

CEBU HOLDINGS, INC.
ASEAN CORPORATE GOVERNANCE SCORECARD
ASSESSMENT YEAR:2016
PART A. RIGHTS OF SHAREHOLDERS

	Guiding Reference	Yes / No	Explanation/ Supporting Documents
A. Rights of Shareholders			
A.1 Basic Shareholder Rights			
A.1.1	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? In case the company has offered Scrip dividend, did the company paid the dividend within 60 days.	G20/OECD (2015) Principle II: The rights and equitable treatment of shareholders and key ownership functions (A) Basic shareholder rights should include the right to: (6) share in the profit of the corporation.	Y Dividends declared 17 November 2016, paid on 12 December 2016 or 26 days from date of declaration. Supporting Documents: 1. Dividend Declaration (Results of BOD Meeting 17 Nov 2016) http://live-cebuholdings.pantheonsite.io/wp-content/uploads/2016/12/2016.11.17-SEC_PSE_PDEx-Result-of-BOD-Meeting_11.17.16.pdf 2. ACGR (page 83) http://www.cebuholdings.com/wp-content/uploads/2016/12/CHI-Consolidated-Changes-in-the-ACGR-for-the-year-2016-Updated-as-of-30-May-2017.pdf 3. 2016 Annual and Sustainability Report (Page 49) http://www.cebuholdings.com/wp-content/uploads/2017/01/2016-Integrated-Annual-and-Sustainability-Report.pdf

A.2 Right to participate in decisions concerning fundamental corporate changes.				
<i>Do shareholders have the right to participate in:</i>				
A.2.1	Amendments to the company's constitution?	G20/OECD (2015) Principle II (B) Shareholders should be sufficiently informed about, and have the right to approve or participate in, decisions concerning fundamental corporate changes such as: (1) amendments to the statutes, or articles of incorporation or similar governing documents of the company.	Y	<p>Shareholders have the right to amend the company's constitution.</p> <p>Supporting Documents: 1. 2016 Annual and Sustainability Report (Page 49, Rights of Shareholders) http://www.cebuholdings.com/wp-content/uploads/2017/01/2016-Integrated-Annual-and-Sustainability-Report.pdf</p>
A.2.2	The authorisation of additional shares?	G20/OECD (2015) Principle II (B): (2) the authorisation of additional shares.	Y	<p>Shareholders have the right to authorize additional shares.</p> <p>Supporting Documents: 1. 2016 Annual and Sustainability Report (Page 49, Rights of Shareholders) http://www.cebuholdings.com/wp-content/uploads/2017/01/2016-Integrated-Annual-and-Sustainability-Report.pdf</p>
A.2.3	The transfer of all or substantially all assets, which in effect results in the sale of the company?	G20/OECD (2015) Principle II (B): (3) extraordinary transactions, including the transfer of all or substantially all assets, that in effect result in the sale of the company	Y	<p>Shareholders have the right to sell or purchase (or transfer) a significant share of corporate assets that may result in a change in the character of the company.</p> <p>Supporting Documents: 1. 2016 Annual and Sustainability Report (Page 49, Rights of Shareholders) http://www.cebuholdings.com/wp-content/uploads/2017/01/2016-Integrated-Annual-and-Sustainability-Report.pdf</p>

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.				
A.3.1	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?	G20/OECD (2015) Principle II (C): (4) Effective shareholder participation in key corporate governance decisions, such as the nomination and election of board members, should be facilitated. Shareholders should be able to make their views known, including through votes at shareholder meetings, on the remuneration of board members and/or key executives, as applicable. The equity component of compensation schemes for board members and employees should be subject to shareholder approval.	Y	<p>The Company welcomes the participation of all shareholders by giving them an opportunity to ask questions relevant to our company and its performance and prospects. During the Annual Shareholders' Meeting held on April 18, 2016, for instance, we allowed all shareholders to vote in approving the remuneration (fees, allowances, and benefits-in kind) or any increases in remuneration of nonexecutive directors.</p> <p>Supporting Documents 1. 2016 Annual and Sustainability Report (Page 49, Rights of Shareholders) http://www.cebuholdings.com/wp-content/uploads/2017/01/2016-Integrated-Annual-and-Sustainability-Report.pdf</p>
A.3.2	Does the company provide non-controlling shareholders a right to nominate candidates for board of directors/commissioners?		Y	<p>Shareholders have the right to nominate, elect, remove and replace directors, and vote on certain corporate acts in accordance with the Corporation Code. All shareholders are also given the opportunity to individually elect the members of the Board of Directors</p> <p>Supporting Documents 1. 2016 Annual and Sustainability Report (Page 49, Rights of Shareholders) http://www.cebuholdings.com/wp-content/uploads/2017/01/2016-Integrated-Annual-and-Sustainability-Report.pdf</p>
A.3.3	Does the company allow shareholders to elect directors/commissioners individually?		Y	<p>In each election of directors by ballot, shareholders are entitled to cast as many votes as their number of shares. All voting and tabulation procedures are clearly disclosed, and the minutes of every Annual Stockholders' Meeting are posted on the company website. We document the whole proceeding including the opportunity for shareholders to ask questions or raise issues, as well as the answers provided by each Board member. We also record the resolutions, and the voting results, including approving, dissenting and abstaining votes for each agenda item, and the list of Board members who attended.</p> <p>Supporting Documents 1. 2016 Annual and Sustainability Report (Page 50, Rights of Shareholders) http://www.cebuholdings.com/wp-content/uploads/2017/01/2016-Integrated-Annual-and-Sustainability-Report.pdf</p>

A.3.4	Does the company disclose the voting procedures used before the start of meeting?	G20/OECD (2015) Principle II (C): Shareholders should have the opportunity to participate effectively and vote in general shareholder meetings and should be informed of the rules, including voting procedures, that govern general shareholder meetings	Y	<p>All voting and tabulation procedures are clearly disclosed, and the minutes of every Annual Stockholders' Meeting are posted on the company website. The voting and vote tabulation procedures used are declared and discussed before meeting proceeds. Ballots had been given to the stockholders to enable them to vote in writing per item in the Agenda. All votes received would be tabulated by the Office of the Corporate Secretary and the results of the tabulation shall be validated by the external auditor, SyCip Gorres Velayo & Company (SGV). Cumulative voting shall be used.</p> <p>Supporting Documents (Website Links):</p> <p>a. 2017 Definitive Information Statement (page 16) http://www.cebuholdings.com/wp-content/uploads/2016/12/2017-Definitive-Information-Statement.pdf</p> <p>b. Minutes of April 24, 2017 Annual Stockholders Meeting (page 2) http://www.cebuholdings.com/wp-content/uploads/2016/12/MINUTES-OF-ASM-2017_24-APRIL-2017.pdf</p> <p>c. ACGR (page 86): http://www.cebuholdings.com/wp-content/uploads/2016/12/CHI-Consolidated-Changes-in-the-ACGR-for-the-year-2016-Updated-as-of-30-May-2017.pdf</p>
A.3.5	Do the minutes of the most recent AGM record that the shareholders were given the opportunity to ask questions and the questions raised by shareholders and answers given recorded?	G20/OECD (2015) Principle II (C): (3) Shareholders should have the opportunity to ask questions to the board, including questions relating to the annual external audit, to place items on the agenda of general meetings, and to propose resolutions, subject to reasonable limitations.	Y	<p>Shareholders are allowed the opportunity to ask questions or raise issues during the Annual Stockholders Meeting.</p> <p>Outcome including resolutions were disclosed.</p> <p>Supporting Documents (Website Links):</p> <p>a. Minutes of April 24, 2017 Annual Stockholders Meeting (pages 5-7) http://www.cebuholdings.com/wp-content/uploads/2016/12/MINUTES-OF-ASM-2017_24-APRIL-2017.pdf</p> <p>b. ACGR (page 83): http://www.cebuholdings.com/wp-content/uploads/2016/12/CHI-Consolidated-Changes-in-the-ACGR-for-the-year-2016-Updated-as-of-30-May-2017.pdf</p>
A.3.6	Does the company disclose the voting results including approving, dissenting, and abstaining votes for all resolutions/each agenda item for the most recent AGM?		Y	<p>Voting results are disclosed, including approving, dissenting, and abstaining votes.</p> <p>Supporting Documents (Website Links):</p> <p>a. Minutes of April 24, 2017 Annual Stockholders Meeting (pages 3-7) http://www.cebuholdings.com/wp-content/uploads/2016/12/MINUTES-OF-ASM-2017_24-APRIL-2017.pdf</p> <p>b. ACGR (page 84): http://www.cebuholdings.com/wp-content/uploads/2016/12/CHI-Consolidated-Changes-in-the-ACGR-for-the-year-2016-Updated-as-of-30-May-2017.pdf</p>

A.3.7	Does the company disclose the list of board members who attended the most recent AGM?	G20/OECD (2015) Principle II (C); and ICGN (2014) 1.4: The board of directors should meet regularly to discharge its duties and directors should allocate adequate time to meeting preparation and attendance. Board members should know the business, its operations and senior management well enough to contribute effectively to board discussions and decisions.	Y	Attendance / List of Board members who attended the latest Annual Stockholders Meeting is disclosed. Supporting Documents (Website Links): a. Minutes of April 24, 2017 Annual Stockholders Meeting (page 1) http://www.cebuholdings.com/wp-content/uploads/2016/12/MINUTES-OF-ASM-2017_24-APRIL-2017.pdf
A.3.8	Does the company disclose that all board members and the CEO (if he is not a board member) attended the most recent AGM?		Y	Attendance / List of Board members who attended the latest Annual Stockholders Meeting is disclosed. Supporting Documents (Website Links): a. Minutes of April 24, 2017 Annual Stockholders Meeting (page 1) http://www.cebuholdings.com/wp-content/uploads/2016/12/MINUTES-OF-ASM-2017_24-APRIL-2017.pdf
A.3.9	Does the company allow voting in absentia?	G20/OECD (2015) Principle II (C): (5) Shareholders should be able to vote in person or in absentia, and equal effect should be given to votes whether cast in person or in absentia.	Y	The Corporation also allowed voting in absentia by sending out to each stockholder a ballot with a proxy form, submitted at least seven (7) days before the meeting. The votes in the ballot were counted even if the stockholder did not personally attend because every stockholder could participate in the meeting under the Corporation Code and the By-Laws through his designated proxy or the Chairman of the meeting as the proxy in default in the absence of a designated proxy. Supporting Documents (Website Links): a. Minutes of April 24, 2017 Annual Stockholders Meeting (page 2) http://www.cebuholdings.com/wp-content/uploads/2016/12/MINUTES-OF-ASM-2017_24-APRIL-2017.pdf
A.3.10	Did the company vote by poll (as opposed to by show of hands) for all resolutions at the most recent AGM?	G20/OECD (2015) Principle II (C)	Y	Voting is by poll. The rules provide that a stockholder may vote manually using the ballot provided to him upon his registration and placing the voted ballot in the ballot boxes located at the registration table and inside the ballroom. A stockholder may also vote electronically using any of the computers at the station for electronic voting near the registration area. The paper ballot and the website platform for electronic voting set forth the proposed resolutions for consideration by the stockholders and each proposed resolution would be shown on the screen in front as it is taken up. The Corporation also allowed voting in absentia by sending out to each stockholder a ballot with a proxy form, submitted at least seven (7) days before the meeting. Supporting Documents (Website Links): a. Minutes of April 24, 2017 Annual Stockholders Meeting (page 3-7) http://www.cebuholdings.com/wp-content/uploads/2016/12/MINUTES-OF-ASM-2017_24-APRIL-2017.pdf
A.3.11	Does the company disclose that it has appointed an independent party (scrutineers/inspectors) to count and/or validate the votes at the AGM?		Y	All votes received shall be tabulated by the Office of the Corporate Secretary and the results of the tabulation shall be validated by the external auditor, SyCip Gorres Velayo & Co. ("SGV"). Supporting Documents (Website Links): a. Minutes of April 24, 2017 Annual Stockholders Meeting (page 3-7) http://www.cebuholdings.com/wp-content/uploads/2016/12/MINUTES-OF-ASM-2017_24-APRIL-2017.pdf

A.3.12	Does the company make publicly available by the next working day the result of the votes taken during the most recent AGM/EGM for all resolutions?	G20/OECD (2015) Principle II (C): (1) Shareholders should be furnished with sufficient and timely information concerning the date, location and agenda of general meetings, as well as full and timely information regarding the issues to be decided at the meeting.	Y	The Minutes of the April 24, 2017 Annual Stockholders Meeting were made publicly available the next working day. Supporting Documents (Website Links): a. Minutes of April 24, 2017 Annual Stockholders Meeting http://www.cebuholdings.com/wp-content/uploads/2016/12/MINUTES-OF-ASM-2017_24-APRIL-2017.pdf
A.3.13	Does the company provide at least 21 days notice for all AGMs and EGMs?		Y	Yes. Notice of Annual Stockholders Meeting provided/ released on 21 February 2017, or 62 days from date of meeting 24 April 2017. Supporting Documents (Website Links): a. Notice of Annual Stockholders Meeting 2017 (page 1) http://www.cebuholdings.com/wp-content/uploads/2016/12/Notice-of-ASM-2017.pdf
A.3.14	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?		Y	Rationale of each agenda item is indicated. Supporting Documents (Website Links): a. Notice of Annual Stockholders Meeting 2017 (page 2) http://www.cebuholdings.com/wp-content/uploads/2016/12/Notice-of-ASM-2017.pdf
A.3.15	Does the company give the opportunity for shareholder to place item/s on the agenda of AGM?	G20/OECD (2015) Principle II (C): (3) Shareholders should have the opportunity to ask questions to the board, including questions relating to the annual external audit, to place items on the agenda of general meetings, and to propose resolutions, subject to reasonable limitations.	Y	Consideration is given for such other business that may properly come before the meeting. The Chairman opens the floor for comments and questions by stockholders. Stockholders may raise other matters or issues that may be properly taken up at the meeting. Supporting Documents (Website Links): a. Notice of Annual Stockholders Meeting 2017 (page 2) http://www.cebuholdings.com/wp-content/uploads/2016/12/Notice-of-ASM-2017.pdf

A.4 Markets for corporate control should be allowed to function in an efficient and transparent manner.				
A.4.1	In cases of mergers, acquisitions and/or takeovers requiring shareholders' approval, does the board of directors/commissioners of the company appoint an independent party to evaluate the fairness of the transaction price?	<p>G20/OECD (2015) Principle II (H): Markets for corporate control should be allowed to function in an efficient and transparent manner.</p> <p>(1) The 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, should be clearly articulated and disclosed so that investors understand their rights and recourse. Transactions should occur at transparent prices and under fair conditions that protect the rights of all shareholders according to their class.</p>	Y	<p>The Company has a set of procedures for Mergers and Acquisitions</p> <p>Supporting Documents (Website Links):</p> <p>a. ACGR (page 91): http://www.cebuholdings.com/wp-content/uploads/2016/12/CHI-Consolidated-Changes-in-the-ACGR-for-the-year-2016-Updated-as-of-30-May-2017.pdf</p>

A.5 The exercise of ownership rights by all shareholders, including institutional investors, should be facilitated.				
A.5.1	Does the company disclose its practices to encourage shareholders to engage with the company beyond AGM?	<p>G20/OECD (2015) Principle II (D): Shareholders, including institutional shareholders, should be allowed to consult with each other on issues concerning their basic shareholder rights as defined in the Principles, subject to exceptions to prevent abuse.</p>	Y	<p>CHI encourages shareholders, including institutional shareholders, to attend general meetings or engagements with the company.</p> <p>Supporting Documents</p> <p>1. 2016 Annual and Sustainability Report (Page 50, Rights of Shareholders) http://www.cebuholdings.com/wp-content/uploads/2017/01/2016-Integrated-Annual-and-Sustainability-Report.pdf</p>