



24 September 2007

**ATTY. JUSTINA F. CALLANGAN**

Director, Corporation Finance Department  
6<sup>th</sup> Floor, SEC Building  
EDSA, Mandaluyong City

Dear Atty. Callangan,

Please be informed that we have submitted our Corporate Governance Scorecard for Publicly-listed Companies pursuant to SEC Memorandum Circular No. 2 dated August 9, 2007.

Further, in compliance with Bulletin No. 01 of the Institute of Corporate Directors, we are also submitting a copy of all source documents we mentioned in the scorecard such as Articles of Incorporation & By-laws, Annual Report, Information Statement, Public Ownership Report, Business Conduct Policy, HRMS Systems Manual, Minutes of AGM, Manual on Corporate Governance, Audited Financial Statements, Safety Code and Retirement Plan.

Very truly yours,

A handwritten signature in black ink, appearing to read "F. Mamasuag, Jr.".

**FLORENCIO M. MAMAUAG, JR.**  
VP Legal Affairs & Asst. Corp. Secretary



**ROXAS HOLDINGS, INC.**

\_\_\_\_\_  
(Company's Full Name)

**6<sup>th</sup> Floor, CG Building, 101 Aguirre St., Legaspi Village, Makati City**

\_\_\_\_\_  
( Company's Address)

**810-89-01**

\_\_\_\_\_  
( Telephone Number)

**30 June**

\_\_\_\_\_  
(Fiscal Year Ending  
Month & day)

\_\_\_\_\_  
(Annual Meeting)

**Corporate Governance Scorecard**

\_\_\_\_\_  
( Form Type)

\_\_\_\_\_  
Amendment Designation (if applicable)

\_\_\_\_\_  
Period Ended Date

\_\_\_\_\_  
(Secondary License Type, If any)

\_\_\_\_\_  
Cashier

\_\_\_\_\_  
LCU

\_\_\_\_\_  
Central Receiving Unit

\_\_\_\_\_  
DTU

\_\_\_\_\_  
15-A  
S.E.C. Reg. No.

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File Number

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Document I.D.



The 2007  
Corporate Governance Scorecard  
for Publicly-listed Companies

18 September 2007

THE DIRECTOR  
Corporation Finance Department  
Securities and Exchange Commission  
EDSA, Mandaluyong City



We are pleased to submit the accomplished Corporate Governance (CG) Survey for publicly-listed companies pursuant to SEC Memorandum Circular No. 2 dated 09 August 2007.


Please find the necessary information in relation to this submission:

COMPANY INFORMATION

Organization Name **ROXAS HOLDINGS, INC.**  
Address **6F Cacho-Gonzales Bldg., 101 Aguirre St., Legaspi Village, Makati City**  
Contact Person **Atty. Florencio M. Mamauag, Jr.**  
Designation **VP Legal & Assistant Corporate Secretary**  
Telephone number **8108901**  
Fax number **8171875**  
Email address **florencio.mamauag@cadp.com.ph**

ATTESTATION:

I attest that, to the best of my knowledge, all information in this assessment is accurate and truthful, and that all supporting documents are adequately provided.

  
FLORENCIO M. MAMAUAG, JR.  
Name & Signature of Authorized Company Representative

Date: 21 Sept. 07



# The 2007 Corporate Governance Scorecard for Publicly-listed Companies

A PROJECT OF THE



INSTITUTE OF  
CORPORATE  
DIRECTORS

IN COLLABORATION WITH



School of Law

SUPPORTED BY



## 2007 Corporate Governance Scorecard for Publicly-Listed Companies RESPONSE FORM

Sample:

ITEM	Survey Question	Self-Assessment			Information Source	Remarks
		Poor	Fair	Good		
1	Does the company offer other ownership rights beyond voting?		✓		Paragraph 2, Page 25, 2006 Annual Report	

**IMPORTANT NOTE:** For validation purposes, please submit a copy of all documents used in the Self Assessment.

### Part I. THE RIGHT OF SHAREHOLDERS

ITEM	Survey Question	Self-Assessment			Information Source	Remarks
		Poor	Fair	Good		
1	Does the company offer other ownership rights beyond voting?			All	Articles of Incorporation; By-Laws; Annual Report; Information Statement	
2	Is the decision on the director per diems approved by the shareholders annually?	No			By-Laws	Art. 18 of the Corporate By-Laws provides that 6% of the net income before tax shall be distributed: 2% for the Executive Committee, 4% for the Directors
3	How is the director per diem presented to the shareholders?			Information on the per diem of individual director is available	Information Statement; Annual Report	

4	Does the company allow shareholders to elect board members individually?			Yes	By-Laws, Annual Report, AGM Minutes
5	Quality of Notice to call Shareholders Meeting in the past year.				
5.1	Nomination of directors providing their names and background.		Includes individual profile of new returning directors		Information Statement
5.2	Is there adequate information on the external auditor? Are their name(s), profile, detail of fees and other engagements with the company (tax, consulting, etc.) provided?			All information presented	Information Statement; Annual Report; Audited Financial Statements
5.3	Dividend policy, in providing the amount and explanation.			Includes both items	Information Statement; Annual Report
5.4	Does the information statement have an executive summary?			Yes	Information Statement
6	Quality of Minutes of Shareholders' Meeting				
6.1	Voting method and vote counting system			Included	Information Statement
7	Did the Chairman of the Board attend the last two AGMs?			Attended the last two AGMs	AGM Minutes
8	Did the CEO/Managing Director attend at least one of the last two AGMs?			Attended the last two AGMs	AGM Minutes

9	Is a name list of board members attending the AGM available?	No	Name list of board and committee members in attendance shall herewith be indicated in the minutes.
10	Do AGM minutes record that there was an opportunity allowing for shareholders to ask questions/raise issues in the past year?		
10.1	Is there a record of answers and questions?	Yes	AGM Minutes
10.2	Is there a record of resolutions in the minutes?	Yes	AGM Minutes
11	Attendance of the Board Committee Chairs		
11.1	Did the Chairman of the Audit Committee attend the last two AGMs?	Attended the last two AGMs	Record of attendance of AGM
11.2	Did the Chairman of the Compensation / Remuneration / Governance Committee attend the last two AGMs?	Attended one of the last two	Record of attendance of AGM
11.3	Did the Chairman of the Nomination Committee attend the last two AGMs?	Attended the last two AGMs	Record of attendance of AGM
12	Does the company have anti-takeover defenses?		
12.1	Do Board members collectively own more than 25% of outstanding shares?	No	Information Statement, Annual Report

12.2	What is the proportion of outstanding shares that are considered "free float"?				34.52%	Public Ownership Report
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**Part II. EQUITABLE TREATMENT OF SHAREHOLDERS**

ITEM	Survey Question	Self-Assessment			Information Source	Remarks
		Poor	Fair	Good		
13	Does the company offer one-share-one-vote?			Offers one share one vote	Information Statement, Annual Report, By-Laws	
14	Does the company have any mechanism that allows minority shareholders to influence board composition?			Has mechanism to allow minority to influence board composition	Information Statement, By-Laws	
15	Has there been any case of insider trading involving company directors and management in the past two years?			No	SEC and PSE Record	
16	Has the company established a system to prevent the use of material inside information and inform all employees, management, and board members of this system?			Yes	Business Conduct Policy Handbook	
17	Has there been any complaint/dispute/problem regarding related-party transaction in the past two years?			No	SEC and PSE Records	
18	Does the company have a policy that requires management to disclose related-party transaction?			The company provides (1) name, (2) relationship, (3) policy, and (4) value of related party transactions.	Audited Financial Statements, Information Statement, Annual Report	

10/20/2020

19	Are the nature and extent of transactions with affiliated and related parties communicated to shareholders annually?				The company provides (1) name, (2) relationship, (3) policy, and (4) value of related party transactions	Audited Financial Statements; Information Statement; Annual Report
20	Is the company a part of an economic group where the parent / controlling shareholder also controls key suppliers, customers, and/or similar businesses?				No	Information Statement; Annual Report; Audited Financial Statements
21	Does the company facilitate voting by proxy?				Yes	Notice of Stockholders' Meeting
22	Does the notice to shareholders specify the documents required to give proxy?				Yes	Notice of Stockholders' Meeting; Information Statement
23	Is there any requirement for a proxy appointment to be notarized?				Notarization not required	Notice of Stockholders' meeting
24	How many days in advance does the company send out notice of general shareholder meetings?				More than 2 weeks	Notice of Stockholders' meeting; Information Statement
24.1	Date of Notice			(dd/mm/yyyy) 31 October		
24.2	Date of Actual Meeting			(dd/mm/yyyy) 28 November		

**Part III. THE ROLE OF STAKEHOLDERS IN CORPORATE GOVERNANCE**

ITEM	Survey Question	Self-Assessment			Information Source	Remarks
		Poor	Fair	Good		
25	Does the company explicitly mention the safety and welfare of its employees?			Yes, comprehensive coverage	CADP Safety Code; Business Conduct Policy Handbook	The company has two (2) operating sugar mills. Its sugar mill located in Naguibo, Pangasinan has a safety code while its sugar mill located in La Trinidad City, Negros Occidental has not codified its safety policies.
26	Does the company provide an ESOP (Employee Share Option Program), or other long-term employee incentive plan linked to shareholder value creation, to employees?	No				
27	Does the company provide a retirement plan/fund or its equivalent for its employees?			Yes	Retirement Plan;	The company provides a retirement benefit plan for both normal and early retirement plan equivalent to 2 months basic salary for each year of service.
28	Does the company provide a continuing training program for its employees?			Yes, comprehensive coverage	HRMS Systems Manual	
29	Does the company explicitly mention the role of customers?		Very superficial coverage		CADP Annual Report (Audited Financial Statements)	
30	Does the company explicitly mention the role of suppliers/business partners?		Very superficial coverage		CADP Annual Report (Audited Financial Statements)	
31	Does the company explicitly mention its obligations to shareholders?		Very superficial coverage		CADP Annual Report (Audited Financial Statements)	
32	Does the company explicitly mention its obligations to creditors?		Very superficial coverage		CADP Annual Report (Audited Financial Statements)	

33	Does the company explicitly mention environmental issues in its public communication?			Yes, comprehensive coverage	Information Statement; Annual Report; CADD Annual Report (Audited Financial Statements)
34	Does the company explicitly mention its broader obligations to society and / or the community?	Very superficial coverage			CADD Annual Report (Audited Financial Statements)
35	Does the company inform shareholders of material income tax consequences of owning shares of company common shares, ADS, etc.?	No			
36	Does the company disclose pending legal and tax proceedings, tax assessment notices and voluntary assessment program settlements that it considers to be potentially material to its business?		Yes		Information Statement; Annual Report; Audited Financial Statements

**Part IV. DISCLOSURE AND TRANSPARENCY**

ITEM	Survey Question	Self-Assessment			Information Source	Remarks
		Poor	Fair	Good		
37	Does the company have a transparent ownership structure					
37.1	Breakdown of shareholdings			Yes	Information Statement; Annual Report; SEC Forms 23-A & 23-B	
37.2	Is it easy to identify beneficial ownership?			Yes	Information Statement; Annual Report; SEC Forms 23-A & 23-B	

37.3	Are directors' shareholdings disclosed?		Yes	Information Statement; Annual Report; SEC Forms 23-A & 23-B
37.4	Are management's shareholdings disclosed?		Yes	Information Statement; Annual Report; SEC Forms 23-A & 23-B
38	Does the company have a dispersed ownership structure?	< 20%		Information Statement; Annual Report
39	Assess the quality of the Annual Report. In particular, the following:			
39.1	Financial performance		Reports are clear, comprehensive and informative	Annual Report; Information Statement; Audited Financial Statements
39.2	Business operations, competitive position, and other non-financial matters		Reports are clear, comprehensive and informative	Annual Report; Information Statement; Audited Financial Statements
39.3	Board member background		Full coverage, showing name, position, education, experience and shareholding	Information Statement; Annual Report
39.4	Basis of the Board per cents		Show compensation by type	Information Statement; Annual Report
39.5	Operating risks		Reports are clear & comprehensive and includes mention of market shares	Information Statement; Annual Report; Audited Financial Statements
39.6	Identification of Independent Directors		Yes	Information Statement; Annual Report
39.7	Board meeting attendance of individual directors		Available	Certificate of Attendance
39.8	Does the company have a policy requiring full disclosure of details of related-party transactions in public communications?		The company provides (1) name (2) relationship (3) policy (4) value (5) rationale	Audited Financial Statements; Annual Report (SEC Form 17-A)

40	Is there any statement requesting directors to report their transactions of the company shares?		Yes	Memorandum to Directors
41	Does the Audit Committee have a Charter?		Yes	Corporate Governance Manual
42	Does the company have an internal audit operation established as a separate unit in the company?		Yes	Corporate Governance Manual
43	To whom does the internal audit function report, please identify?		Audit Committee & the Board	Corporate Governance Manual
44	Does the company perform an annual audit using SEC accredited external auditors?		SEC Group A Auditor	Information Statement, Annual Report, Audited Financial Statements
45	Is the financial report disclosed in a timely manner during the past year?		Comply with Local Standards Every time	Annual Report, SEC Records, Audited Financial Statements
46	Are there any accounting qualifications in the audited financial statements apart from the Qualification on Uncertainty of Situation?		None	Audit Report/Audited FIS
47	Does the company website disclose up-to-date information on:	Date when website was examined (dd/mm/yy) September 17, 2007		
47.1	Business operation		Yes	Company website
47.2	Financial statement	No		Information not up to date
47.3	Press release	No		

47.4	Shareholding structure	No				Information not up to date
47.5	Organization structure			Yes	Company website	Information not up to date
47.6	Corporate group structure (N/A for a company that does not belong to corporate grouping)			Yes	Company website	Information not up to date
47.7	Downloadable annual report	No				
47.8	Notice to call shareholders' meeting	No				
48	Does the company provide contact details for a specific investor Relations person or unit that is easily accessible to outside investors?			Investor Relation person specified with contact information made known to public	CADP Annual Report (Audited Financial Statements)	
49	Does the company offer multiple channels of access to information? Multiple channels include:					
49.1	Annual report			Yes	Annual Report (Audited Financial Statements)	
49.2	Company website			Yes	Company Website	Information in the company website is still incomplete. Material information is disclosed to the public through disclosures to FSE and SEC.
49.3	Analyst briefing(s)	No				
49.4	Press conference(s) / press briefing(s)	No				

**Part V. BOARD RESPONSIBILITY**

ITEM	Survey Question	Self-Assessment			Information Source	Remarks
		Poor	Fair	Good		

50	Does the company have its own written Corporate Governance Manual that clearly describes its value system and board responsibilities?			Rules approved by the Board and fully disclosed.	Corporate Governance Manual		
51	Does the Board of Directors provide code of ethics or statement of business conduct for all directors and employees?			Yes and effectively communicated	Business Conduct Policy Handbook		
52	Does the company have a corporate vision/mision/values?			Yes	Company Records		
53	Does the PSE have any evidence of non-compliance of the company with PSE rules and regulations over the two years?		One case		PSE records	Delay in reporting additional acquisition of shares.	
54	Assess the quality of the Audit Committee Report in the Annual Report	Annual Report does not contain an Audit Committee Report					
54.1	Attendance						
54.2	Internal control						
54.3	Proposed auditors						
54.4	Financial report review						
54.5	Legal compliance						
54.5	Over-all concluding opinion						
55	Have board members participated in the training on Corporate Governance (i.e. PDP, CGOP, Corporate Retreat, etc.)?			More than 75%		Directors' profile in the Information Statement and Annual Report do not disclose their attendance at Corporate Governance Seminars	

56	Have senior management executives attended training on Corporate Governance?	Less than 25%				Officers' profile in the Information Statement and Annual Report do not disclose their attendance at Corporate Governance Seminars.
57	What is the attendance performance of the board members during the past 12 months?			80% Ave. attendance	Certificate of Attendance	
58	Does the company provide a risk management policy?			Yes	Corporate Governance Manual; Business Conduct Policy Manual	
59	Does the company clearly distinguish the roles and responsibilities of the board and management?			Yes		
60	Does the board conduct an annual self-assessment?	No				
61	Does the company conduct an annual performance assessment of the CEO/President?			Yes		The Company through the Compensation Committee conducts an annual performance assessment of the CEO/President
62	How many board meetings are held per year?	No. of Board Meetings: <u>4</u>				
62.1	Does the firm report board meeting attendance of individual directors?	No attendance record was supplied			Certificate of Board Attendance	
63	Is the Chairman a non-executive director?	No			Information Statement; Annual Report	
64	Does the board appoint committees with independent members to carry out various critical responsibilities such as:					

64.1	Audit. If yes, are the following items disclosed?				
64.1.1	Charter/Role and responsibilities		Yes		Corporate Governance Manual
64.1.2	Profile / Qualifications		Yes		Corporate Governance Manual; Information Statement; Annual Report
64.1.3	Independence		Yes		Information Statement; Annual Report; Corporate Governance Manual
64.1.4	Performance / Meeting Attendance		Yes		Corporate Governance Manual
64.2	Compensation / Remuneration. (Compensation/ Remuneration Committee) If yes, are the following items disclosed?				
64.2.1	Charter/Role and Responsibilities		Yes		Corporate Governance Manual
64.2.2	Is the Committee composed of a majority of independent directors?		Yes		Information Statement; Annual Report; Corporate Governance Manual
64.2.3	Is the Chairman of the Committee an independent director?		Yes		Information Statement; Annual Report
64.2.4	Performance / Meeting Attendance		Yes		Corporate Governance Manual
64.3	Nomination Committee. If yes, are the following items disclosed?				
64.3.1	Charter/Role and Responsibilities		Yes		Corporate Governance Manual
64.3.2	Is the Committee composed of a majority of independent directors?		Yes		Information Statement; Annual Report
64.3.3	Is the Chairman of the Committee an independent director?	No			Information Statement

64.3.4	Performance / Meeting Attendance	Yes	Corporate Governance Manual
65	How many board members are independent directors?	20-30%	Information Statement; Annual Report
66	Does company state in its Annual Report the definition of "independence" for identifying independent directors in public communications?	No	Annual Report; Information Statement
67	Does the company have a separate Board of Director's Report describing their responsibilities in reviewing the firm's financial statements?	No	Annual Report; Information Statement

**SURVEY ON CURRENT ETHICAL STANDARDS  
IN PHILIPPINE CORPORATIONS**

1. We have a formal code of ethics in our company.	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
2. Our code of ethics includes a statement on obligation to: <ul style="list-style-type: none"> <li>• Employees</li> <li>• Shareholders</li> <li>• Suppliers</li> <li>• Customers</li> <li>• The general community</li> </ul>	<input checked="" type="checkbox"/> Yes <input checked="" type="checkbox"/> Yes <input checked="" type="checkbox"/> Yes <input checked="" type="checkbox"/> Yes <input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No <input type="checkbox"/> No <input type="checkbox"/> No <input type="checkbox"/> No <input type="checkbox"/> No
3. We have an ethics officer in our company.	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
4. We allocate resources for ethical activities such as: <ul style="list-style-type: none"> <li>• Training</li> <li>• Internal Communications</li> <li>• Ethics Audit</li> </ul>	<input checked="" type="checkbox"/> Yes <input checked="" type="checkbox"/> Yes <input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No <input type="checkbox"/> No <input type="checkbox"/> No
5. Ethics expectations are communicated to our: <ul style="list-style-type: none"> <li>• Suppliers/Vendors</li> <li>• Business Partners</li> <li>• Consultants</li> <li>• Contractors</li> </ul>	<input checked="" type="checkbox"/> Yes <input checked="" type="checkbox"/> Yes <input checked="" type="checkbox"/> Yes <input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No <input type="checkbox"/> No <input type="checkbox"/> No <input type="checkbox"/> No
6. We have a reporting mechanism in place in the company to allow all employees to report or express ethical concerns/violations.	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
7. Ethical conduct has an impact on an employee's performance evaluation in our company.	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
8. We have mechanisms in place in the company that ensure our suppliers and partners adhere to highest standards of business ethics.	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

*The Institute of Corporate Directors is currently conducting a survey on ethical standards in Philippine Corporations. We would highly appreciate your participation in this survey.*

*Thank you.*



