SM Prime Holdings, Inc.

Board Charter

Effective November 9, 2026

BOARD CHARTER APPROVAL SHEET

The undersigned approves this Charter, which establishes the purpose, composition, authority and responsibilities of the Board of Directors (the "Board") of SM Prime Holdings, Inc. (the "Company")

NAME	DATE	SIGNATURE
Henry T. Sy, Jr. Board Chairperson	November 9, 2026	(sgd.)
Amando M. Tetangco, Jr. Vice-Chairperson and Lead Independent Director	November 9, 2026	(sgd.)
Estela M. Perlas - Bernabe Independent Director	November 9, 2026	(sgd.)
J. Carlitos G. Cruz Independent Director	November 9, 2026	(sgd.)
Hans T. Sy Member	November 9, 2026	(sgd.)
Herbert T. Sy Member	November 9, 2026	(sgd.)
Jorge T. Mendiola Member	November 9, 2026	(sgd.)
Jeffrey C. Lim Member	November 9, 2026	(sgd.)

This Charter establishes the purpose, composition, authority and responsibilities of the Board of Directors (the "Board") of SM Prime Holdings, Inc. (the "Company")

I. PURPOSE AND AUTHORITY

Compliance with the principles of good corporate governance shall start with the Board. The Board shall serve as the Company's highest governing body and charged with authority over its business. It is the Board's responsibility to foster the long-term success of the Corporation, and to sustain its competitiveness and profitability in a manner consistent with its fiduciary responsibilities, corporate objective and the best interests of its stockholders and other stakeholders. The Board shall conduct itself with utmost honesty and integrity in the discharge of its duties, functions, and responsibilities.

To allow the Board to discharge its duties and responsibilities, the Board is authorized to call for a meeting, gain access to all relevant data/resources within the Company, obtain professional training, advice or expertise and may cause for investigation of any activities within the scope of its responsibilities.

II. COMPOSITION AND MEETINGS

1. Composition

The Board shall be composed of eight (8) directors, majority of which are non-executive, who shall be elected by the Corporation's stockholders annually, and shall hold office for one (1) year and until their successors are elected and qualified in accordance with the Corporation's By-Laws. The Board shall be composed of directors with collective knowledge, experience or expertise that is relevant to the Company's industry or sector. The Board shall always ensure that it has an appropriate mix of competence and expertise and that its members remain qualified for their positions individually and collectively, to enable the board to fulfil its roles and responsibilities and respond to the needs of the organization based on the evolving business environment and strategic direction. The Board shall be headed by a competent and qualified Chairman and its members shall possess all the qualifications and none of the disqualifications in accordance with the Manual on Corporate Governance, the Revised Corporation Code of the Philippines, Securities and Exchange Commission (SEC) issuances, applicable regulations of the Company's regulators, and other relevant laws, rules, and regulations.

The Board shall possess the necessary qualifications to effectively participate and help secure objective, independent judgement on corporate affairs and to substantiate proper checks and balances. Moreover, the Board shall have at least three independent directors, or such number as to constitute at least one-third of the members of the Board, whichever is higher. The Board shall also have at least one independent female director and shall endeavour to increase this number pursuant to its diversity goals.

2. Meetings of the Board

2.1 Members of the Board shall attend regular and special meetings of the Board in person or by any other technological means allowed by the Commission.

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2.2 The Board may, to promote transparency, require the presence of at least one (1) independent director in all of its meetings. However, the absence of an independent director shall not affect the quorum requirements if he is duly notified of the meeting but notwithstanding such notice fails to attend. The Board shall have at least three (3) independent directors, or such number as to constitute at least one-third of the members of the Board, whichever is higher.

2.3 The Board of Directors shall meet at least quarterly. Board meetings shall be scheduled in advance before the start of the year.

2.4 Items to be discussed during the board meeting shall be made available to each director at least five (5) business days in advance. In emergency circumstances, however, the meeting may be called at a shorter notice.

3. Training

3.1 New directors shall undergo a comprehensive 8-hour orientation program, including an understanding of the contributions that the director is expected to make, an explanation of the Board and its committees, as well as the Corporation's business, including corporate governance and other matters that will assist them in discharging their duties. Existing directors shall also be provided an annual 4-hour continuing training on corporate governance topics such as audit, sustainability and climate, risk management, strategy, compliance and ethics, competition law, and other relevant topics, to stay abreast with the latest business and regulatory developments.

3.2 The Corporation shall also provide general access to training courses to its directors as a matter of continuous professional education as well as to maintain and enhance their skills as directors and keep them updated in their knowledge and understanding of the Corporation's business.

3.3 The Board shall adopt a training policy for its members and key officers that shall contain the minimum factors and considerations in alignment with applicable laws, rules, and other issuances.

4. Diversity

A diverse Board better understands its customer base and the environment that the business operates in. This promotes different perspectives and ideas and mitigates groupthink to achieve optimal decision-making. Board diversity may refer to distinctions in age, ethnicity, culture, skills, competence, knowledge, disability, and gender, among others. The Board shall also utilize a Board Matrix, ensuring the appropriate mix of skills and competencies, and to monitor the Board's diversity goals and progress relevant to the Company's strategic objectives.

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III. DUTIES AND RESPONSIBILITIES

To ensure a high standard of best practice for the Corporation, its stockholders and other stakeholders, the Board should conduct itself with honesty and integrity in the performance of, among others, the following duties and responsibilities:

a. The Board shall formulate Company's long-term vision and mission, and oversee the development of and approve the Company's business objectives and strategy, and monitor their implementation, in order to sustain the company's long-term viability and strength;

b. The Board shall be headed by a competent and qualified Chairman;

c. Ensures and adopts an effective succession planning program for directors, key officers and Management to ensure growth and a continued increase in the shareholders' value. This shall include adopting a policy on the retirement age of directors and key officers;

d. The Board shall align the remuneration and per diems, as applicable, of key officers and Board members, including Management, with the long-term interests of the Company such as sustainability and climate-related considerations. In doing so, it shall formulate and adopt a remuneration policy specifying the relationship between remuneration and performance. Further, no director shall participate in discussions or deliberations involving their own remuneration or per diems;

e. Discloses in the Corporate Governance Manual a formal and transparent board nomination and election policy that shall include how it accepts nominations from minority shareholders and reviews nominated candidates. This policy shall also include an assessment of the effectiveness of the Board's processes and procedures in the nomination, election, or replacement of a director. In addition, its process of identifying the quality of directors shall be aligned with the strategic direction of the Company;

f. Ensures that there is a group-wide policy and system governing related party transactions (RPTs) and other unusual or infrequently occurring transactions, particularly those which pass certain thresholds of materiality. The policy shall include the appropriate review and approval of material or significant RPTs, which guarantee fairness and transparency of the transactions. The policy shall encompass all entities within the SM Property Group, taking into account their size, structure, risk profile and complexity of operations;

g. Primarily responsible for approving the selection and assessing the performance of the Management led by the President, and control functions led by their respective heads (Chief Finance Officer, Chief Risk Officer, Chief Compliance Officer, and Chief Audit Executive);

h. Establishes an effective performance management framework that will ensure that the Management and personnel's performance is at par with the standards set by the Board and Senior Management;

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i. Oversees that an appropriate internal control system is in place, including setting up a mechanism for monitoring and managing potential conflicts of interest of Management, board members, and shareholders. The Board shall also approve the Internal Audit Charter;

j. Oversees that a sound enterprise risk management (ERM) framework is in place to effectively identify, monitor, assess and manage key business risks. The risk management framework shall guide the Board in identifying business lines and enterprise-level risk exposures, as well as the effectiveness of risk management strategies;

k. The Board shall have a Board Charter that formalizes and clearly states its roles, responsibilities and accountabilities in carrying out its fiduciary duties. The Board Charter shall serve as a guide to the directors in the performance of their functions and shall be publicly available and posted on the Company website;

l. The Board shall annually review the Company's vision and mission statement, or as the need arises;

m. Members of the Board shall disclose to the Corporation within three (3) business days any transactions related to their own SM Prime shares for proper filing of reportorial requirements with the appropriate regulatory agencies and disclosure of an annual report on trading transactions in the Company's website;

n. The Board shall have an oversight in the implementation and monitoring of the Company's policies and strategies relating to sustainability and climate-related issues, policies and strategies to ensure company support and alignment with industry economic, environmental, social and governance (EESG) best practices;

o. The Board shall have the oversight responsibility in ensuring that strategies and programs are implemented in compliance to the Anti-Money Laundering Act and Terrorism Financing Prevention and Suppression Act, their respective IRR, and other applicable AMLC issuances; and

p. Other duties and responsibilities as may be assigned by relevant regulations such as issuances of the SEC.

IV. DELEGATION OF DUTIES AND POWERS

1. Board Committees

To aid the Board in discharging its duties and responsibilities and ensuring optimal performance of the Board, the Board shall adopt five (5) committees, namely the Executive Committee, the Corporate Governance and Sustainability Committee, the Audit Committee, the Board Risk Oversight Committee and the Related Party Transactions Committee. All the Committees have their respective charters that are aligned with the objectives and responsibilities of each Committee and its members of the Committees shall be appointed by the Board annually.

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The Board may create special committees of temporary or permanent nature and determine the members' term, composition, compensation, powers, and responsibilities.

2. Executive Committee

The Executive Committee's primary purpose is to function when the Board is not in session. The Committee, by majority vote of all its members, shall have all the power and authority of the Board in the governance, management and direction of the business and affairs of the Company in accordance with Sec. 34 of the Revised Corporation Code of the Philippines, by-laws and other pertinent rules and regulations.

3. President

Minimum internal control mechanisms for Management's operation responsibility shall center on the President, being ultimately accountable for the Company's organizational and procedural controls. The President shall be primarily responsible in ensuring that the Company's vision, mission, and overall strategy are carried into effect. The President shall discharge his duties and responsibilities imposed by the Board and provided by the Corporation's By-Laws and Manual on Corporate Governance.

V. PERFORMANCE EVALUATION

The Board shall participate in the annual evaluation of its performance, including the performance of the Chairman, individual members and Committees in accordance with their respective mandates and competencies.

VI. CONTINUAL REVIEW OF THE CHARTER

This Charter shall be reviewed by the Board every three years or as needed to ensure its adequacy and relevance in consonance with the Board's objectives, laws, regulations, and relevant best practices.

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