applicable law, rule or regulation.	✓	<ul style="list-style-type: none"> • Annual Corporate Governance Report http://www.sminvestments.com/annual-corporate-governance-report • Code of Ethics, pg. 1.Compliance w/ Laws http://www.sminvestments.com/code-ethics
10.4	Have clear and stringent policies and procedures on curbing and penalizing company or employee involvement in offering, paying and receiving bribes.	✓	<ul style="list-style-type: none"> • Policy on Accountability, Integrity and Vigilance

CORPORATE GOVERNANCE GUIDELINES: DISCLOSURE SURVEY

Company Name: SM Investments CorporationDate: March 1, 2017

		http://www.sminvestments.com/company-policies
10.5	Have a designated officer responsible for ensuring compliance with all relevant laws, rules, and regulation, as well as all regulatory requirements.	<div>✓</div> <ul style="list-style-type: none"> • Manual on Corporate Governance, pg.14. 1.10. Compliance Officer http://www.sminvestments.com/corporate-governance-manual • Annual Corporate Governance Report http://www.sminvestments.com/annual-corporate-governance-report
10.6	Respect intellectual property rights.	<div>✓</div> <ul style="list-style-type: none"> • Code of Ethics http://www.sminvestments.com/code-ethics
10.7	Establish and commit itself to an alternative dispute resolution system so that conflicts and difference with counterparties, particularly with shareholders and other key stakeholders, would be settled in a fair and expeditious manner.	<div>✓</div> <ul style="list-style-type: none"> • Alternative Dispute Resolution http://www.sminvestments.com/company-policies • Annual Corporate Governance Report http://www.sminvestments.com/annual-corporate-governance-report

This is to certify that the undersigned reviewed the contents of this document and to the best of my knowledge and belief, the information contained set forth in this document is true, complete and correct.

Done this March 1, 2017 in Pasay City.

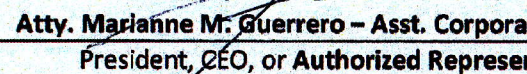
CORPORATE GOVERNANCE GUIDELINES: DISCLOSURE SURVEY

Company Name: SM Investments Corporation

Date: March 1, 2017



Tomasa H. Lipana
Independent Director



Atty. Marianne M. Guerrero – Asst. Corporate Secretary
President, CEO, or Authorized Representative