



2025 SMPH Non-Executive Directors' Regular Meeting

In compliance with the Company's Revised Manual on Corporate Governance and the SEC's Revised Code of Corporate Governance, SM Prime's non-executive directors met separately with SGV & Co., the Company's External Auditor, and the Chief Audit Executive (CAE), Chief Finance Officer (CFO)/Chief Compliance Officer (CCO) and Chief Risk Officer (CRO), to ensure that proper checks and balances are in place within the Company.

Mr. Amando M. Tetangco, Jr., being the Board's lead independent director, chaired the meeting last December 1, 2025. The Corporate Secretary, Atty. Elmer B. Serrano, recorded the minutes of meeting.

1. Meeting with the Company's External Auditor, SyCip Gorres Velayo & Co. (SGV)

Members of the SGV present:

Juan Miguel P. Machuca, Audit Signing Partner

Belinda T. Beng-Hui, Audit Partner

Mary Claire D. Pogeyed, Senior Director – Assurance

SGV reported that the interim audit per audit plan is ongoing. SGV also reported that they are set to complete the audit by early January 2026. SGV then discussed the summary of audit differences.

After the discussion, SGV left the meeting to allow the meeting of non-executive directors with the Management.

2. Meeting with CAE, CFO/CCO and CRO

At this point, the Mr. Marvi Perrin L. Pe (CAE), Mr. John Nai Peng C. Ong (CFO/CCO) and Ms. Joana B. Tiangco (CRO) joined the meeting.

Mr. Pe presented the status of the 2025 audit plan and reported that it remains on track and in compliance with the approved timeline. Ms. Tiangco further shared that the audit scopes are being coordinated with the Enterprise Risk Management Team, aligned with the Company's key risks, to serve as inputs in the development of the 2026 audit plan. Mr. Pe discussed that the validation procedures require around 6 months to implement the process. The scope of the audit includes all subsidiaries and all business units are coordinating with the audit plan. Next, he discussed the plans to use the Company and its subsidiaries' Net Operating Loss Carry-Over which is about to expire. He emphasized that the focus of the internal audit committee is cost efficiency reduction and continuous process improvement. Next, he reported the billing issues on rental and electricity consumption of the tenants of the Company. He discussed that a meter reading system has been rolled out and is now fully integrated with the Company's Enterprise Resource Planning system addressing the mentioned billing issues.

Mr. Ong further explained that, given the continuous ingress and egress of tenants in the Company's malls as part of regular operations, the CAMR system is also undergoing further enhancements to improve the capture, monitoring, and removal of tenant meter data, including the audit and accounting of existing meters, to ensure that operational processes are properly reflected in the system. Ms. Tiangco then proceeded to discuss the risk assessments and management of the Company.