



20 Years of **Driving Progress**



SM INVESTMENTS

Sustainability Notes & Indices

Supplement to SM Investments
Sustainability Report 2025

Navigating through our Disclosures

20 Years of Driving Progress Sustainability Notes and Indices is a supplementary guide to the SM Investments Corporation (SM Investments) 2025 Sustainability Report, 20 Years of Driving Progress . It is the third in the Suite of Reports issued by SM Investments:



Integrated Report presents a comprehensive overview of the Company's strategy, governance, performance, and long-term value creation, aligned with the Integrated Reporting (IR) Framework and reflecting our commitment to integrated thinking.

Sustainability Report provides sustainability and climate action overview: governance, strategy, risks and opportunities and metrics and targets – aligned to the International Financial Reporting Standards (IFRS) S1 and S2 and is in accordance with the Global Reporting Initiative (GRI).



Sustainability Notes and Indices provides detailed disclosures on our double materiality approach following the IFRS S1 and S2 and is in accordance with the GRI. Whenever possible, we aligned with the Sustainability Accounting Standards Board (SASB) industry-specific disclosures and with the European Sustainability Reporting Standards (ESRS) Disclosures.

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WE ARE



About this Report: Navigating through our Disclosures

20 Years of Driving Progress is the 2025 Sustainability Report of SM Investments Corporation (SM Investments) for the year ended December 31, 2025. Published alongside the SM Investments 2025 Integrated Report, it presents a comprehensive view of the Company's approach to building sustainable businesses and driving responsible development in the communities it serves.

We adopt a dual materiality approach in our sustainability strategy. This report aligns with IFRS S1 and S2, is prepared in accordance with the Global Reporting Initiative (GRI) Standards, and reflects applicable Interoperability Requirements. Where relevant, we have also aligned our disclosures with the Sustainability Accounting Standards Board (SASB) Standards and the European Sustainability Reporting Standards (ESRS).

This report has been prepared, to the extent practicable, with reference to IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures.

This report was approved by the Board and authorized for release in April 2026.

Signed by:

Amando M. Tetangco, Jr.
Chairman of the Board

Our Vision



It is our vision to build an **ecosystem of sustainable businesses** that are **catalysts** for **responsible development** in the **communities we serve.**

Our Mission



We are committed to 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 and environmental stewardship** in all our businesses.

ISSB's IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information Content Index for SM Investments' Sustainability Report 2025

This content index is based on the International Sustainability Standards Board (ISSB)'s IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information, released in June 2023. Relevant information can be found in SM Investments Corporation's corporate reports, including the Integrated Report and the Sustainability Report 2025.

Reference No.	Disclosure Description	SM Investments Disclosure/Direct Answer
Governance		
IFRS S1-27(a)	<p>The governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of sustainability-related risks and opportunities, including information about:</p> <p>(i) How responsibilities for sustainability-related risks and opportunities are reflected in the terms of reference, mandates, role descriptions, and other related policies applicable to that body(s) or individual(s).</p>	<p>At the Board level, oversight is jointly exercised by the Board Executive Committee, chaired by Teresita Sy-Coson, and the Corporate Governance and Sustainability Committee, chaired by Amando Tetangco, Jr., which holds equal responsibility for sustainability and climate-related matters. Following the approval on Aug. 7, 2024 to integrate sustainability oversight into the Corporate Governance Committee, the Committee's terms of reference were updated to explicitly include oversight of sustainability strategy, sustainability- and climate-related risks and opportunities, relevant policies, and performance monitoring. These responsibilities are embedded within Board governance processes to ensure sustainability considerations are integrated into strategic direction and risk oversight.</p> <p>At the management level, the SM Group Sustainability Steering Committee (SteerCom) provides the highest level of management oversight. Its charter defines responsibility for implementing Board-approved sustainability strategies and overseeing the identification, assessment, and management of sustainability- and climate-related risks and opportunities across the Group. The Committee is chaired by Timothy Daniels, who serves as the Group's Chief Sustainability Officer, with accountability for coordinating across business units and for regular reporting to the Board committees. The Committee is supported by sub-committees on Climate, Energy, and Equal Opportunity, and a working group on Extended Producer Responsibility (EPR) compliance, each operating under defined mandates aligned with Group policies.</p> <p>The SM Group Sustainability Office, led by Koleen Palaganas, operates under a formal mandate to develop group-wide sustainability standards and policies, build organizational capability, and support consistent implementation and reporting.</p> <p>At the business unit level, sustainability responsibilities are incorporated into the mandates of local sustainability offices, technical working groups, and relevant board or management committees, ensuring alignment with Group-level governance, risk management, and sustainability frameworks.</p>

Reference No.	Disclosure Description	SM Investments Disclosure/Direct Answer
	<p>(i) How the body(s) or individual(s) determine whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to sustainability-related risks and opportunities.</p>	<p>The Board of Directors, through the Corporate Governance and Sustainability Committee, determines the availability of appropriate skills and competencies through its Board nomination and screening process. Guided by company policies aligned with regulatory requirements and corporate governance best practices, the Committee pre-screens and assesses the qualifications and disqualifications of Board nominees before the annual stockholders' meeting, enabling the Board to evaluate its collective competencies, including those relevant to sustainability-related risks and opportunities. The governance framework for this process is set out in the Manual on Corporate Governance and the Corporate Governance and Sustainability Committee Charter, which are publicly available on the Company's website.</p> <p>Please refer to the following for further details:</p> <p>1) <i>Manual on Corporate Governance</i> - https://www.sminvestments.com/manual-on-corporate-governance-2025/</p> <p>2) <i>Corporate Governance and Sustainability Committee Charter</i> - https://www.sminvestments.com/wp-content/uploads/2024/12/SMIC-CGandSustainability-Committee-Charter_w.pdf</p> <p>3) <i>Skills Set Matrix of Directors</i> - https://www.sminvestments.com/board-and-management/</p>
	<p>(ii) How and how often the body(s) or individual(s) is informed about sustainability-related risks and opportunities</p>	<p>Every quarter, the SteerCom provides structured reports to the Executive Committee and the Corporate Governance and Sustainability Committee on the Group's progress against its roadmap for addressing sustainability-related risks and opportunities. Business-unit roadmaps address business-unit-specific risks, while a group-wide roadmap monitors identified group-wide risks, programs implemented, and impacts achieved, taking into account market and regulatory developments</p>
	<p>(iii) How the body(s) or individual(s) takes into account sustainability-related risks and opportunities when overseeing the entity's strategy, its decisions on major transactions and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities.</p>	<p>The SM Sustainability and Climate Risk Management Framework is aligned to ISO 31000 and COSO WBCSD ESG Framework. In 2024, the Group identified three sustainability-related risk and opportunity areas and determined which matters remain at the business-unit level and which are elevated for group-wide oversight.</p> <p>Sustainability-related risks and opportunities are incorporated into the enterprise risk management process; business decisions, capital allocation, and related policies, and are monitored at both the group and business unit levels. SM views adaptation and mitigation efforts as investments toward resiliency and not as trade-offs. Moving forward, we will look into measuring the social return on investments (SROI) of all our sustainability and resiliency program investments.</p>

Reference No.	Disclosure Description	SM Investments Disclosure/Direct Answer
	<p>(i) How the body(s) or individual(s) oversees the setting of targets related to sustainability-related risks and opportunities, and monitors progress towards those targets, including whether and how related performance metrics are included in remuneration policies.</p>	<p>The Corporate Governance and Sustainability Committee oversees the identification and approval of sustainability-related targets based on the Group’s risk exposure, strategic priorities and ability to generate long-term value, in accordance with the ESG Risk Management Framework associated with ISO 31000 and COSO WBCSD. The Group determines target-setting approaches based on its risk treatment categories: (i) follower (compliance), (ii) adopter (proactive alignment), (iii) champion (industry advocacy), and (iv) leader (placing ESG at the core of strategy). Upon the identification of our “target treatment” to a specific risk, programs are designed to address these risks. It is within these programs that quantitative targets are established.</p> <p>These are discussed in the Risk and Metrics section of our Sustainability Report. An example would be the EPR Target – our approach would be (1) follower/compliance. Given this strategy, we established quantitative targets aligned to mandated targets and timelines. Alternatively, for our materials management, our approach would be (iii) champion – industry advocacy. With this we invested in GUUN Materials Management at Php100million – which may also serve the group’s EPR requirements.</p> <p>Our program development, following our targeted approach, is aligned to global standards of PDME – Program Design, Monitoring and Evaluation, used to assess our efficiency, effectiveness, and impact.</p>
IFRS S1-27(b)	<p>Management’s role in the governance processes, controls and procedures used to monitor, manage and oversee sustainability-related risks and opportunities, including information about:</p> <p>(ii) Whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee.</p> <p>(iii) Whether management uses controls and procedures to support the oversight of sustainability-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions.</p>	<p>Each business unit has a designated sustainability office responsible for identifying, assessing and monitoring sustainability-related risks and opportunities.</p> <p>The SM Group Sustainability Office determines the risks to be elevated as group-wide risks, defines the response approach, and monitors progress across the business units.</p> <p>The SteerCom provides management oversight of sustainability-related risks and opportunities within the Group and regularly reports to the Executive Committee of the Board and the Corporate Governance and Sustainability Committee.</p> <p>The Group adheres to its Sustainability and Climate Risk Management Framework in accordance with ISO 31000 and COSO WBCSD in identifying, assessing, treating, and monitoring sustainability-related risks and opportunities. The SM Sustainability Office oversees the framework, collaborates with the business units, and integrates with Enterprise Risk Management (ERM) processes. Sustainability-related risks can be integrated into risk registers, target setting, performance monitoring, and reporting processes to ensure alignment with existing systems of internal control.</p>

Reference No.	Disclosure Description	SM Investments Disclosure/Direct Answer
Strategy		
<i>Sustainability-related risks and opportunities</i>		
IFRS S1-30(a)	Sustainability-related risks and opportunities that could reasonably be expected to affect the entity's prospects.	<p>The Group's sustainability-related risks and opportunities are concentrated in financial inclusion and entrepreneurship, green lifestyle shifts, and societal well-being and development.</p> <p>Please refer to SM Investments Corporation Sustainability Report 2025, pp. 19, 20.</p>
IFRS S1-30(b)	The time horizons—short, medium or long term—over which the effects of each of those sustainability-related risks and opportunities could reasonably be expected to occur.	<p>Our definition of short-term is 0 -3 years, medium-term is over 3 years to 7 years, and long-term is over 7 years. The time horizon is based on the cash conversion cycles of our various key businesses:</p> <ul style="list-style-type: none"> (i) Retail: up to 3 years (ii) Residential: ranges from 3 to 7 years (iii) Malls and Commercial and Integrated Property Development: over 7 years
IFRS S1-30(c)	The definitions of 'short term', 'medium term' and 'long term' and how these definitions are linked to the planning horizons used by the entity for strategic decision-making.	
<i>Business model and value chain</i>		
IFRS S1-32(a)	A description of the current and anticipated effects of sustainability-related risks and opportunities on the entity's business model and value chain.	<p>The Group's business model and value chain are affected by sustainability-related risks and opportunities across its core businesses, particularly in financial inclusion, green lifestyle shifts, and societal well-being and development.</p> <p>Please refer to SM Investments Corporation Sustainability Report 2025, pp. 16-18, 20, 21.</p>
IFRS S1-32(b)	A description of where in the entity's business model and value chain sustainability-related risks and opportunities are concentrated (for example, geographical areas, facilities, and types of assets).	<p>The sustainability-related risks are concentrated in three of the five topics (2 are climate-related) we identified to be material in our ability to create shared value:</p> <ol style="list-style-type: none"> 1. Financial Inclusion, Job and Entrepreneurship Creation (concentrated on our banks) <ul style="list-style-type: none"> a. Inclusive access to financial products and services b. Financial literacy c. Job creation d. Employee development, equal opportunity, and meritocracy 2. Green Options for Sustainable Lifestyle Shifts (focused on our retail business) <ul style="list-style-type: none"> a. Green product options for lifestyle shifts b. Customer Rights and Data Privacy 3. Societal Well-being and Development (through SM Foundation) <ul style="list-style-type: none"> a. Quality education to match the market b. Universal health care access

Reference No.	Disclosure Description	SM Investments Disclosure/Direct Answer
<i>Strategy and decision-making</i>		
IFRS S1-33(a)	How the entity has responded to, and plans to respond to, sustainability-related risks and opportunities in its strategy and decision-making.	<p>Our practical approach in identifying and addressing the sustainability-related risks and opportunities is integrated into the Group's decision-making processes and strategy.</p> <p>The sustainability-related risks and opportunities identified through the enterprise risk management and materiality assessment processes are evaluated using defined response strategies, which may include:</p> <ul style="list-style-type: none"> > Tolerate – accepting the risk where it aligns with strategic objectives and risk appetite; > Treat – implementing controls to reduce exposure or likelihood; > Terminate – discontinuing activities that pose unacceptable sustainability-related risk; > Transfer – sharing or transferring risk with another party <p>To ensure alignment with the Group's corporate objectives and its contribution to relevant national and global sustainability targets, the responses are incorporated into business plans, operational targets, and sustainability initiatives.</p> <p>The SM Sustainability Office, in coordination with the sustainability offices of each business unit, oversees the implementation of sustainability initiatives and monitors progress against identified sustainability-related risks and opportunities.</p> <p>Performance and risk responses are reviewed on a quarterly basis and reported to the SteerCom. Significant sustainability-related risks, issues, and progress updates are subsequently escalated by the SteerCom to the Executive Committee and the Corporate Governance and Sustainability Committee of the Board, which provides oversight and strategic direction on sustainability-related matters.</p>
IFRS S1-33(b)	The progress against plans the entity has disclosed in previous reporting periods, including quantitative and qualitative information.	<p>We adopted IFRS S1 and IFRS S2 reporting beginning with our 2024 report, ahead of the Philippine regulatory reporting timeline for listed companies (FY 2026, to be published in 2027). By 2026, we aim for a comprehensive baseline from which we report comparatives.</p> <p>The Group's reporting roadmap is as follows:</p> <ul style="list-style-type: none"> • 2024 Report (published in 2025): Initial IFRS S1 and IFRS S2 reporting • 2025 Report (current report published in 2026): Expanded scope of disclosure, particularly in facilities and SM Retail, Inc. • 2026 Report (to be published in 2027): Establishment of a comprehensive baseline with consistent scoping across indicators, which will serve as a basis for future comparative reporting; completion of an internal audit system is also targeted, aligned with the Philippine Securities and Exchange Commission timeline for publicly listed companies. • 2027 Report (to be published in 2028): Presentation of 2-year comparative information following consistent scoping, with external assurance for all listed SM Group companies • 2028 Report (to be published in 2029): Publication of qualified large-non-listed business units within the SM Group.

Reference No.	Disclosure Description	SM Investments Disclosure/Direct Answer
IFRS S1-33(c)	Trade-offs between sustainability-related risks and opportunities that the entity considered (for example, in making a decision on the location of new operations, an entity might have considered the environmental impacts of those operations and the employment opportunities they would create in a community).	<p>The Group undertakes a comprehensive evaluation of investment prospects, including financial, legal, and sustainability due diligence. Sustainability considerations and implications of every project are discussed extensively at the business unit level and the SM Investments Executive Committee meeting or Board of Directors' level, depending on the project size.</p> <p>To better integrate this at all levels of decision-making, the SM Group signed a partnership with the Department of Science and Technology (DOST) for the use of GeoRiskPH which allows the Group to issue a comprehensive analysis of climate and geo-risk for every asset, estimated financial risks – which allows the businesses to re-assess mitigation strategies at a facility level – this may include retrofitting or a total relocation of the facility.</p>
<i>Financial position, financial performance and cash flows</i>		
IFRS S1-34(a)	The effects of sustainability-related risks and opportunities on the entity's financial position, financial performance and cash flows for the reporting period (current financial effects).	<p>In 2025 and 2024, sustainability-related risks and opportunities affected the Group's financial position, financial performance and cash flows for the reporting period primarily through:</p> <ul style="list-style-type: none"> • resilient and sustainable capital expenditures – integrated property developments, expansion of renewable energy capacity, power and water usage efficiencies, reduction of carbon emissions, plastic and waste management; • sustainability-related compliance and operating costs; • cost savings from the above initiatives; • additional revenues from efficient operations of existing and new sustainable business ventures; • revenues from sustainability-aligned products and services; and, • financing activity linked to identified sustainability-related opportunities. <p>The principal affected line items were:</p> <ul style="list-style-type: none"> • Investment properties, • Property and equipment, • Investments in associate companies and joint ventures, • Interest-bearing debt, • Revenues, • Costs and expenses, and, • Cash flows – from operations, investing and financing.
IFRS S1-34(b)	The anticipated effects of sustainability-related risks and opportunities on the entity's financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how sustainability-related risks and opportunities are included in the entity's financial planning (anticipated financial effects).	<p>Using reasonable and supportable information available at the reporting date, Management assessed that separate quantification is not yet practicable because the effects are not separately identifiable from broader operating and capital allocation decisions, and/or because measurement uncertainty remains high. In those cases, the Group identified the line items most likely to be affected, namely:</p> <ul style="list-style-type: none"> • Investment properties, • Property and equipment, • Investments in associate companies and joint ventures, • Revenues, • Costs and expenses, and, • Net cash flows from operating, investing and financing activities.

Reference No.	Disclosure Description	SM Investments Disclosure/Direct Answer
		<p>Over the short, medium and long term, sustainability-related risks and opportunities are expected to affect the Group's financial position, financial performance and cash flows through capital expenditure, compliance and operating costs, efficiency savings, revenue opportunities, and related cash flow effects.</p> <p>With regard to our EPR compliance, we expect the annual cost of compliance to increase in the short term. As we continue with initiatives to reduce total plastic consumption across our businesses, we expect EPR compliance costs to moderate over the medium to long term, taking into account our retail footprint and recovery initiatives, subject to regulatory developments and actual recovery volumes.</p>
IFRS S1-35(a)	Quantitative and qualitative information about how sustainability-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period.	<p>Following are the sustainability-related risks and opportunities that are included in the SM Group's consolidated financial statements for 2025 and 2024 (referenced to SMIC's 2025 Audited Financial Statements):</p> <p><u>Consolidated Balance Sheets</u></p> <ul style="list-style-type: none"> • SM Prime's integrated property development projects which include lifestyle components (Note 15 - Investment Properties) <ul style="list-style-type: none"> ▪ Php829.0 billion in 2025 and Php748.6 billion in 2024 • SMIC investment in PGPC, engaged in steam production (Note 2 – Basis of Preparation, list of subsidiaries) <ul style="list-style-type: none"> ▪ Php27.9 billion in 2025 and in 2024 • SMIC investment in NEO which owns seven EDGE-certified office buildings (Note 15 – Investment Properties and Note 13 – Investment in Associate Companies and Joint Ventures) <ul style="list-style-type: none"> ▪ Php17.1 billion in 2025 and in 2024 • SMIC investment in CREIT which is engaged in exploration, development and utilization of energy resources with particular focus on solar and wind energy generation (Note 13 – Investment in Associate Companies and Joint Ventures) <ul style="list-style-type: none"> ▪ Php5.0 billion in 2025 and in 2024 • LEED-certified headquarters of SM Retail (Note 14 - Property and Equipment) <ul style="list-style-type: none"> ▪ Php3.5 billion in 2025 and in 2024 • SM Prime investment in GUUN which is engaged in recycling and repurposing of waste (Note 2 – Basis of Preparation, list of subsidiaries) <ul style="list-style-type: none"> ▪ Php0.1 billion in 2025 and in 2024 • SM Group investment in data privacy and security software (Note 14 – Property and Equipment) <ul style="list-style-type: none"> ▪ Php32 million in 2025 and Php35 million in 2024

Reference No.	Disclosure Description	SM Investments Disclosure/Direct Answer
		<p><u>Consolidated Statements of Income and Expenses</u></p> <ul style="list-style-type: none"> • Sales of products classified as promoting health and nutrition attributes, including products marketed as ‘Green Finds’ (Note 6 – Segment Information) <ul style="list-style-type: none"> ▪ Php64.6 billion in 2025 and Php56.0 billion in 2024 • Revenues generated from steam production (Note 22 – Other Revenues) <ul style="list-style-type: none"> ▪ Php4.4 billion in 2025 and Php5.7 billion in 2024 • Rental revenues from the EDGE-certified office buildings of NEO (Note 6 – Segment Information) <ul style="list-style-type: none"> ▪ Php2.3 billion in 2025 and Php2.1 billion in 2024 • Cost of insurance cover for risks to properties and equipment and comprehensive general liability (Note 23 – Costs and Expenses) <ul style="list-style-type: none"> ▪ Php1.2 billion in 2025 and in 2024 • Cost savings on electricity consumption with the switch to LED energy-efficient lighting system (Note 23 – Costs and Expenses) <ul style="list-style-type: none"> ▪ Php0.6 billion in 2025 (78 The SM Stores) and Php0.5 billion in 2024 (76 The SM Stores) • SMIC equity in the net income of CREIT (Note 6 – Segment Information) <ul style="list-style-type: none"> ▪ Php0.4 billion in 2025 and Php0.3 billion in 2024 • Cost of employee training (Note 23 – Costs and Expenses) <ul style="list-style-type: none"> ▪ Php95 million in 2025 and Php75 million in 2024 • Operating cost for plastic material management & compliance to the Philippine EPR (Note 23 – Costs and Expenses) <ul style="list-style-type: none"> ▪ Php13 million in 2025 and Php10 million in 2024 <p><u>Consolidated Statements of Cash Flows</u></p> <ul style="list-style-type: none"> • SM Prime’s CAPEX (estimated) for resiliency and sustainable design developments <ul style="list-style-type: none"> ▪ Php8.2 billion in 2025 and Php8.1 billion in 2024 • PGPC’s investments in equipment and projects to improve efficiency in operations <ul style="list-style-type: none"> ▪ Php1.1 billion in 2025 and Php1.8 billion in 2024 • 2GO’s acquisition of three energy-efficient vessels (balance of Php2.4 billion total acquisition cost) <ul style="list-style-type: none"> ▪ Nil in 2025 and Php1.2 billion in 2024 • SM Group investment in data privacy and security software <ul style="list-style-type: none"> ▪ Php9 million in 2025 and Php3 million in 2024 <p>Management has not separately quantified the financial effects attributable solely to reductions in GHG emissions or plastics recycled for the year because those effects are not separately identifiable from broader operating and capital allocation decisions, and in some cases measurement uncertainty remains high.</p> <p>This is discussed in the SM Investments Corporation Sustainability Report 2025, pp. 16-18, where we indicate the financial value corresponding to each of our material topics.</p>

Reference No.	Disclosure Description	SM Investments Disclosure/Direct Answer
IFRS S1-35(b)	Quantitative and qualitative information about the sustainability-related risks and opportunities identified in paragraph 35(a) for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements.	<p>Management assessed whether the sustainability-related risks and opportunities identified under IFRS S1-35(a) could give rise to a significant risk of material adjustment to the carrying amounts of assets and liabilities within the next annual reporting period.</p> <p>No such significant risk was identified.</p>
IFRS S1-35(c)	Quantitative and qualitative information about how the entity expects its financial position to change over the short, medium and long term, given its strategy to manage sustainability-related risks and opportunities, taking into consideration:	Given its strategy to address sustainability-related risks and opportunities, the Group expects its financial position to change over the short, medium and long term through capital expenditure for initiatives to reduce power and water consumption, carbon emissions, plastic use and waste generation, as well as through investments in more efficient operations and sustainable business activities. These changes are expected to affect the Group's asset base and capital allocation over time.
	(i) Its investment and disposal plans (for example, plans for capital expenditure, major acquisitions and divestments, joint ventures, business transformation, innovation, new business areas, and asset retirements), including plans the entity is not contractually committed to.	As at the reporting date, the Group does not have firm or contractually committed plans for major sustainability-related acquisitions, divestments, joint ventures, new business areas or asset retirements that would materially affect its financial position, other than the capital expenditure and investment activities described above.
	(ii) Its planned sources of funding to implement its strategy.	The Group's planned sources of funding to implement its strategy primarily come from internally generated cash flows and borrowings from financial institutions and capital markets.
IFRS S1-35(d)	Quantitative and qualitative information about how the entity expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage sustainability-related risks and opportunities.	<p>Given its strategy to address sustainability-related risks and opportunities, the Group expects its financial performance and cash flows to change through:</p> <ul style="list-style-type: none"> • capital expenditure for initiatives to reduce power and water consumption, carbon emissions, plastic and waste management, • cost savings from initiatives to address sustainability concerns, and, • potential revenue growth from efficient operations of existing and new sustainable business ventures.
<i>Resilience</i>		
IFRS S1-41	A qualitative and, if applicable, quantitative assessment of the resilience of its strategy and business model in relation to its sustainability-related risks, including information about how the assessment was carried out and its time horizon.	<p>Resilience and sustainability are central to how we create long-term value. Sustainability-related risks are fully embedded in our enterprise risk management framework, enabling systematic identification, assessment, and management of environmental, social and governance risks alongside financial and strategic considerations.</p> <p>We consider several key areas in assessing the Group's resilience, including the exposure of assets and operations to sustainability-related impacts, technology innovation adoption, such as digital platforms and artificial intelligence, and improving the organizational capabilities through stakeholder engagements and capacity building. The Group continues to invest in green technologies, sustainable building designs, and circular materials management, while aligning disclosures with global sustainability standards.</p>

Reference No.	Disclosure Description	SM Investments Disclosure/Direct Answer
Risk Management		
IFRS S1-44(a)	The processes and related policies the entity uses to identify, assess, prioritize, and monitor sustainability-related risks, including information about:	
	(i) The inputs and parameters the entity uses (for example, information about data sources and the scope of operations covered in the processes).	<p>The Group identifies sustainability-related risks and opportunities using relevant SASB standards and industry-specific sustainability indicators.</p> <p>Please refer to SM Investments Corporation Sustainability Report 2025, pp. 16, 18, 45-47.</p>
	(ii) Whether and how the entity uses scenario analysis to inform its identification of sustainability-related risks.	The Group considers global megatrends, the Philippine sustainability agenda, and the SM Sustainability agenda to identify sustainability-related risks and opportunities across its value chain. Further information can be found in the SM Investments Corporation Sustainability Report 2025, pp. 16, 18.
	(iii) How the entity assesses the nature, likelihood, and magnitude of the effects of those risks (for example, whether the entity considers qualitative factors, quantitative thresholds or other criteria).	We have put in place our Sustainability and Climate Risk Management Policy and Principles, serving as the guidelines on how we navigate through unexpected occurrences, which we seek and which we reduce or outright avoid. We also established an overarching sustainability policy supported with a sustainability management system, which serves as the guiding principles in developing strategies. Supporting details are discussed in Sustainability Governance and Implementing Rules and Regulations for Sustainability Policy and Management System.
	(iv) Whether and how the entity prioritises sustainability-related risks relative to other types of risk.	Please refer to the SM Group Sustainability and Climate Risk Management Framework, discussing the risks we seek and avoid.
	(v) How the entity monitors sustainability-related risks.	Monitoring of sustainability-related risks is coordinated by the SM Sustainability Office, guided by the Sustainability and Climate Risk Management Framework, which provides the structure for tracking identified sustainability-related risks, reviewing mitigation actions, and monitoring progress across each business unit.
	(vi) Whether and how the entity has changed the processes it uses compared with the previous reporting period.	There are no changes in our processes.

Reference No.	Disclosure Description	SM Investments Disclosure/Direct Answer
IFRS S1-44(b)	The processes the entity uses to identify, assess, prioritise, and monitor sustainability-related opportunities.	The Group identifies, assesses, prioritizes, and monitors sustainability-related opportunities through structured sustainability oversight, business unit coordination, and integration with the enterprise risk management function. Opportunities identified through materiality, strategy, and risk management processes are evaluated for their relevance to the Group's business model, value creation priorities, and strategic objectives.
IFRS S1-44(c)	The extent to which, and how, the processes for identifying, assessing, prioritising, and monitoring sustainability-related risks and opportunities are integrated into and inform the entity's overall risk management process.	
Metrics and Targets		
IFRS S1-46(a)	Metrics required by an applicable IFRS Sustainability Disclosure Standard for each sustainability-related risk and opportunity that could reasonably be expected to affect the entity's prospects.	<p>To determine the metrics and targets used to monitor the sustainability-related risks and opportunities, the Group applies its Sustainability and Climate Risk Management Framework. Under this framework, the Group determines its response approach according to the nature of the risk and the intended level of action:</p> <ul style="list-style-type: none"> • Follower: This means that any program we develop, the quantitative and qualitative targets, will follow government-mandated timelines and targets. • Adopter: This means that any program we develop would create strategies to align with global trends or an association we sign up with. • Champion: The programs designed to address this risk would aim for industry best practices or even technological innovations. • Leader: The programs developed to address such risk would include a comprehensive integration in business plans, or even pivoting current business models. <p>Based on this approach, the Group identifies relevant metrics, program-level targets, and monitoring indicators for its material sustainability-related risks and opportunities. These are disclosed in the Risk and Metrics section of the Sustainability Report and include, where applicable, regulatory metrics and targets, such as the Group's Extended Producer Responsibility (EPR) compliance targets (which our risk treatment is to be a follower), as well as other relevant indicators aligned with the Philippine Energy Plan, SASB industry-specific metrics, transition to low-carbon economy, and resilience-related initiatives.</p>
IFRS S1-46(b)	Metrics the entity uses to measure and monitor that sustainability-related risk or opportunity and its performance in relation to that sustainability-related risk or opportunity, including progress towards any targets the entity has set, and any targets it is required to meet by law or regulation.	<p>In relation to EPR compliance under Philippine regulation, the Group has set the following targets:</p> <p>20% plastic waste recovery by 2023:</p> <ul style="list-style-type: none"> • Php 6.8 million (cost of plastic credits purchased to comply with 20% plastics packaging recovery target for Reporting Year 2023, excluding cost paid by Goldilocks and ScanAsia)

Reference No.	Disclosure Description	SM Investments Disclosure/Direct Answer
		<p>40% plastic waste recovery by 2024:</p> <ul style="list-style-type: none"> • Php 12 million (cost of plastic credits purchased to comply with 40% plastics packaging recovery target for Reporting Year 2024) <p>50 % plastic waste recovery by 2025:</p> <ul style="list-style-type: none"> • Php 15.8 million (cost of plastic credits purchased by the Group to comply with 50% plastics packaging recovery target for Reporting Year 2025) <p>60% plastic waste recovery by 2026</p> <p>70% plastic waste recovery by 2027</p> <p>80% plastic waste diversion by 2028 and beyond</p> <p>The Group established an EPR Working Group to report on the Group’s plastic footprint, which includes flexible and rigid plastics. The EPR Working Group conducts plastic inventory and measurement, and monitors plastic recovery and waste diversion. The Group’s reported plastic footprint is then subject to a third-party EPR audit.</p>
IFRS S1-51(a)	The metric used to set the target and to monitor progress towards reaching the target.	
IFRS S1-51(b)	The specific quantitative or qualitative target the entity has set or is required to meet.	
IFRS S1-51(c)	The period over which the target applies.	
IFRS S1-51(d)	The base period from which progress is measured.	
IFRS S1-51(e)	Any milestones and interim targets.	
IFRS S1-51(f)	Performance against each target and an analysis of trends or changes in the entity’s performance.	
IFRS S1-51(g)	Any revisions to the target and an explanation for those revisions.	The Group has not made any revisions to the target during this reporting period.

ISSB's IFRS S2 Climate-related Disclosures Content Index for SM Investments' Sustainability Report 2025

This content index is based on the International Sustainability Standards Board (ISSB)'s IFRS S2 Climate-related Disclosures. Relevant information can be found in SM Investments Corporation's corporate reports, including the Integrated Report and the Sustainability Report 2025.

Reference No.	Disclosure Description	SM Investments Disclosure/Direct Answer	ESRS Reference
Governance			
IFRS S2-6(a)	The governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate-related risks and opportunities, including information about:		ESRS 2.22(a)
	(i) How responsibilities for climate-related risks and opportunities are reflected in the terms of reference, mandates, role descriptions and other related policies applicable to that body(s) or individual(s).	<p>At the Board level, oversight is jointly exercised by the Board Executive Committee, chaired by Teresita Sy-Coson, and the Corporate Governance and Sustainability Committee, chaired by Amando Tetangco, Jr., which holds equal responsibility for sustainability and climate-related matters. Following the approval on Aug. 7, 2024, to integrate sustainability oversight into the Corporate Governance Committee, the Committee's terms of reference were updated to explicitly include oversight of sustainability strategy, sustainability- and climate-related risks and opportunities, relevant policies, and performance monitoring. These responsibilities are embedded within Board governance processes to ensure sustainability considerations are integrated into strategic direction and risk oversight.</p> <p>At the management level, the SteerCom provides the highest level of management oversight. Its charter defines responsibility for implementing Board-approved sustainability strategies and overseeing the identification, assessment, and management of sustainability- and climate-related risks and opportunities across the Group. The Committee is chaired by Timothy Daniels, who serves as the Group's Chief Sustainability Officer, with accountability for coordinating across business units and for regular reporting to the Board committees. The Committee is supported by sub-committees on Climate, Energy, and Equal Opportunity, and a working group on Extended Producer Responsibility (EPR) compliance, each operating under defined mandates aligned with Group policies.</p> <p>The SM Group Sustainability Office, led by Koleen Palaganas, operates under a formal mandate to develop group-wide sustainability standards and policies, build organizational capability, and support consistent implementation and reporting.</p> <p>At the business unit level, sustainability responsibilities are incorporated into the mandates of local sustainability offices, technical working groups, and relevant board or management committees, ensuring alignment with Group-level governance, risk management, and sustainability frameworks.</p>	ESRS 2.22(b)

Reference No.	Disclosure Description	SM Investments Disclosure/Direct Answer	ESRS Reference
	<p>(i) How the body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to climate-related risks and opportunities.</p>	<p>The Board of Directors, through the Corporate Governance and Sustainability Committee, determines the availability of appropriate skills and competencies through its Board nomination and screening process. Guided by company policies aligned with regulatory requirements and corporate governance best practices, the Committee pre-screens and assesses the qualifications and disqualifications of Board nominees before the annual stockholders' meeting, enabling the Board to evaluate its collective competencies, including those relevant to climate-related risks and opportunities. The governance framework for this process is set out in the Manual on Corporate Governance and the Corporate Governance and Sustainability Committee Charter, which are publicly available on the Company's website.</p> <p>Please refer to the following for further details:</p> <p>1) <i>Manual on Corporate Governance</i> - https://www.sminvestments.com/manual-on-corporate-governance-2025/</p> <p>2) <i>Corporate Governance and Sustainability Committee Charter</i> - https://www.sminvestments.com/wp-content/uploads/2024/12/SMIC-CGandSustainability-Committee-Charter_w.pdf</p> <p>3) <i>Skills Set Matrix of Directors</i> - https://www.sminvestments.com/board-and-management/</p>	ESRS 2.23
	<p>(ii) How and how often the body(s) or individual(s) is informed about climate-related risks and opportunities.</p>	<p>The Climate Sub-Committee meets quarterly to track each business unit's progress on its respective climate action plans.</p> <p>For 2025, these were some of the BU updates:</p> <ul style="list-style-type: none"> • In line with its 40th anniversary, SM Malls has installed one of the largest rooftop solar PV (photovoltaic) systems on a commercial building – SM Fairview. That is a bold move toward their Net Zero by 2040 target. This underscores the power of renewable energy to drive real change. • Additionally, Carmen Copper, the operating subsidiary of Atlas Mining, has started operating the country's first megawatt-scale floating solar facility in Toledo City, Cebu. That installation covers three hectares of the Malubog Reservoir and has enough generating capacity to support 10% of the copper mine's energy needs • Our energy arm, Philippine Geothermal Production Company, Inc. (PGPC), continually focuses on expanding initiatives in geothermal energy • BDO has raised P115 billion from its latest offering of peso-denominated sustainability bonds, which can fund projects for climate mitigation and adaptation • We report these climate-related updates to the SteerCom, which, in turn, provides a quarterly report to the Executive Committee and the Corporate Governance and Sustainability Committee and updates on the Group's progress toward its roadmap to address climate-related risks and opportunities. 	ESRS 2.26(a)

Reference No.	Disclosure Description	SM Investments Disclosure/Direct Answer	ESRS Reference
	<p>(i) How the body(s) or individual(s) takes into account climate- related risks and opportunities when overseeing the entity’s strategy, its decisions on major transactions and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities.</p>	<p>Based on TCFD assessments conducted at the business unit level, the SM Group Sustainability Office consolidates and evaluates climate-related risks and opportunities at the Group level. These are incorporated into the Sustainability and Climate Risk Management Framework, which is aligned to ISO 31000 and COSO WBCSD ESG Framework.</p> <p>Climate-related risks and opportunities are incorporated into the enterprise risk management process; business decisions, capital allocation, and related policies are monitored at both the group and business unit levels. SM views adaptation and mitigation efforts as investments toward resiliency, rather than trade-offs. Moving forward, we will look into measuring the social return on investment (SROI) of all our sustainability and resiliency program investments.</p>	<p>ESRS 2.26(b)</p>
	<p>(ii) How the body(s) or individual(s) oversees the setting of targets related to climate-related risks and opportunities and monitors progress towards those targets, including whether and how related performance metrics are included in remuneration policies.</p>	<p>The oversight and management of setting targets are as follows:</p> <ol style="list-style-type: none"> 1. At the Business Unit Level - once the TCFD is complete, plans and targets are made operationally at the business level and are reported to the SM Group Climate Sub-Committee for trends and analysis. 2. At the Group Level - aggregated risks identified at the group level undergo analysis of risk treatment and risk targets. Specific targets are then made such as the GHG Management Plan from which key contributors are given percentage reduction targets to achieve the group-wide objective. 3. SM Group Steering Committee Level - the group-wide strategy for Climate Action is then presented to the SteerCom which in turn reports to the two Board Committees with sustainability and climate oversight. Following the Sustainability- and Climate-Related Risk Management Framework aligned with ISO31000 and COSO WBCSD, treatment of risks and target levels are identified: follower – compliant, adopter – proactively embraces new standards, champion – advocate for industry and leader – places Sustainability- and Climate-Related as core to strategy, based on where we can create the most impact given our resources and unique position. <p>Following the TCFD framework, we assessed our businesses following 4 scenarios: RCP 8.5, NDC, 2 degrees, and Net Zero. We used these assessments to develop an adaptation and resiliency plan as part of the business continuity plan, and also assessed our GHG emissions as part of a mitigation plan and contribution to the group-wide GHG Management plan.</p> <p>This is managed directly by the SM Group Sustainability Office and reports progress to the Climate Sub-Committee, the SteerCom, and the Board Committees: Corporate Governance and Sustainability, and the Executive Committee on a quarterly basis. Risk Management responsibilities alongside the SM Governance and Risk management team is also itemized in the Sustainability- and Climate-Related Risk Management Framework.</p> <p>We practice meritocracy. With sustainability being part of our strategy, remuneration linked to sustainability performance is embedded in our overall business performance metrics and rewards.</p>	<p>ESRS 2.22(d) ESRS 2.29(b)–(c) ESRS E1.13 ESRS 1.124</p>

Reference No.	Disclosure Description	SM Investments Disclosure/Direct Answer	ESRS Reference
IFRS S2-6(b)	Management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities, including information about:		ESRS 2.22(c)
	(i) Whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee.	At a business unit management level, the responsibility for monitoring climate-related risks is with the Head of the Business Unit Sustainability office. The said Head typically works with a Business Unit Sustainability Technical Working Group. The said Head also coordinates with the Climate Sub-Committee, which has direct oversight on TCFD implementation, while the Energy Management Committee serves as the coordinating body for energy efficiency and renewable energy plans at the Business Unit Level. The SM Sustainability Office serves as the coordinating body to report to the SteerCom which provides management oversight for sustainability and climate-related risks and opportunities.	ESRS 2.22(c)(i)
	(ii) Whether management uses controls and procedures to support the oversight of climate-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions.	The Group adheres to its Sustainability and Climate Risk Management Framework in accordance with ISO 31000 and COSO WBCSD in identifying, assessing, treating, and monitoring sustainability-related risks and opportunities. The SM Sustainability Office oversees the framework, collaborates with the business units, and integrates with ERM processes. Climate -related risks can be integrated into risk registers, target setting, performance monitoring, and reporting processes to ensure alignment with existing systems of internal control.	ESRS 2.22(c)(iii)
Strategy			
IFRS S2-9(a)	The climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects.	<p>The Group identifies both physical risks (e.g., extreme weather events, flooding, sea level rise, heat stress) and transition risks (e.g., evolving regulations such as RA 11285 and RA 11898, energy market reforms), which may affect its operations.</p> <p>The Group is also pursuing climate-related opportunities in energy efficiency, renewable energy, sustainable financing, and circular economy practices. These include expansion of solar and geothermal energy projects and participation in the Retail Aggregation Program (RAP) to access renewable energy.</p> <p>The risks and opportunities are assessed through WWF's Corporates for a Better Planet Initiative (CBPI) and site-level tools such as GeoRiskPH, and are incorporated into business planning and strategy.</p>	
IFRS S2-9(b)	The current and anticipated effects of those climate-related risks and opportunities on the entity's business model and value chain.	<p>Climate-related risks and opportunities affect the Group's business model and value chain across property, retail, banking, and portfolio investments. Physical risks may impact asset resilience, operations and supply chains, while transition risks affect regulatory compliance, energy sourcing and operating costs.</p> <p>Findings from the WWF-CBPI assessment highlight key exposures, including energy-intensive retail operations, climate-sensitive supply chains and real estate asset vulnerability.</p>	

Reference No.	Disclosure Description	SM Investments Disclosure/Direct Answer	ESRS Reference
IFRS S2-9(c)	The effects of those climate-related risks and opportunities on the entity's strategy and decision-making, including information about its climate-related transition plan.	The Group's transition approach includes investments in renewable energy, energy efficiency, circular resource management, and resilient infrastructure, as well as sustainable financing initiatives. Strategic planning considers risk assessments and resilience measures in asset development and operations. The Group has set a target of up to 40% cumulative GHG emissions reduction by 2040 (baseline year 2019).	
IFRS S2-9(d)	The effects of those climate-related risks and opportunities on the entity's financial position, financial performance and cash flows for the reporting period, and their anticipated effects on the entity's financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how those climate-related risks and opportunities have been factored into the entity's financial planning.	<p>For the effects of climate-related risks and opportunities on the Group's financial position, financial performance and cash flows for the reporting period, please refer to IFRS S2-15(a).</p> <p>Using reasonable and supportable information available at the reporting date, Management assessed that separate quantification of certain anticipated climate-related financial effects is not yet practicable because those effects are not separately identifiable from broader operating and capital allocation decisions, and in some cases measurement uncertainty remains high. In those cases, the Group identified the line items most likely to be affected, as disclosed in IFRS S2-15(b).</p> <p>Over the short, medium and long term, climate-related risks and opportunities are expected to affect the Group's financial position, financial performance and cash flows through climate adaptation and resilience expenditures, investments in energy efficiency and renewable energy, climate-related compliance and insurance costs, efficiency savings, climate-related revenue opportunities, and related operating, investing and financing cash flow effects.</p> <p>The short-term effects are reflected in approved operating budgets, capital expenditure budgets and related funding plans for the following year.</p>	
IFRS S2-9(e)	The climate resilience of the entity's strategy and its business model to climate-related changes, developments, and uncertainties, taking into consideration the entity's identified climate-related risks and opportunities.	<p>Considering physical and transition climate risks, the Group assesses the resilience of its strategy and business model to climate-related risks and uncertainties through its Sustainability and Climate Risk Management Framework and business continuity planning processes.</p> <p>Adaptation and mitigation strategies, including investments in renewable energy, energy efficiency, and climate-resilient infrastructure, support the Group's climate resilience. The adaptation strategy based on the scenario analysis is incorporated in the business continuity plan, while the mitigation strategy based on the GHG assessment is incorporated in the group-wide GHG management plan with set reduction targets.</p> <p>The Group implements business continuity plans (including ISO 22301-certified facilities), resilient infrastructure design, and green buildings standards such as LEED to address physical risks. These actions support business continuity and protect asset value under changing climate conditions.</p>	

Reference No.	Disclosure Description	SM Investments Disclosure/Direct Answer	ESRS Reference
<i>Climate-related risks and opportunities</i>			
IFRS S2-10(a)	Climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects.	The Group identified climate-related opportunities in renewable energy, sustainable finance, and lower-carbon operations, supported by PGPC and the sustainable energy finance portfolios of its banks.	ESRS 2.48(a)
IFRS S2-10(b)	For each climate-related risk the entity has identified, whether the entity considers the risk to be a climate-related physical risk or a climate-related transition risk.	The Group classifies identified climate-related risks as either physical or transition risks. GeoRiskPH is used to assess physical risk at the facility level and inform actions such as retrofitting or relocation.	ESRS E1.18
IFRS S2-10(c)	For each climate-related risk and opportunity the entity has identified, over which time horizons—short, medium or long term—the effects of each climate-related risk and opportunity could reasonably be expected to occur.	Our definition of short term is 0 -3 years, Medium Term is over 3 years to 7 years and Long Term is over 7 years. The time horizon is based on the cash conversion cycles of our various key businesses: (i) Retail: up to 3 years (ii) Residential: ranges from 3 to 7 years (iii) Malls and Commercial and Integrated Property Development: over 7 years	ESRS 2.48(e)
IFRS S2-10(d)	How the entity defines 'short term', 'medium term' and 'long term' and how these definitions are linked to the planning horizons used by the entity for strategic decision-making.		ESRS 1.77(a)–(c) ESRS 1.78 ESRS 1.80 ESRS E1.AR11(b) ESRS 2.9(a)–(b)
<i>Business model and value chain</i>			
IFRS S2-13(a)	A description of the current and anticipated effects of climate-related risks and opportunities on the entity's business model and value chain.	The Group's businesses and value chain are affected by climate-related risks and opportunities, particularly its integrated lifestyle cities, retail operations, banking activities, and supply chains. The physical risks, including flooding, typhoons, water level rise, and heat stress, may impact asset resilience, infrastructure integrity, and business continuity, mostly in property and mall operations. CBPI assessments further identify high exposure of retail formats to energy use and extreme weather disruptions, and supply chain vulnerabilities in food-related businesses due to dependence on climate-sensitive agricultural inputs. To address these risks, the Group embeds renewable energy, energy efficiency, and climate-resilient design into its core business model. A key component of this strategy is the allocation of 10% of SM Prime's annual capital expenditure (CAPEX) toward integrating sustainable and resilient features across its property portfolio.	ESRS 2.48(b)
IFRS S2-13(b)	A description of where in the entity's business model and value chain climate-related risks and opportunities are concentrated (for example, geographical areas, facilities and types of assets).	The concentration of the climate-related risks and opportunities is primarily in our malls and SM brands operating as tenants in the Group's malls. Risks are concentrated in owned and operated assets, tenant-dependent operations, and supply chains supporting mall activities, where business continuity depends on the resilience of physical infrastructure and surrounding communities.	ESRS 2.48(a)

Reference No.	Disclosure Description	SM Investments Disclosure/Direct Answer	ESRS Reference
<i>Strategy and decision-making</i>			
IFRS S2-14(a)	How the entity has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the entity plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation, including the information about:		
	(i) Current and anticipated changes to the entity's business model, including its resource allocation, to address climate-related risks and opportunities (for example, these changes could include plans to manage or decommission carbon-, energy- or water-intensive operations; resource allocations resulting from demand or supply-chain changes; resource allocations arising from business development through capital expenditure or additional expenditure on research and development; and acquisitions or divestments).	<p>Climate-related risks and opportunities are informed by CBPI assessments, which identify business unit-specific exposures such as energy-intensive retail operations, climate-sensitive supply chains, and real estate asset vulnerability to extreme weather and transition risks.</p> <p>These insights are translated into risk response strategies (tolerate, treat, terminate, transfer) and incorporated into business plans, capital allocation, and operational targets, including investments in renewable energy, energy efficiency, climate-resilient infrastructure, and supply chain resilience.</p> <p>For example, insights from SM Retail highlight the concentration of emissions in energy-intensive formats, driving investments in energy efficiency and renewable energy sourcing. In Goldilocks, exposure to agricultural supply chain risks informs initiatives to strengthen supply chain resilience and sourcing strategies. In NEO, transition risks from stricter emissions targets in the buildings sector support investment in low-carbon building design and operational improvements.</p>	ESRS 2.47 ESRS 2.48(b) ESRS E1.AR8(b)
	(ii) Current and anticipated direct mitigation and adaptation efforts (for example, through changes in production processes or equipment, relocation of facilities, workforce adjustments, and changes in product specifications).	<p>The Group's mitigation strategy centers on accelerating its transition to renewable energy and optimizing energy performance across its portfolio.</p> <p>Our adaptation framework—comprising climate-resilient design, business continuity planning, and operational safeguards—directly addresses the Group's identified physical risks.</p> <p>Moreover, the SM Group signed a partnership with DOST to utilize GeoRiskPH, which allows the Group to issue a comprehensive analysis of climate and geo-risk for every asset, estimated financial risks.</p>	ESRS 2.68(b) ESRS E1.26 ESRS E1.28 ESRS E1.AR31
	(iii) Current and anticipated indirect mitigation and adaptation efforts (for example, through working with customers and supply chains).	The Group addresses indirect climate-related mitigation and adaptation across its value chain through engagement with customers, tenants, suppliers, MSME partners, and financing clients. As energy is the Group's largest source of GHG emissions, its shift to renewable energy also benefits tenants and other value chain participants. A key transition risk identified is the limited availability of renewable energy sources, which may affect energy costs, compliance requirements, and progress toward lower-carbon operations. In response, the Group promotes renewable energy adoption, circularity initiatives, sustainable product offerings, and sustainable finance solutions.	ESRS 2.68(b) ESRS E1.26 ESRS E1.28 ESRS E1.AR31

Reference No.	Disclosure Description	SM Investments Disclosure/Direct Answer	ESRS Reference
	<p>(iv) Any climate-related transition plan the entity has, including information about key assumptions used in developing its transition plan, and dependencies on which the entity's transition plan relies.</p> <p>(v) How the entity plans to achieve any climate-related targets, including any greenhouse gas emissions targets.</p>	<p>The transition plan depends on the availability and accessibility of renewable energy supply, continued development of enabling technologies, and evolving regulatory frameworks, including potential carbon pricing and emissions-related requirements.</p> <p>The SM Group has an SM GHG Management Plan, which identifies key emission sources across major business units, including from SM Prime, SM Retail, Atlas Mining, and 2GO, representing 95% of the Group's GHG emissions.</p> <p>Each business unit has established operational initiatives to reduce emissions, including energy efficiency improvements, increased use of renewable energy, and process and operational optimization.</p> <p>These efforts support the Group's target to reduce up to 40% of the total Scope 1 and 2 GHG emissions by 2040, using 2019 as the baseline year. We are embarking on a micro-analysis of our energy intensities across industries to develop a detailed roadmap towards GHG management and energy efficiency standards.</p>	<p>ESRS E1.14 ESRS E1.16(a)–(i) ESRS E1.AR2–AR5 ESRS 2.69(a)–(b)</p> <p>ESRS 2.68(a)–(e) ESRS 2.69(a)–(c) ESRS E1.26–27</p>
IFRS S2-14(b)	How the entity is resourcing, and plans to resource, the activities disclosed in accordance with 14(a).	<p>The Group resources its climate-related initiatives through a combination of internally generated cash flows, capital expenditure allocations, and strategic financing and investments.</p> <p>To ensure climate-related initiatives, including risk mitigation, energy efficiency, renewable energy, and resilience measures, are adequately capitalized, the Group integrates these priorities in its operational and capital planning process.</p> <p>To drive implementation, the Group maintains dedicated personnel and structured governance, working in collaboration with government and industry stakeholders to meet compliance standards and advance shared climate goals.</p>	ESRS 2.69(a)–(c) ESRS E1.26
IFRS S2-14(c)	Quantitative and qualitative information about the progress of plans disclosed in previous reporting periods in accordance with paragraph 14(a).	<p>We adopted IFRS S1 and IFRS S2 reporting beginning with our 2024 report, ahead of the Philippine regulatory reporting timeline for listed companies (FY 2026, to be published in 2027). By 2026, we aim for a comprehensive baseline from which we report comparatives.</p> <p>The Group's reporting roadmap is as follows:</p> <ul style="list-style-type: none"> • 2024 Report (published in 2025): Initial IFRS S1 and IFRS S2 reporting • 2025 Report (current report published in 2026): Expanded scope of disclosure, particularly in facilities and some business units in SM Retail, Inc. • 2026 Report (to be published in 2027): Establishment of a comprehensive baseline with consistent scoping across indicators, which will serve as a basis for future comparative reporting; completion of an internal audit system is also targeted, aligned with the Philippine Securities and Exchange Commission timeline for publicly listed companies. 	ESRS E1.16(j) ESRS 2.68(e)

Reference No.	Disclosure Description	SM Investments Disclosure/Direct Answer	ESRS Reference
		<ul style="list-style-type: none"> • 2027 Report (to be published in 2028): Presentation of 2-year comparative information following consistent scoping, with external assurance for all listed SM Group companies • 2028 Report (to be published in 2029): Publication of qualified large-non-listed business units within the SM Group. 	
<i>Financial position, financial performance and cash flows</i>			
IFRS S2-15(a)	The effects of climate-related risks and opportunities on the entity's financial position, financial performance and cash flows for the reporting period (current financial effects)	<p>Included in our 2025 and 2024 consolidated balance sheets are climate-related investments and expenditures associated with resilient design, energy efficiency, renewable energy, logistics modernization and other climate-related initiatives, reflected in the relevant asset, investment and liability accounts in the financial statements.</p> <p>Included in our 2025 and 2024 consolidated statements of income and expenses are climate-related operating costs, compliance costs, insurance-related costs, efficiency savings and revenues associated with climate-related opportunities.</p> <p>Included in our 2025 and 2024 consolidated statements of cash flows are capital expenditures, investments and related financing cash flows associated with climate-related mitigation, adaptation and resilience initiatives.</p> <p>The principal affected line items are identified in IFRS S1-34(a), to the extent those items relate to climate-related risks and opportunities.</p>	ESRS 2.48(d)
IFRS S2-15(b)	The anticipated effects of climate-related risks and opportunities on the entity's financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how climate-related risks and opportunities are included in the entity's financial planning (anticipated financial effects).	<p>Using reasonable and supportable information available at the reporting date, Management assessed that separate quantification of certain anticipated climate-related financial effects is not yet practicable because those effects are not separately identifiable from broader operating and capital allocation decisions, and in some cases measurement uncertainty remains high. In those cases, the Group identified the line items most likely to be affected, namely:</p> <ul style="list-style-type: none"> • Investment properties, • Property and equipment, • Investments in associate companies and joint ventures, • Revenues, • Costs and expenses, and, • Net cash flows from operations, investing and financing activities. <p>Over the short, medium and long term, climate-related risks and opportunities are expected to affect the Group's financial position, financial performance and cash flows through climate adaptation and resilience expenditures, investments in energy efficiency and renewable energy, climate-related compliance and insurance costs, efficiency savings, climate-related revenue opportunities, and related operating, investing and financing cash flow effects.</p>	ESRS 2.48(e)

Reference No.	Disclosure Description	SM Investments Disclosure/Direct Answer	ESRS Reference
IFRS S2-16(a)	How climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period.	The principal climate-related risks and opportunities that affected the Group in 2025 and 2024 were associated with energy use and efficiency, renewable energy, climate resilience and adaptation, logistics efficiency, and climate-related financing and investment opportunities. These affected the Group's financial position, financial performance and cash flows for the reporting period through the line items identified in IFRS S2-15(a).	ESRS 2.48(d) ESRS Annex II, Table 2 (Terms defined in the ESRS): current financial effects
IFRS S2-16(b)	The climate-related risks and opportunities identified in paragraph 16(a) for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements.	<p>Management assessed whether the climate-related risks and opportunities identified in IFRS S2-16(a) could give rise to a significant risk of material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the audited financial statements.</p> <p>Based on that assessment, no such significant risk was identified. This assessment considered the carrying amounts of Investment properties, Property and equipment, Investments in associate companies and joint ventures, Goodwill, Receivables and inventories, related assumptions and the potential effects of climate-related developments over the next annual reporting period.</p>	ESRS 2.48(d)
IFRS S2-16(c)	How the entity expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities, taking into consideration:		
	(i) Its investment and disposal plans (for example, plans for capital expenditure, major acquisitions and divestments, joint ventures, business transformation, innovation, new business areas, and asset retirements), including plans the entity is not contractually committed to.	<p>Given its strategy to manage climate-related risks and opportunities, the Group expects its financial position to change over the short, medium and long term through additional investments in climate adaptation and resilience, energy efficiency, renewable energy, emissions reduction initiatives and related climate-opportunity activities. These changes are expected to affect the Group's asset base and capital allocation over time.</p> <p>As at the reporting date, the Group does not have firm or contractually committed plans for major climate-related acquisitions, divestments, joint ventures, new business areas or asset retirements that would materially affect financial position, other than the capital expenditure and investment activities described above.</p>	ESRS 2.48(e)
	(ii) Its planned sources of funding to implement its strategy	The Group's planned sources of funding to implement its climate strategy primarily come from internally generated cash flows and borrowings from financial institutions and capital markets.	
IFRS S2-16(d)	How the entity expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities (for example, increased revenue from products and services aligned with a lower-carbon economy; costs arising from physical damage to assets from climate events; and expenses associated with climate adaptation or mitigation).	Given its strategy to manage climate-related risks and opportunities, the Group expects its financial performance and cash flows to change over the short, medium and long term through additional operating and compliance costs associated with climate mitigation, adaptation and resilience measures; capital expenditure and investment cash outflows for renewable energy, energy efficiency, resilient infrastructure and related climate-response initiatives; efficiency savings from reduced power, fuel and resource consumption; potential revenue growth from products, services and financing activities aligned with climate-related opportunities; and related funding and financing cash flow effects associated with implementing the Group's climate strategy.	

Reference No.	Disclosure Description	SM Investments Disclosure/Direct Answer	ESRS Reference
Climate Resilience			
IFRS S2-22(a)	The entity's assessment of its climate resilience as at the reporting date, including the information about:		ESRS E1.19
	(i) The implications, if any, of the entity's assessment for its strategy and business model, including how the entity would need to respond to the effects identified in the climate-related scenario analysis.	Given our geographic location, our assessment indicates that stronger typhoons, extreme heat, intense rainfall, flooding, and rising water levels may increasingly affect asset resilience, infrastructure integrity, business continuity, energy costs, and compliance requirements. These findings inform the Group's resilience strategy, including the use of DOST GeoRiskPH for facility-level hazard analysis, integration of results into Business Continuity Plans, and allocation of CAPEX toward resilience and sustainability measures, including retrofitting, resilient design, and operational safeguards.	ESRS E1.19(c) ESRS E1.AR8
	(ii) The significant areas of uncertainty considered in the entity's assessment of its climate resilience.	The Group's assessment considers uncertainties relating to the severity and frequency of extreme weather events, flooding, heat stress, rising water levels, regulatory developments, energy transition costs, technology availability, and renewable energy supply. These uncertainties are addressed through facility-level hazard analysis and integration into resilience and business continuity planning.	ESRS E1.19(c) ESRS E1.AR8(a)
	(iii) The entity's capacity to adjust or adapt its strategy and business model to climate change over the short, medium and long term, including:	The Group's capacity to adapt is supported by site-specific risk assessments, Business Continuity Planning, and capital allocation decisions across its operations. For major assets, the Group prioritizes resilient design, retrofitting, and operational safeguards, while for standalone facilities, it applies facility-level hazard analysis to determine appropriate resilience measures. These assessments are integrated into financial planning and CAPEX allocation to support climate resilience investments over the short, medium, and long term.	ESRS E1.19(c) ESRS E1.AR8(b)
	(1) The availability of, and flexibility in, the entity's existing financial resources to respond to the effects identified in the climate-related scenario analysis, including to address climate-related risks and to take advantage of climate-related opportunities		
(2) The entity's ability to redeploy, repurpose, upgrade or decommission existing assets.			
(3) The effect of the entity's current and planned investments in climate-related mitigation, adaptation and opportunities for climate resilience.			

Reference No.	Disclosure Description	SM Investments Disclosure/Direct Answer	ESRS Reference
IFRS S2-22(b)	How and when the climate-related scenario analysis was carried out, including the information about:		
	(i) The inputs the entity used, including:		ESRS E1.19(a)–(c) ESRS E1.AR13(d)
	(1) Which climate-related scenarios the entity used for the analysis and the sources of those scenarios.	We carried out our climate-related scenario analysis during 2023-2025 as part of the WWF-CBPI assessment process. We identified four scenarios in our exercise: Net Zero 2050, 2 Degree Scenario (2DS), Nationally Determined Contribution (NDC), Business as Usual / RCP 8.5. These scenarios were based on the International Energy Agency (IEA) projections, the scenarios drawn up by the Intergovernmental Panel on Climate Change (IPCC) and the Philippines' NDC contribution in accordance with the Decision of the Conference of the Parties of the United Nations Framework Convention on Climate Change (UNFCCC).	ESRS E1.AR13(a)
	(2) Whether the analysis included a diverse range of climate-related scenarios.	The scenario analysis included a diverse range of climate-related scenarios to capture a broad range of possible transition and physical climate outcomes and support the assessment of potential risks and opportunities.	ESRS E1.21 ESRS E1.AR11(d) ESRS E1.AR12(c)
	(3) Whether the climate-related scenarios used for the analysis are associated with climate-related transition risks or climate-related physical risks.	The scenarios considered both transition and physical climate risks, enabling the Group to assess potential impacts arising from policy, market, and technology developments as well as geospatial and asset-level exposure to physical climate hazards.	ESRS E1.21 ESRS E1.AR11(d) ESRS E1.AR12(c)
	(4) Whether the entity used, among its scenarios, a climate-related scenario aligned with the latest international agreement on climate change.	The Group included an NDC-based scenario aligned with the Philippines' Nationally Determined Contribution under the Paris Agreement, as well as RCP 8.5 to assess resilience under a higher physical risk pathway. These scenarios support the assessment of both transition and physical climate risks relevant to the Group's operations.	ESRS E1.20(c)(i) ESRS E1.AR12(c)
	(5) Why the entity decided that its chosen climate-related scenarios are relevant to assessing its resilience to climate-related changes, developments or uncertainties.	We specifically included a scenario based on NDC. We feel that this is the scenario most appropriate to support national development objectives, prioritizing sustainable industrial development, including a shift to more climate and disaster-resilient, low-carbon socio-economic sectors.	ESRS E1.AR13(b)
	(6) The time horizons the entity used in the analysis	Varying climate scenarios cover early-future (2025) and mid-future (2035-2065). Time horizon is based on the first batch of the scenario analysis study conducted by WWF-CBPI.	ESRS E1.AR13(b) ESRS E1.AR7(b)
(7) What scope of operations the entity used in the analysis (for example, the operating locations and business units used in the analysis).	The initial scenario analysis covered 2GO, PGPC, SM Prime, and Airspeed, followed by a second batch covering SM Retail, Goldilocks, and NEO.	ESRS E1.19(a) ESRS E1.AR13(d) ESRS E1.AR6	

Reference No.	Disclosure Description	SM Investments Disclosure/Direct Answer	ESRS Reference
	(ii) The key assumptions the entity made in the analysis, including assumptions about:		ESRS E1.AR13(c)-(d)
	(1) Climate-related policies in the jurisdictions in which the entity operates.	We looked at various laws and regulations currently pending or implemented in the Philippines. This is especially important for identifying transition risks as a lower-carbon economy entails undergoing extensive policy and legal changes. Transition risks depend on the nature, speed, and focus of these changes and may expose us to varying levels of financial and reputational risks.	
	(2) Macroeconomic trends.	<p>Various uncertainties brought by macroeconomic trends could affect a pathway such as the one of the four scenarios we have identified: Net Zero Emission (NZE) scenario. NZE relies on (1) the accessibility to available technologies and emissions reduction options which rely on costs, technology maturity, policy regulations, as well as market and country conditions (2) the collective effort of all countries to achieve net zero emissions, which takes into account the different stages of development per country; and (3) the orderly transition in the energy sector. Country conditions, too, may also affect mitigation efforts.</p> <p>National documents such as Ambisyon Natin 2040 and the Philippine Energy Plan were also referenced to reflect the current situation of the Philippines within the industry and to identify key stakeholders such as national regulatory bodies, private entities, environmental organizations, and industry associations.</p>	
	(3) National- or regional-level variables (for example, local weather patterns, demographics, land use, infrastructure and availability of natural resources).	We analyzed our future near-term risks and opportunities using localized data from PAGASA's Climate Extremes Report 2020 and tools such as HazardHunterPH1 and EasyXDI to determine flood susceptibility. These are based on available regional data from PAGASA report and so we are able to attain a certain granularity of location assessment in terms of physical risks.	
	(4) Energy usage and mix.	The analysis considered available information on energy usage and the power mix, including data from relevant Department of Energy sources.	
	(5) Developments in technology.	We looked at sources such as articles, online journals and international development programs similar to those funded by the European Union Horizon 2020 Program, the European Commission Joint Research Centre, the United Nations Conference on Trade and Development to help scope current and future policy, market, technology, and resiliency developments in the industry on a global scale.	
	(iii) The reporting period in which the climate-related scenario analysis was carried out.	The climate-related scenario analysis was carried out during 2023, 2024, and 2025.	

Reference No.	Disclosure Description	SM Investments Disclosure/Direct Answer	ESRS Reference
Risk Management			
IFRS S2-25(a)	The processes and related policies the entity uses to identify, assess, prioritize and monitor climate-related risks, including information about:		ESRS E1.20 ESRS E1.22 ESRS E1.23 ESRS E1.24
	(i) The inputs and parameters the entity uses (for example, information about data sources and the scope of operations covered in the processes).	Our initial scenario analysis study covered 2GO, PGPC, SM Prime and Airspeed. The second batch consisted of SM Retail, Goldilocks and NEO. This helped assess our climate-related vulnerabilities and opportunities and recommend ways on how to consider these in the businesses' overall strategic planning. We also analyzed the risks and opportunities associated with their respective sectors taken from previous research, and learnings from similar companies abroad made available through open access journal articles, news and project reports. We also looked at current industry practices and public documents to situate business units' standing across the different scenarios relative to local conditions. To ensure secondary data used were still relevant to the industry in the present day, datasets used were those from credible sources and dated no earlier than 2018.	ESRS 2.53(g)
	(ii) Whether and how the entity uses climate-related scenario analysis to inform its identification of climate-related risks.	Business units have instituted numerous safeguards and processes in resiliency plans that are continuously updated by their technical teams, included in the annual budget, and reported annually to their regulators. These business continuity plans are site-specific for some units to integrate the identified climate risks for a facility. For others, the BCP is operations-specific, as in the case of Airspeed, where they assess how extreme heat impacts their operations through risks associated with the health, safety, and productivity of their employees. In the case of Goldilocks, their BCP recommendations are more aligned to transition risks as volatility in global food and energy markets, combined with land use constraints from climate regulation, adds further layers to their business risk.	ESRS E1.21
	(iii) How the entity assesses the nature, likelihood and magnitude of the effects of those risks (for example, whether the entity considers qualitative factors, quantitative thresholds or other criteria).	Companies have their own risk management teams and climate risks are integrated into the universal risk register and assessed in the same manner as the other risks, in terms of likelihood/probability and magnitude/impact. SM Prime, for instance, does qualitative analysis based on a comprehensive review of available literature using the most recent data. These provide a narrative per scenario selected that can then feed into their top-level strategic planning and risk management, and provide the foundation for future, more rigorous quantitative analysis and modelling. Risks are initially identified for the real estate sector in the Philippines, then screened against SM Prime's integrated report for further applicability. The final identified risks are ranked on a scale of low, medium, and high risk for assumed severity of outcomes of each climate scenario for the years 2025 and 2035 based on an internal risk ranking criterion.	ESRS 2.53(c)(ii)

Reference No.	Disclosure Description	SM Investments Disclosure/Direct Answer	ESRS Reference
	(iv) Whether and how the entity prioritizes climate-related risks relative to other types of risk.	<p>For PGPC, they quantify the extent to which the projected effects of climate scenarios may affect their facilities, and they have invested significant financial resources to mitigate the impact of flooding and above-normal rainfall on their geothermal facilities (for example, riprap construction on slopes and runoffs, spillway enhancements, debris catcher installations, regular repairs of pipe supports, canals and drainage upgrades).</p> <p>In NEO, early future findings in the scenario analysis exercises were cross-checked further with local climate risk tools such as HazardHunterPH, using the “Flood” and “Ground Shaking” hazard indicators for stationary assets. The findings aid in optimizing NEO’s mitigation plan for climate-related physical risks as well as increase operational efficiency by reducing fuel costs and carbon emissions. The findings would also be maximized by integrating them into the internal organization’s Risk Management program to help inform its business decisions.</p>	ESRS 2.53(c)(iii)
	(v) How the entity monitors climate-related risks.	Each business unit evaluates climate-related risks through dedicated climate sub-committees within its Sustainability Technical Working Groups. These sub-committees assess climate action plans and other climate-related matters, which are then reviewed and discussed at a higher level by the Climate Working Group Committee, which is composed of different Heads of Sustainability and Executives of the Group.	ESRS 2.53(e) ESRS 2.53(c) ESRS 2.65(a)
	(vi) Whether and how the entity has changed the processes it uses compared with the previous reporting period.	<p>As output of the scenario analysis study, consideration of warehouse structure resiliency in future facility expansion projects has been raised in Airspeed. Further evaluation of investments in structural upgrades to mitigate flooding susceptibility has also been identified for the major facilities of 2GO.</p> <p>PGPC also began considering aligning to Taskforce on Nature-related Financial Disclosures (TNFD) and a possible nature-related target, which may be more material given its operational boundaries.</p>	ESRS 2.53(h)
IFRS S2-25(b)	The processes the entity uses to identify, assess, prioritize and monitor climate-related opportunities, including information about whether and how the entity uses climate-related scenario analysis to inform its identification of climate-related opportunities.	<p>The same process for risk identification is applied in looking out for climate-related opportunities. There is an initial qualitative analysis based on a comprehensive review of related literature and this is discussed in the climate/sustainability committee, which then feeds into management planning. The climate-related opportunities are then screened for applicability in our business units’ respective sectors.</p> <p>For instance, climate-related opportunities abound for SM Prime. Their scenario analysis study has highlighted that Prime is well poised to capture the significant opportunities present in a low-carbon transition through strong mitigation efforts while simultaneously continuing its resilience and adaptation efforts in order to mitigate significant climate-related risks that pose negative financial implications.</p>	ESRS 2.53(c) ESRS E1.20(c) ESRS E1.65(a) ESRS E1.19(b)–(c) ESRS E1.24

Reference No.	Disclosure Description	SM Investments Disclosure/Direct Answer	ESRS Reference
		Following a prior recommendation to assess risks at the site level, executives from Sustainability and Risk completed a training program on the DOST GeoRiskPH platform. This strengthens how the Group assesses location-specific hazards and climate risks across its diverse businesses. The platform is a suite of online tools designed to identify location-specific vulnerabilities and strengthen resilience against climate change and natural hazards. Ultimately, what we want to build is a climate risk database that will help in our investment decisions (e.g., site selection thresholds and retrofits).	
IFRS S2-25(c)	The extent to which, and how, the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into and inform the entity's overall risk management process.	Companies have their own risk management teams, and climate risks are progressively integrated into the overall risk management framework and assessed in the same manner as the other risks: likelihood/probability and magnitude/impact. These are given risk ratings, and equivalent controls are planned in order to mitigate the risks. Each business unit is also encouraged to develop its respective ESG risk management processes and documentation.	ESRS 2.53(e)–(f)
Metrics and Targets			
<i>Climate-related metrics</i>			
IFRS S2-29(a)	Information relevant to the cross-industry metric categories of greenhouse gases, including:		
	(i) Absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tonnes of CO2 equivalent, classified as:		
	(1) Scope 1 greenhouse gas emissions.	Please refer to SM Investments Corporation Sustainability Report 2025, p. 44.	ESRS E1.44(a)–(b)
	(2) Scope 2 greenhouse gas emissions.		
	(3) Scope 3 greenhouse gas emissions.		ESRS E1.44(c)
	(ii) Measure its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) unless required by a jurisdictional authority or an exchange on which the entity is listed to use a different method for measuring its greenhouse gas emissions.	Emissions were calculated following the operational control approach of the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard (2004).	ESRS 1.62 ESRS E1.AR39(a)
(iii) The approach used to measure greenhouse gas emissions, including:			
(1) The measurement approach, inputs and assumptions the entity uses to measure its greenhouse gas emissions.	The Group measures its GHG emissions using the operational control approach under the GHG Protocol Corporate Accounting and Reporting Standard. Emissions are calculated using activity data from facilities and operations under the Group's operational control, including fuel consumption, purchased electricity, and refrigerants, together with applicable emission factors and global warming potential assumptions. Emission factors used in the calculations of GHG emissions were from the GHG Cross-Sector Tool (March 2024) and the Global Warming Potential (GWP) values based on the IPCC Sixth Assessment Report (AR6).		

Reference No.	Disclosure Description	SM Investments Disclosure/Direct Answer	ESRS Reference
	(2) The reason why the entity has chosen the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emissions.	We selected the operational control approach because it aligns with the Group's management structure and supports consistent monitoring, target-setting and performance management across operations.	
	(3) Any changes the entity made to the measurement approach, inputs and assumptions during the reporting period and the reasons for those changes.	Any material changes to the measurement approach, inputs and assumptions or emission factors used are disclosed in the methodology notes found in SM Investments Corporation Sustainability Report 2025, p. 45.	
	(iv) For Scope 1 and Scope 2 greenhouse gas emissions disclosed in accordance with paragraph 29(a)(i)(1)–(2), disaggregate emissions between:		
	(1) The consolidated accounting group.	Please refer to SM Investments Corporation Sustainability Report 2025, p. 44.	
	(2) Other investees excluded from paragraph 29(a)(iv)(1) (for example, for an entity applying IFRS Accounting Standards, these investees would include associates, joint ventures and unconsolidated subsidiaries).	Certain business units of our Retail Affiliates were not yet included due to the unavailability of relevant data. We established a target consistent scoping of businesses by 2026, for 2027 publication.	
	(v) Location-based Scope 2 greenhouse gas emissions, and the information about any contractual instruments that is necessary to inform users' understanding of the entity's Scope 2 greenhouse gas emissions.	<p>The Group reports Scope 2 greenhouse gas emissions using both the location-based and market-based methods, in accordance with the GHG Protocol Scope 2 Guidance. Under the location-based method, the emissions are calculated using the 2019-2021 National Grid Emission Factors from the Philippine Department of Energy, which reflect the average emission intensity of the national electricity grid. Under the market-based method, emissions are calculated using the emission factors provided by the electricity suppliers through Retail Competition and Open Access (RCOA), Green Energy Option Program (GEOP), as well as Renewable Energy Certificates (RECs), where applicable.</p> <p>The electricity generated and consumed from on-site solar energy systems is assumed to have zero direct emissions, as well as electricity generated from geothermal sources.</p>	ESRS E1.49
	(vi) For Scope 3 greenhouse gas emissions disclosed in accordance with paragraph 29(a)(i)(3), and with reference to paragraphs B32–B57:		
	(1) The categories included within the entity's measure of Scope 3 greenhouse gas emissions, in accordance with the Scope 3 categories described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011).	<p>The categories included in our measurement of the Group's Scope 3 emissions are:</p> <ul style="list-style-type: none"> • Category 8: Upstream leased assets • Category 13: Downstream leased assets 	ESRS E1.51

Reference No.	Disclosure Description	SM Investments Disclosure/Direct Answer	ESRS Reference
	(2) Additional information about the entity's Category 15 greenhouse gas emissions or those associated with its investments (financed emissions), if the entity's activities include asset management, commercial banking or insurance.	A detailed discussion on financed emissions is provided in the disclosure of our banking business.	ESRS 1.131(b) ESRS E1.AR46(b)
IFRS S2-29(b)	Climate-related transition risks—the amount and percentage of assets or business activities vulnerable to climate-related transition risks.	We are in Phase 2 of a three-phase TCFD analyses covering selected business units (2Go, Airspeed, PGPC, SM Retail, NEO, and Goldilocks), representing more than half of total facilities. Preliminary results indicate exposure to climate-related transition risks driven by policy and regulatory changes, evolving market preferences, technological shifts, and potential carbon-related costs. These risks primarily affect energy-intensive operations and activities reliant on conventional fuel sources. The quantification of the amount and percentage of assets or business activities vulnerable to transition risks remains in progress and will be determined upon completion of the full assessment.	ESRS E1.67(a) and (e)
IFRS S2-29(c)	Climate-related physical risks—the amount and percentage of assets or business activities vulnerable to climate-related physical risks.	Climate-related scenario analyses have been conducted for selected business units (2Go, Airspeed, PGPC, SM Retail, NEO, and Goldilocks). Initial assessments identify exposure to physical risks such as typhoons, flooding, extreme rainfall, and heat stress, which may affect asset integrity and business continuity. These risks are more pronounced for assets located in low-lying and typhoon-prone areas. Exposure varies by location, with some assets facing moderate risk and others low risk depending on site-specific conditions. The quantification of the amount and percentage of assets or business activities vulnerable to physical risks remains ongoing and will be finalized upon completion of the full assessment.	ESRS E1.66(a) and (d)
IFRS S2-29(d)	Climate-related opportunities—the amount and percentage of assets or business activities aligned with climate-related opportunities.	Based on TCFD analyses covering selected business units (2Go, Airspeed, PGPC, SM Retail, NEO, and Goldilocks), climate-related opportunities are identified in renewable energy, energy efficiency, and climate-resilient infrastructure. Alignment is driven mainly by PGPC's geothermal operations and ongoing initiatives such as renewable energy adoption and efficiency measures across retail and logistics. The amount and percentage of assets or business activities aligned with these opportunities remain under assessment and will be refined upon completion of the full assessment.	ESRS E1.64(c)
IFRS S2-29(e)	Capital deployment—the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities.	The Group tracks capital expenditure, financing and investment deployed toward climate-related risks and opportunities through the categories identified in IFRS S1-35(a). We are still working on the appropriate controls and processes to put together the consolidated Group-wide amount for 2025.	ESRS E1.16(c) and (e)–(f) ESRS E1.AR4
IFRS S2-29(f)	Internal carbon prices, including the information about:	As at the reporting date the Group does not currently implement internal carbon pricing. As of the reporting period, the Philippine government has not yet established national carbon pricing regulations. The Group continues to monitor regulatory developments and ongoing policy discussions related to carbon pricing and emissions trading.	ESRS E1.62 ESRS E1.63(a) and (c)
	(i) An explanation of whether and how the entity is applying a carbon price in decision-making (for example, investment decisions, transfer pricing and scenario analysis).		
	(ii) The price for each metric tonne of greenhouse gas emissions the entity uses to assess the costs of its greenhouse gas emissions.		

Reference No.	Disclosure Description	SM Investments Disclosure/Direct Answer	ESRS Reference
IFRS S2-29(g)	Remuneration, including the information about:	The Group adopts a meritocratic approach in which sustainability and climate-related considerations are integrated into executive performance evaluation and remuneration frameworks. Remuneration linked to sustainability performance is incorporated into the Group's broader business performance metrics and reward systems. At present, climate-related considerations are embedded within broader sustainability and business performance metrics and are not assigned a separate fixed percentage of executive remuneration.	ESRS 2.29(c) ESRS E1.13
	(i) A description of whether and how climate-related considerations are factored into executive remuneration (see also paragraph 6(a)(v)).		
	(ii) The percentage of executive management remuneration recognized in the current period that is linked to climate-related considerations.		ESRS E1.13
<i>Climate-related targets</i>			
IFRS S2-33(a)	The metric used to set the target.	The Group uses electricity and fuel consumption as key metrics in setting its climate-related targets. The Group's operational program strategies and optimization initiatives are focused on managing these resources, as they are the primary drivers of the Group's Scope 1 and Scope 2 greenhouse gas emissions and therefore contribute significantly to potential emissions reductions.	ESRS 2.79(a)
IFRS S2-33(b)	The objective of the target (for example, mitigation, adaptation or conformance with science-based initiatives).	The objective of the target is climate change mitigation through the reduction of GHG emissions, supported by energy efficiency, renewable energy adoption, and other decarbonization initiatives across the Group.	ESRS 2.80(a) ESRS E1.33
IFRS S2-33(c)	The part of the entity to which the target applies (for example, whether the target applies to the entity in its entirety or only a part of the entity, such as a specific business unit or specific geographical region).	The target applies at the Group level, covering the core businesses and portfolio investments, unless a target is specifically defined for an individual business unit.	ESRS 2.80(c)
IFRS S2-33(d)	The period over which the target applies.	The Group has announced a target to reduce Scope 1 and Scope 2 GHG emissions by up to 40% by 2040, through energy efficiency measures and the adoption of renewable energy sources.	ESRS 2.80(e) ESRS E1.34(d)
IFRS S2-33(e)	The base period from which progress is measured.	The progress toward the Group's emissions reduction target is measured against the 2019 baseline year.	ESRS 2.80(d) ESRS E1.34(c) ESRS E1.AR25
IFRS S2-33(f)	Any milestones and interim targets.	In the near term, the Group is focused on emissions reduction initiatives in areas where it has the highest degree of control. These include energy optimization (including digitalization efforts and chiller upgrades), increased use of purchased renewable energy through programs such as the Green Energy Option Program and Retail Competition Open Access, expansion of solar rooftop solutions, and a shift toward a more carbon-neutral fleet where feasible. The Group is also developing a dashboard to track GHG reduction efforts across business units, supporting accountability and monitoring of progress.	ESRS 2.80(e)

Reference No.	Disclosure Description	SM Investments Disclosure/Direct Answer	ESRS Reference
IFRS S2-33(g)	If the target is quantitative, whether it is an absolute target or an intensity target.	The target is an absolute greenhouse gas emissions reduction target. The Group's current GHG management plan covers Scope 1 and Scope 2 emissions, which are the emissions sources the Group can currently measure and manage most accurately.	ESRS 2.80(b) ESRS E1.34(a) ESRS E1.AR23
IFRS S2-33(h)	How the latest international agreement on climate change, including jurisdictional commitments that arise from that agreement, has informed the target.	The Group's target is informed by the global transition to a lower-carbon economy, including international climate commitments and evolving local regulatory and market expectations. The Group has adopted a practical emissions reduction target that can be operationalized across business units through measures within its current degree of control. At the same time, business units may adopt more specific frameworks where these are more material to their operations. For example, in 2025, PGPC adopted the TNFD framework for its corporate disclosure reports, following WWF's recommendation to pursue a Science-Based Target for Nature, which is considered more material given PGPC's operational boundaries.	ESRS 2.80(f) ESRS E1.34(e)
IFRS S2-34(a)	Whether the target and the methodology for setting the target has been validated by a third party.	Our targets and methodology for setting our climate-related targets have not been validated by a third party.	ESRS E1.34(e)
IFRS S2-34(b)	The entity's processes for reviewing the target.	The Group reviews its climate-related targets through the Climate Sub-Committee and the SteerCom, which meet on a quarterly basis. Given board visibility over the target, the Group is developing a dashboard to track GHG reduction efforts across business units, which will support ongoing monitoring, accountability, and alignment. The results of these reviews are reported to the Board Executive Committee and the Corporate Governance and Sustainability Committee, which provide oversight and approve any necessary adjustments to targets or related strategies to ensure alignment with the Group's business strategy and climate objectives.	ESRS 2.80(j)
IFRS S2-34(c)	The metrics used to monitor progress towards reaching the target.	Progress towards the Group's GHG emission reduction target is monitored using energy consumption and equivalent GHG emissions across operations, including fuel consumption, purchased electricity and refrigerants. These metrics support the tracking of emissions reduction performance and the effectiveness of energy efficiency and renewable energy initiatives. Further details are disclosed in the SM Investments Corporation Sustainability Report 2025, pp. 42-44.	ESRS 2.80(j)
IFRS S2-34(d)	Any revisions to the target and an explanation for those revisions	The Group has not made any revisions to the target during this reporting period.	ESRS 2.80(i)
IFRS S2-35	An entity shall disclose information about its performance against each climate-related target and an analysis of trends or changes in the entity's performance.	The Group monitors performance against its climate-related targets using energy consumption and greenhouse gas emissions data, together with business unit roadmaps and operational decarbonization initiatives. Please refer to SM Investments Corporation Sustainability Report 2025, pp. 42-44.	ESRS 2.80(j)

Reference No.	Disclosure Description	SM Investments Disclosure/Direct Answer	ESRS Reference
IFRS S2-36(a)	Which greenhouse gases are covered by the target.	The greenhouse gases covered by the target are carbon dioxide (CO ₂), methane (CH ₄), nitrous oxide (N ₂ O), hydrofluorocarbons (HFC), chlorofluorocarbons (CFC), and hydrochlorofluorocarbons (HCFC).	ESRS E1.34(b) ESRS E1.AR24
IFRS S2-36(b)	Whether Scope 1, Scope 2 or Scope 3 greenhouse gas emissions are covered by the target.	Our current GHG reduction target covers Scope 1 and Scope 2 emissions.	ESRS E1.34(b) ESRS E1.AR24
IFRS S2-36(c)	Whether the target is a gross greenhouse gas emissions target or net greenhouse gas emissions target. If the entity discloses a net greenhouse gas emissions target, the entity is also required to separately disclose its associated gross greenhouse gas emissions target.	The Group's target is expressed as a gross greenhouse gas emissions target.	
IFRS S2-36(d)	Whether the target was derived using a sectoral decarbonization approach.	Our target was not derived using a sectoral decarbonization approach at the Group level. However, SM Prime Holdings, Inc., the Group's property business, applies a sector-specific decarbonization approach relevant to the real estate sector in support of its own climate strategy.	ESRS E1.34(e)
IFRS S2-36(e)	The entity's planned use of carbon credits to offset greenhouse gas emissions to achieve any net greenhouse gas emissions target, including the information about:	The Group's primary focus is on direct emissions reduction through operational efficiency, renewable energy adoption, and other decarbonization measures. The potential role of carbon credits in achieving future climate targets has not yet been determined.	
	(i) The extent to which, and how, achieving any net greenhouse gas emissions target relies on the use of carbon credits.		ESRS E1.59(b) ESRS E1.61
	(ii) Which third-party scheme(s) will verify or certify the carbon credits.		ESRS E1.59(a)–(b) ESRS E1.61(c) ESRS E1.AR62(c) ESRS Annex II, Table 2 (Terms defined in the ESRS): carbon credit
	(iii) The type of carbon credit, including whether the underlying offset will be nature-based or based on technological carbon removals, and whether the underlying offset is achieved through carbon reduction or removal.		ESRS E1.AR57(b) ESRS E1.AR62(b)

Reference No.	Disclosure Description	SM Investments Disclosure/Direct Answer	ESRS Reference
	(iv) Any other factors necessary for users of general-purpose financial reports to understand the credibility and integrity of the carbon credits the entity plans to use (for example, assumptions regarding the permanence of the carbon offset).		ESRS E1.61(c)
IFRS S2-37	In identifying and disclosing the metrics used to set and monitor progress towards reaching a target described in paragraphs 33-34, an entity shall refer to and consider the applicability of cross-industry metrics and industry-based metrics, including those described in applicable IFRS Sustainability Disclosure Standard, or metrics that otherwise satisfy the requirements in IFRS S1.	The Group uses relevant cross-industry climate metrics, including Scope 1 and Scope 2 greenhouse gas emissions, fuel consumption, and purchased electricity consumption, to set and monitor progress toward its climate-related targets. These metrics are measured in accordance with the Group's GHG accounting methodology and are used to assess performance against the Group's emissions reduction target and the effectiveness of energy efficiency and renewable energy initiatives across business units.	ESRS 1.131(b)

GRI Context Index

SM Investments Corporation has reported with reference to the GRI Standards for the period January 1 to December 31, 2025.

GRI STANDARD	Disclosure	Page Number(s), Direct Answer, URLs, or Reason for omission
General disclosures		
GRI 2: General Disclosures 2021	The organization and its reporting practices	
	2-1 Organizational details	SM Investments Corporation
	2-2 Entities included in the organization's sustainability reporting	SM Investments Corporation Integrated Report 2025, p. 64
	2-3 Reporting period, frequency and contact point	January 1- December 31, 2025 Annual
	2-4 Restatements of information	SM Investments Corporation Sustainability Report 2025, pp. 42, 43, 44, 47 Restatement of Social Sustainability Data, p. 66; Restatement of Environmental Data, pp. 69-70
	2-5 External assurance	No external assurance
	Activities and workers	
	2-6 Activities, value chain and other business relationships	SM Investments Corporation Integrated Report 2025, pp. 3, 6, 7, 64
	2-7 Employees	SM Investments Corporation Sustainability Report 2025, p. 46
	2-8 Workers who are not employees	Social Sustainability Data, p. 63
	Governance	
	2-9 Governance structure and composition	SM Investments Corporation Integrated Report 2025, pp. 30-35
	2-10 Nomination and selection of the highest governance body	SM Investments Corporation Integrated Report 2025, pp. 38-39
	2-11 Chair of the highest governance body	SM Investments Corporation Integrated Report 2025, p. 30; SM Investments Corporation Sustainability Report 2025, p. 4
	2-12 Role of the highest governance body in overseeing the management of impacts	SM Investments Corporation Sustainability Report 2025, pp. 4-9
	2-13 Delegation of responsibility for managing impacts	SM Investments Corporation Integrated Report 2025, pp. 15-25
	2-14 Role of the highest governance body in sustainability reporting	SM Investments Corporation Sustainability Report 2025, p. 48
	2-15 Conflicts of interest	SM Investments Corporation Integrated Report 2025, p. 40
	2-16 Communication of critical concerns	SM Investments Corporation Integrated Report 2025, p. 45
2-17 Collective knowledge of the highest governance body	SM Investments Corporation Integrated Report 2025, pp. 32-35	
2-18 Evaluation of the performance of the highest governance body	SM Investments Corporation Integrated Report 2025, p. 39	
2-19 Remuneration policies	SM Investments Corporation Integrated Report 2025, p. 45	

GRI STANDARD	Disclosure	Page Number(s), Direct Answer, URLs, or Reason for omission
	2-20 Process to determine remuneration	SM Investments Corporation Integrated Report 2025, p. 45
	2-21 Annual total compensation ratio	We do not disclose this matter due to confidentiality constraints. We only disclose the compensation of the president and the four most highly compensated executive officers, and all other officers and directors.
	Strategy, policies and practices	
	2-22 Statement on sustainable development strategy	SM Investments Corporation Sustainability Report 2025, p. 5
	2-23 Policy commitments	SM Investments Corporation Sustainability Report 2025, p. 15
	2-24 Embedding policy commitments	SM Investments Corporation Sustainability Report 2025, pp. 16-37
	2-25 Processes to remediate negative impacts	SM Investments Corporation Sustainability Report 2025, pp. 16-37
	2-26 Mechanisms for seeking advice and raising concerns	SM Investments Corporation Integrated Report 2025, p. 45
	2-27 Compliance with laws and regulations	There were no material instances of non-compliance with laws and regulations in this context during the year.
	2-28 Membership associations	SM Investments Corporation Integrated Report 2025, p. 63
	Stakeholder Engagement	
	2-29 Approach to stakeholder engagement	SM Investments Corporation Sustainability Report 2025, pp. 15-16
	2-30 Collective bargaining agreements	Social Sustainability Data, p. 65
Material topics		
GRI 3: Material Topics 2021	Disclosure on material topics	
	3-1 Process to determine material topics	SM Investments Corporation Sustainability Report 2025, pp. 15-16
	3-2 List of material topics	SM Investments Corporation Sustainability Report 2025, pp. 16-18
Economic performance		
GRI 3: Material Topics 2021	3-3 Management of material topics	SM Investments Corporation Sustainability Report 2025, p. 15
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	SM Investments Corporation Sustainability Report 2025, p. 6
	201-2 Financial implications and other risks and opportunities due to climate change	SM Investments Corporation Sustainability Report 2025, pp. 40, 42, 45; Please refer to IFRS S2 Index
	201-3 Defined benefit plan obligations and other retirement plans	SM Investments Corporation Consolidated Financial Statements 2025, Note 25
	201-4 Financial assistance received from government	No financial assistance was received from the government.
Market presence		
GRI 202: Market Presence 2016	202-1 Ratios of standard entry-level wage by gender compared to local minimum wage	We do not disclose this matter due to confidentiality constraints.
	202-2 Proportion of senior management hired from the local community	Information not available.

GRI STANDARD	Disclosure	Page Number(s), Direct Answer, URLs, or Reason for omission
Indirect economic impacts		
GRI 3: Material Topics 2021	3-3 Management of material topics	SM Investments Corporation Sustainability Report 2025, p. 15
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	SM Investments Corporation Sustainability Report 2025, p. 29
	203-2 Significant indirect economic impacts	SM Investments Corporation Sustainability Report 2025, p. 29
Procurement practices		
GRI 3: Material Topics 2021	3-3 Management of material topics	SM Investments Corporation Sustainability Report 2025, p. 17, 24, 25, 30
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	SM Investments Corporation Sustainability Report 2025, pp. 17, 31, 32
	205-3 Confirmed incidents of corruption and actions taken	No reported incidents of corruption during the reporting year.
Anti-corruption		
GRI 3: Material Topics 2021	3-3 Management of material topics	SM Investments Corporation Integrated Report 2025, p. 40
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	All operations
	205-2 Communication and training about anti-corruption policies and procedures	SM Investments Corporation Integrated Report 2025, pp. 40, 45
	205-3 Confirmed incidents of corruption and actions taken	No reported incidents of corruption during the reporting year.
GRI 206: Anti- Competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	There were no material instances of legal actions for anti-competitive behavior, anti-trust and monopoly practices during the reporting year.
Tax		
GRI 207: Tax 2019	207-1 Approach to tax	<p>The SM Group is committed to full compliance with all taxation regulations, including the computation and payment of taxes in a timely and efficient manner. Tax management is handled at the business unit level. Each business unit is adequately resourced to deal with its respective tax matters, including compliance. Tax issues and other matters are escalated to the SMIC Parent Central Tax Team, as necessary.</p> <p>The SMIC Parent Central Tax Team is responsible for governance, control and risk management for the SM Group, including the following: (a) Anticipate future legislations relating to taxes; (b) Study the tax environment/landscape; (c) Prepare the SM Group for compliance to upcoming tax legislations; (d) Study global tax trends; and, (e) Express the SM Group views/opinions through active participation in public consultations by the regulatory authorities.</p> <p>Stakeholder engagement and management of concerns related to tax are handled at the business unit level. The guiding principle in resolving any tax-related concerns is full compliance to all tax regulations.</p>
	207-2 Tax governance, control, and risk management	
	207-3 Stakeholder engagement and management of concerns related to tax	
	207-4 Country-by-country reporting	

GRI STANDARD	Disclosure	Page Number(s), Direct Answer, URLs, or Reason for omission
Materials		
GRI 3: Material Topics 2021	3-3 Management of material topics	SM Investments Corporation Integrated Report 2025, p. 41
GRI 301: Materials 2016	301-1 Materials used by weight or volume	SM Investments Corporation Sustainability Report 2025, p. 45
	301-2 Recycled input materials used	SM Investments Corporation Sustainability Report 2025, p. 45
	301-3 Reclaimed products and their packaging materials	SM Investments Corporation Sustainability Report 2025, p. 45
Energy		
GRI 3: Material Topics 2021	3-3 Management of material topics	SM Investments Corporation Sustainability Report 2025, p. 45; Atlas Mining and PGPC are ISO 14001:2015 certified.
GRI 103: Energy 2025	103-1 Energy policies and commitments	SM Investments Corporation Sustainability Report 2025, p. 42
	103-2 Energy consumption and self-generation within the organization	SM Investments Corporation Sustainability Report 2025, p. 42; Environmental Sustainability Data, p. 67
	103-3 Upstream and downstream energy consumption	SM Investments Corporation Sustainability Report 2025, p. 42; Environmental Sustainability Data, p. 67
	103-4 Energy intensity	We are in the process of setting metrics for our energy intensity.
	103-5 Reduction in energy consumption	SM Investments Corporation Sustainability Report 2025, p. 45
Water and effluents		
GRI 3: Material Topics 2021	3-3 Management of material topics	SM Investments Corporation Sustainability Report 2025, p. 40
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Refer to the Atlas Mining Integrated Report 2025
	303-2 Management of water discharge-related impacts	We are actively implementing responsible water management practices across our businesses, while a formal evaluation of water discharge impacts has not yet been conducted.
	303-3 Water withdrawal	SM Investments Corporation Sustainability Report 2025, p. 40
	303-4 Water discharge	Environmental Sustainability Data, p. 67
	303-5 Water consumption	19 million m ³
Biodiversity		
GRI 301: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Hamilo Coast
	304-2 Significant impacts of activities, products and services on biodiversity	Hamilo Coast is home to one of the largest mangrove areas in Nasugbu, Batangas, spanning 240,000 square meters with 50,000 mangroves planted. This extensive ecosystem plays a crucial role in coastal protection, biodiversity conservation, and climate resilience.

GRI STANDARD	Disclosure	Page Number(s), Direct Answer, URLs, or Reason for omission
	304-3 Habitats protected or restored	Three of our coves, namely Pico de Loro, Etayo and Santelmo, are declared Marine Protected Areas since 2009.
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	None
Emissions		
GRI 3: Material Topics 2021	3-3 Management of material topics	Please refer to the IFRS S2 Index
GRI 102: Climate Change 2025	102-1 Transition plan for climate change mitigation	Please refer to the IFRS S2 Index
	102-2 Climate change adaptation plan	Please refer to the IFRS S2 Index
	102-3 Just transition	Social Sustainability Data, p. 63
	102-4 GHG emissions reduction targets and progress	Please refer to the IFRS S2 Index
	102-5 Scope 1 GHG emissions	SM Investments Corporation Sustainability Report 2025, p. 44
	102-6 Scope 2 GHG emissions	SM Investments Corporation Sustainability Report 2025, p. 44
	102-7 Scope 3 GHG emissions	SM Investments Corporation Sustainability Report 2025, p. 44
	102-8 GHG emissions intensity	Environmental Sustainability Data, p. 68
	102-9 GHG removals in the value chain	We have not accounted for any GHG removals yet.
	102-10 Carbon credits	Please refer to IFRS S2 Index
Waste		
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	SM Investments Corporation Sustainability Report 2025, p. 41
	306-2 Management of significant waste-related impacts	SM Investments Corporation Sustainability Report 2025, p. 41
	306-3 Waste generated	SM Investments Corporation Sustainability Report 2025, p. 41
	306-4 Waste diverted from disposal	SM Investments Corporation Sustainability Report 2025, p. 41
	306-5 Waste directed to disposal	SM Investments Corporation Sustainability Report 2025, p. 41
Supplier environmental assessment		
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Information not available. However, we have identified suppliers that carry products following our Supplier Code of Ethics.
	308-2 Negative environmental impacts in the supply chain and actions taken	None

GRI STANDARD	Disclosure	Page Number(s), Direct Answer, URLs, or Reason for omission
Employment		
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Social Sustainability Data, p. 63
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	We do not disclose this information due to confidentiality constraints.
	401-3 Parental leave	SM Investments Corporation Sustainability Report 2025, p. 47
Labor/management relations		
GRI 402: Labor/ Management Relations 2016	402-1 Minimum notice periods regarding operational changes	One month minimum notice, per Department of Labor and Employment (DOLE) regulations.
Occupational health and safety		
GRI 3: Material Topics 2021	3-3 Management of material topics	SMIC is committed to the protection of health, safety and well-being of all members of the organization, including its subsidiaries. The Company strives to promote a strong and sustainable culture that will facilitate the awareness of risk and the prevention of injury and illness.
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Atlas Mining and PGPC are ISO 45001:2018 certified.
	403-2 Hazard identification, risk assessment, and incident investigation	SM Investments Corporation Integrated Report 2025, p. 43
	403-3 Occupational health services	We prioritize employee well-being by providing healthcare insurance coverage, mobile clinics for annual physical exams, paid time off, and maternity leave. We have qualified occupational health nurses and doctors in our office clinics who are readily available to offer immediate treatment to our employees.
	403-4 Worker participation, consultation, and communication on occupational health and safety	SM Investments Corporation Integrated Report 2025, p. 45
	403-5 Worker training on occupational health and safety	Social Sustainability Data, p. 64
	403-6 Promotion of worker health	SM Investments Corporation Integrated Report 2025, p. 45
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	SM Investments Corporation Integrated Report 2025, p. 43
	403-8 Workers covered by an occupational health and safety management system	All employees
	403-9 Work-related injuries	Social Sustainability Data, p. 65
	403-10 Work-related ill health	Social Sustainability Data, p. 65

GRI STANDARD	Disclosure	Page Number(s), Direct Answer, URLs, or Reason for omission
Training and education		
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Social Sustainability Data, p. 64
	404-2 Programs for upgrading employee skills and transition assistance programs	<p>We established the SM Sustainability School to ingrain sustainability knowledge to different lines of works and industries within the SM Group.</p> <p>LinkedIn Learning is also provided to all employees of SM Investments to make in-demand skills training available to them. This platform helps employees build competencies relevant to their jobs.</p>
	404-3 Percentage of employees receiving regular performance and career development reviews	SM Investments Corporation Sustainability Report 2025, p. 47
Diversity and equal opportunity		
GRI 3: Material Topics 2021	3-3 Management of material topics	SM Investments Corporation Sustainability Report 2025, p. 3
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	SM Investments Corporation Integrated Report 2025, pp. 32-35
	405-2 Ratio of basic salary and remuneration of women to men	We do not disclose this matter due to confidentiality constraints.
Non-discrimination		
GRI 3: Material Topics 2021	3-3 Management of material topics	SMIC is committed to providing a working environment that is safe and free from harassment (including sexual harassment) for all its employees and will not tolerate any form of behavior that is based upon an individual's sex, sexual orientation, race, ethnicity, national origin, age and religion.
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	There were no incidents of discrimination reported during the reporting year.
Freedom of association and collective bargaining		
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	None
Child labor		
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	None
Forced or compulsory labor		
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	None

GRI STANDARD	Disclosure	Page Number(s), Direct Answer, URLs, or Reason for omission
Security practices		
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	All newly hired security personnel are required to attend mandatory SM Security Orientation Seminar, which includes but not limited to topics on human rights, laws on arrest, search, seizures and anti-violence against children and women.
Rights of indigenous peoples		
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	There were no incidents of violations involving rights of indigenous peoples during the reporting year.
Local communities		
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	SM Investments Corporation Sustainability Report 2025, pp. 7-9, 40; SM Foundation website
	413-2 Operations with significant actual and potential negative impacts on local communities	None
Supplier social assessment		
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Information not available. However, we have identified suppliers that carry products following our Supplier Code of Ethics.
	414-2 Negative social impacts in the supply chain and actions taken	None
Public policy		
GRI 415: Public Policy 2016	415-1 Political contributions	There were no political contributions made by the company during the reporting year.
Customer health and safety		
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	SM Retail Inc. is committed to customer health and safety. The Company has the following policies to address these topics: Responsible Labeling, Marketing and Packaging, Sustainable Supply Chain and Resource Management.
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Company/store guarantees compliance and continuous compliance with the requirements for conferment of the Department of Trade and Industry (DTI) Bagwis Award signifying that the company/store has no pending case or complaint filed with the DTI for violation of consumer laws on health and safety.

GRI STANDARD	Disclosure	Page Number(s), Direct Answer, URLs, or Reason for omission
Marketing and labeling		
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	<p>SM Retail Inc's Responsible Labeling, Marketing and Packaging Policy includes our commitment to Truthful and Transparent Labeling.</p> <p>Whenever possible, we will work with our suppliers to use understandable language to communicate sustainability information to our consumers and ensure that all claims made on product labels are truthful and accurate. Whenever possible, we will work with our suppliers to ensure that sustainability information is communicated clearly and accurately on product labels.</p>
	417-2 Incidents of non-compliance concerning product and service information and labeling	There were no incidents of non-compliance with product and service information and labeling during the reporting year. For the SM Retail group, suppliers and manufacturers are primarily responsible for the products' truthful information and labeling.
	417-3 Incidents of non-compliance concerning marketing communications	There were no incidents of non-compliance concerning marketing communications during the reporting year.
Customer privacy		
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	There were no incidents of substantiated complaints concerning breaches of customer privacy and losses of customer data during the reporting year.

Relevant SASB Content Index

SASB Code	Disclosure	Category & Unit Measure	Sections and/or Explanations
TR-AF-310A.2 CG-MR-330a.2 FB-FR-310a.4	Total monetary losses from legal proceedings associated with employment discrimination & labor laws	Currency	Nil
FB-FR-260a.1	Revenue from products labelled or marketed to promote health and nutrition attributes	Currency	Php61.2 billion (SM Markets, Alfamart, Waltermart)
FB-FR-270a.2	Total amount of monetary losses as a result of legal proceedings associated with marketing or labelling practices	Currency	Nil
FB-NB-270a.2	Revenue from products labelled as (1) containing genetically modified organisms GMOs and (2) non-GMO	Currency	We are in the process of setting up a methodology to collect the data.
IF-EN-510a.2 TR-MT-510a.2	Total amount of monetary losses as a result of legal proceedings associated with charges of (1) bribery or corruption of (2) anti-competitive practices	Currency	Nil
FN-CB-510a.1	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, antitrust, anti-competitive behavior, market manipulation, malpractices, or other related financial industry laws or regulations	Currency	Nil
FN-CF-220a.2	Total amount of monetary losses as a result of legal proceedings associated with customer privacy	Currency	Nil
FN-CF-270a.5	Total amount of monetary losses as a result of legal proceedings associated with selling and servicing products	Currency	Nil
FN-CF-230a.2	Card-related fraud losses from card no present fraud and card present and other fraud	Currency	Not disclosed
FN-CB-240a.3	Number of no-cost retail checking accounts provided to previously unbanked or underbanked customers	QT	Please refer to BDO/Chinabank SASB Index
FN-CB-240a.4	Number of participants in financial literacy initiatives for unbanked, underbanked or underserved customers	QT	Please refer to BDO/Chinabank SASB Index
FN-CF-230a.2	Card-related fraud losses from card no present fraud and card present and other fraud	QT	Not disclosed
FN-CB-410a.1	Absolute gross financed emissions, disaggregated by Scope 1,2,3	QT	Please refer to BDO/Chinabank Sustainability Reports
FN-CB-510a.2	Description of whistleblower policies & procedures	Discussion	SM Investments Corporation Integrated Report, p. 56

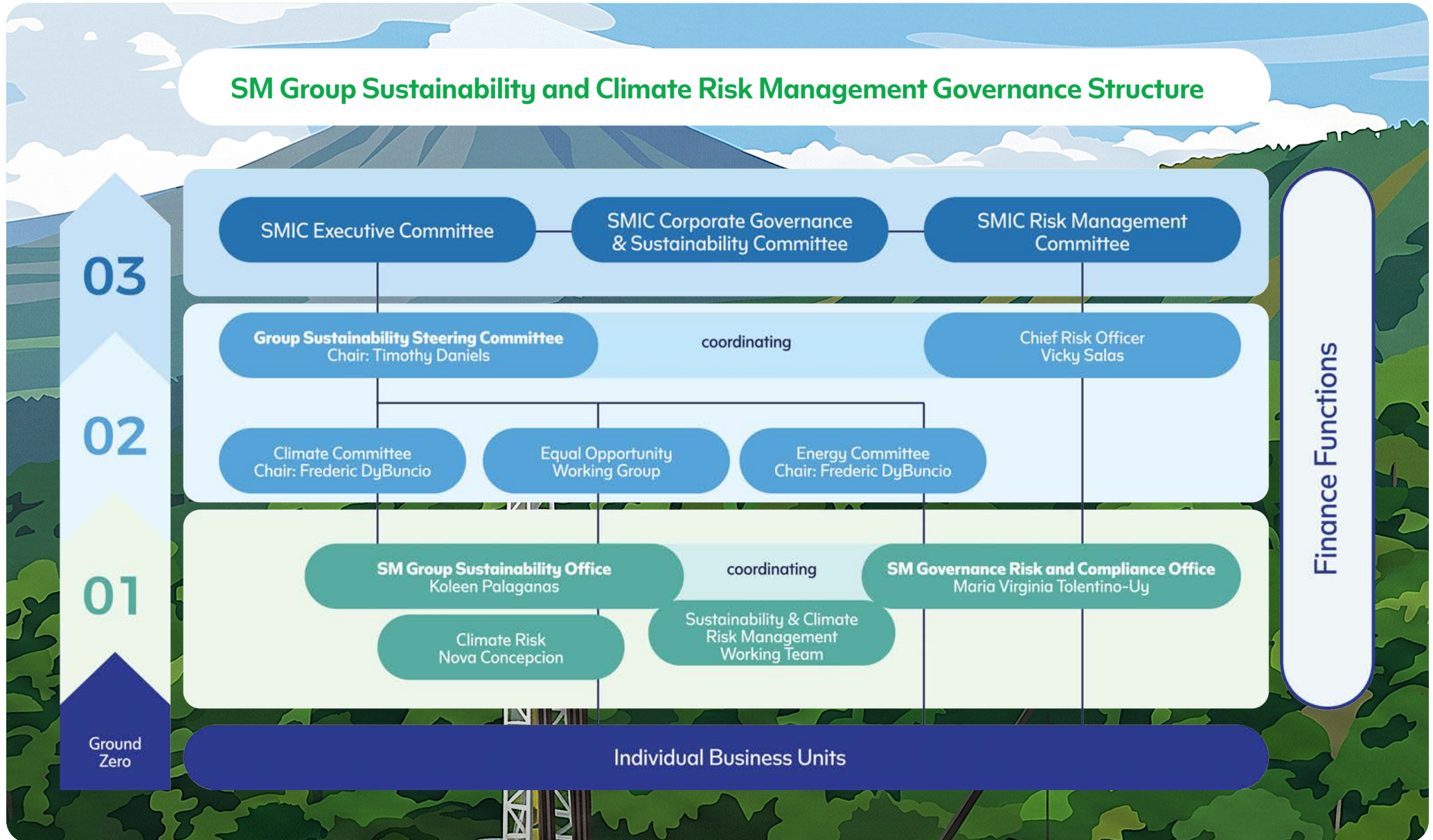
SASB Code	Disclosure	Category & Unit Measure	Sections and/or Explanations
FN-CB-410a.2	Description of approach to incorporation of environmental, social and governance (ESG) factors in credit analysis	Discussion	Please refer to BDO/Chinabank SASB Index
CG-MR-230a.1 FB-FR-230a.2 FN-CB-230a.2 FN-CF-230a.3	Description of approach to identifying and addressing data security risks	Discussion	SM Investments Corporation Integrated Report 2025, p. 43
CG-MR-230a.2 FB-FR-230a.1 FN-CB-230a.1 FN-CF-320a.1	Number of data breaches, percentage that are personal data breaches, number of customers affected	QT	There were no reported data breaches during the reporting year. SM Investments also has an Information Security Policy.
SV-HL-130a.1 TR-MT-110a.3 CG-MR-130a.1 EM-MM-130a.1 FB-FR-130a.1	Energy Management (Total energy consumed, percentage of grid electricity and % of renewables)	QT	SM Investments Corporation Sustainability Report 2025, p. 42, Environmental Sustainability Data, p. 67
SV-HL-140a.1 EM-MM-140a.1	Water Management (Total water withdrawn, water consumed, % of each in regions with High Water Stress)	QT	SM Investments Corporation Sustainability Report 2025, p. 40, Environmental Sustainability Data, p. 67
EM-MM-150a.6	Total weight of hazardous waste generated	QT	SM Investments Corporation Sustainability Report 2025, p. 41, Environmental Sustainability Data, p. 67
TR-RO-110a.1 TR-MT-110a.1 TR-AF-110a.1 EM-MM-110a.1 FB-FR-110b.1	GHG Scope 1	QT	SM Investments Corporation Sustainability Report 2025, p. 44; Environmental Sustainability Data, p. 68
TR-RO-110a.2 TR-MT-110a.2 TR-AF-110a.2 EM-MM-110a.2	Discussion of short/long-term strategy to manage scope 1	Narrative	SM Investments Corporation Sustainability Report 2025, p. 44
TR-RO-110a.3 TR-MT-110a.3 TR-AF-110a.3 FB-FR-110a.1	Total Fuel Consumed (% of Natural gas, RE, alternative, sustainable)	QT	SM Investments Corporation Sustainability Report 2025, p. 43, Environmental Sustainability Data, p. 67
TR-RO-120a.1 TR-MT-120a.1 EM-MM-120a.1	Emissions on pollutants NOx (excluding N2O), Sox and PM10	QT	Environmental Sustainability Data, p. 68

SASB Code	Disclosure	Category & Unit Measure	Sections and/or Explanations
IF-EN-320a.1 TR-RO-320a.1 TR-AF-320a.1 CG-MR-310a.2 EM-MM-320a.1	Total recordable incident rate, fatality rate of direct employees & contract employees	QT	Social Sustainability Data, p. 65
SV-HL-310a.1	Voluntary and Involuntary Turnover Rate for Employees	QT	Social Sustainability Data, p. 64
TR-MT-320a.1	Loss Time Incident Rate (LTR)	QT	1.9
CG-MR-330a.1	Workforce Diversity % of gender, diversity group representation for executive management, non-executive management and other employees	QT	SM Investments Corporation Sustainability Report 2025, p. 47
EM-MM-310a.1 FB-FR-310a.2	Percentage of active workforce employed under collective agreements	QT	SM Investments Corporation Sustainability Report 2025, p. 47
FB-FR-430a.4 CG-MR-410a.3	Discussion of strategies to reduce the environmental impact of packaging	Discussion	SM Investments Corporation Sustainability Report 2025, pp. 33, 45
IF-EN-410a.1	Number of commissioned projects certified to a third-party multi-attribute sustainability standard and active projects seeking such certification	QT	9 Gold-certified LEED buildings 1 Silver-certified LEED buildings 7 EDGE certified buildings
FB-FR-250a.2	Number of recalls, number of units recalled, percentage of units recalled that are private label products	QT	No recalls occurred on SM Bonus products during the reporting year.
FB-FR-430a.2	Percentage of revenue from (1) eggs originated from a cage-free environment and (2) pork produced without the use of gestation crates	QT	2% of revenue from eggs originated from cage-free environment (SM Markets)

Sustainability and Climate Risk Management Framework

Governance Structure and Approach:

SM Group Sustainability and Climate Risk Management Governance Structure



SM Sustainability and Climate Risk Management Guiding Principle

	Environmental Principles	Social Principles	Sustainability Governance
SEEK	<ul style="list-style-type: none"> • Seek just transition to low carbon economy within manageable scopes of our businesses • Seek to support circular economy within our business operations • Seek healthy levels of planetary boundaries for climate change, biodiversity loss and land conversion 	<ul style="list-style-type: none"> • Seek and upskill employees for retention & transition to a lowcarbon future of work • Seek to uphold human rights, dignity, diversity and equal opportunity for inclusive societies • Seek a robust ecosystem for sustainable supply chain practices & provide growth opportunities for our MSME partners 	<ul style="list-style-type: none"> • Seek to comply to regulation & adopt frameworks • Seek non-partisan politics that support activities for the greater good of the communities we serve • Seek to adopt to frameworks that meet investor expectation or other capital provider
REDUCE OR AVOID	<ul style="list-style-type: none"> • Reduce and avoid investments or use of materials that have significant irreversible impact to planetary boundaries • Reduce and avoid suppliers with activities that have direct significant irreversible impact to planetary boundaries 	<ul style="list-style-type: none"> • Terminate suppliers with violations on human rights, child, compulsory and forced labor, or other violations that may have irreversible damage to our brand or deliver unacceptable level of safety to our customers 	<ul style="list-style-type: none"> • Avoid activities & associations that may pose significant or irreversible ESG related liabilities resulting to suspension of our operations due to legal or social activism

SM Sustainability and Climate Risk Management Levels

GROUP-WIDE

Environmental Risk

- Significant impact on sustainability compliance with group-wide penalties, reputational damage or national scale social activism crossreferencing
- SM Group of Companies Significant impact on the health of planetary boundaries of national scale social activism cross referencing SM Group of Companies
- Significant or irreversible impact to nationally-controlled natural habitats, heritage lands and high risk biodiversity conservation areas

Social Risk

- Death & major threat to customer security, safety & life
- Major issue or violation to customer, community or indigenous peoples' human rights of national scale social activism and media interest referencing the SM Group of Companies
- Major supplier violation on human rights causing national scale social activism cross-referencing SM Group of Companies

Sustainability Governance

- National scale interest on any social activism, social hearing, violation or inquiry of any ESG related matter
- National scale legal violations on ESG related laws that are crossreferencing other SM business units
- Significant impact in financial position, revenue, insurance

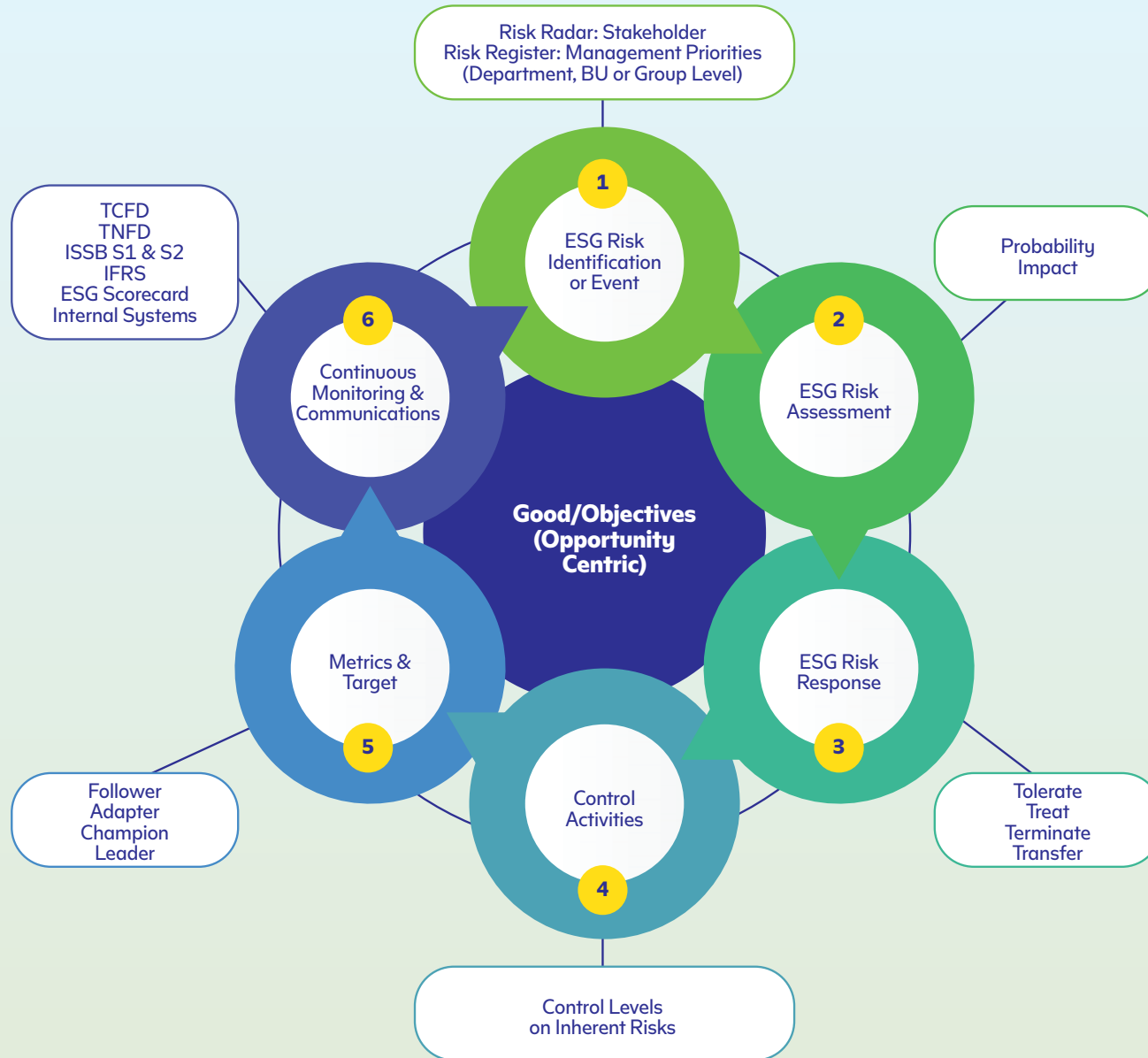
BU LEVEL

- BU focused Operational level risks
- BU focused Environmental Laws, IRR Compliance Risk (LGU & National Laws)
- Localized impact (not irreversible)

- Operational labor related risks, including routine occupational health & safety standards
- Host community level human rights, community development and social activism issues

- Local interest in social activism, hearing, inquiry on any ESG related matter
- LGU level ESG related laws or IRR/ ordinances

Sustainability and Climate Risk Management Framework



Note - Risk Register MUST consider Risk Radar from Stakeholder Engagement

Aligned to/ Expanded from SM ERM

Risk Response

Tolerate	Accept the risk in order to pursue the goal
Treat	Reduce the extent of exposure & likelihood of occurrence of the risk
Terminate	Decide not to start or continue activity due to risk
Transfer	Sharing risk with another party (insurance, financing, agreements)

Metrics and Targets

Follower	Reacts to requirements/mandates
Adopter	Proactively embraces new standards
Champion	Advocates for Industry
Leader	Places ESG as core to Strategy

Risk Likelihood

	Likelihood	Description	Certainty	Rationale
1	Low	Very low chance of occurrence	0-10%	Has rarely occurred over the past years
2	Medium	Likely/expected to occur	11%-50%	Has occurred few times within the year
3	High	High likely to occur	51%-100%	Has occurred many times either daily weekly or monthly

Impact Scale

Rating	Assets	Liabilities	Revenues	Net Income after Tax
LOW	< 5%	< 5%	< 5%	< 5%
MEDIUM	5% - 10%	5% - 10%	5% - 10%	5% - 10%
HIGH	>10%	>10%	>10%	>10%

Sustainability and Climate Risk Category	Environmental Sustainability
Risk Theme	Physical Climate Risks
Corporate Objective	
Ensure business continuity and strengthen the climate resilience of SM facilities, sustaining stakeholder value and revenue streams amid increasing climate-related hazards	

Risk identified	Risk Assessment Score (Likelihood x Impact)	Risk Response (Tolerate, Treat, Terminate or Transfer)	Control Activities	Metrics and Targets (Follower, Adopter, Champion or Leader)	Monitoring & Reporting
Climate Physical Risk on our assets and operations due to acute weather patterns, increased flooding & chronic rising temperatures due to climate change (Resiliency Level of our assets on 1/100 years stress capacity may be reduced to 1/50 years)	Likelihood – High Impact – High	<ul style="list-style-type: none"> • Treat – we incorporate sustainability/resiliency in infrastructure & BCP • Transfer – incorporate into insurance 	<ul style="list-style-type: none"> • 10% CAPEX to incorporate sustainability/resiliency in building design features • TCFD assessment – each BU create a climate adaptation strategy as part of business continuity 	<ul style="list-style-type: none"> • Adopter: Green Building Standards • Champion: advocating for resiliency UN ARISE • Leader: 10% of CAPEX to resiliency 	<ul style="list-style-type: none"> • Green Building Standards Reporting • IFRS S1 & S2 Reporting • External Assurance • Sustainability Steering Committee

Sustainability and Climate Risk Category	Environmental Sustainability
Risk Theme	Transitional Climate Risks (Limited Renewable Energy)
Corporate Objective	
To achieve carbon management in business operations group-wide as a strong foundation to a transition to a low-carbon economy	

Risk identified	Risk Assessment Score (Likelihood x Impact)	Risk Response (Tolerate, Treat, Terminate or Transfer)	Control Activities	Metrics and Targets (Follower, Adopter, Champion or Leader)	Monitoring & Reporting
Potential Liability and Investment Loss due to transition to low carbon economies due to limited renewable sources of energy	Likelihood – High Impact – High	<ul style="list-style-type: none"> Treat – we are sourcing and looking for opportunity in renewable energy Treat – Setting a Group-wide Carbon Management Target 	<ul style="list-style-type: none"> 99% of Group Carbon Emissions come from SMPH, SM Retail, 2GO, BDO and Atlas Mining: Carbon Management Roadmap Energy Management Committee established to identify group-wide RE requirements & opportunities 	<ul style="list-style-type: none"> Adopter: TCFD Climate Mitigation Champion: participation in national carbon policies Adopter: Establishing 40-50% group wide GHG Target Reduction by 2040 Leader: Renewable Energy in Business Investment 	<ul style="list-style-type: none"> Green Building Standards Reporting IFRS S1 & S2 Reporting External Assurance Sustainability Steering Committee

Sustainability and Climate Risk Category	Environmental Sustainability
Risk Theme	Transitional Climate Risks (Carbon Tax)
Corporate Objective	
Strengthen carbon management across the Group's operations to support the transition to a low-carbon economy	

Risk identified	Risk Assessment Score (Likelihood x Impact)	Risk Response (Tolerate, Treat, Terminate or Transfer)	Control Activities	Metrics and Targets (Follower, Adopter, Champion or Leader)	Monitoring & Reporting
Potential Carbon Tax in the Philippines	Likelihood – High Impact – High	<ul style="list-style-type: none"> Treat – we are reducing our carbon footprint to minimize exposure to carbon tax beyond cap requirement per industry Treat – Setting a Group-wide Carbon Management Target 	<ul style="list-style-type: none"> 99% of Group Carbon Emissions come from SMPH, SM Retail, 2GO, BDO and Atlas Mining: Carbon Management Roadmap Climate Steering Committee Management Active participation in industry wide advocacy on national policies on carbon 	<ul style="list-style-type: none"> Adopter: TCFD Climate Mitigation Champion: participation in national carbon policies Leader: Renewable Energy in Business Investment 	<ul style="list-style-type: none"> Green Building Standards Reporting IFRS S1 & S2 Reporting External Assurance Sustainability Steering Committee

Sustainability and Climate Risk Category	Social Sustainability
Risk Theme	Customer and Community Safety & Rights
Corporate Objective	
Deliver consistent customer and community safety in all our products and services as part of excellent customer service and advancing customer and human rights	

Risk identified	Risk Assessment Score (Likelihood x Impact)	Risk Response (Tolerate, Treat, Terminate or Transfer)	Control Activities	Metrics and Targets (Follower, Adopter, Champion or Leader)	Monitoring & Reporting
Potential risk to customer and community safety within our infrastructure and during the delivery of our products and services (ex. Vessel safety, food & product safety, infrastructure safety) which have reputational impact to SM as a trusted brand	Likelihood – Low Impact - High (rationale: if life is at risk, then it has group-wide impact to SM brand)	<ul style="list-style-type: none"> • Treat – Each BU supplier accreditation standards – now including sustainability • Treat – SM BUs implement health and safety standards as part of the sustainability management system 	<ul style="list-style-type: none"> • Building Code Standards – all properties • Vessel Safety Standards & Protocols • Supplier Review Standards + SMIC working on accreditation standards to include sustainability + spot checks 	<ul style="list-style-type: none"> • Follower: Meeting all government mandates (Food, Building and Vessel) • Champion: for property development, incorporating disast 	<ul style="list-style-type: none"> • Green Building Standards Reporting • IFRS S1 & S2 Reporting • External Assurance • Sustainability Steering Committee

Sustainability and Climate Risk Category	Environmental Sustainability
Risk Theme	Sustainability Regulation & Compliance
Corporate Objective	
Develop a robust sustainability compliance strategy and management system at the group-wide level incorporated at the BU processes aligned to anticipated regulations/mandates	

Risk identified	Risk Assessment Score (Likelihood x Impact)	Risk Response (Tolerate, Treat, Terminate or Transfer)	Control Activities	Metrics and Targets (Follower, Adopter, Champion or Leader)	Monitoring & Reporting
Business units may be unable to adapt quickly to evolving sustainability regulations and standards, resulting in higher compliance costs, increased exposure to penalties, operational disruption, and reputational risk. (Including EPR, ECC, CREVI, RE)	Likelihood – High Impact - High	<ul style="list-style-type: none"> Treat – Each BU has a Sustainability Roadmap for Compliance Treat – SM Sustainability Office provides Sustainability Compliance Roadmap + Guidance 	<ul style="list-style-type: none"> EPR Compliance 40% in 2024, 50% in 2025, 60% in 2026; 70% in 2027 and 80% in 2028 Sustainability Compliance Team within the Sustainability Office; SM Prime x GUUN Partnership for Waste to Energy Study on Limestone as alternative to plastic Active Engagement with Public Sector – DENR + DOST BU – Inventory Cost of Compliance 	<ul style="list-style-type: none"> Follower: EPR Compliance + ECC Champion: participation in national carbon policies (focusing on plastic alternative) Leader: Waste to Energy 	<ul style="list-style-type: none"> Green Building Standards Reporting IFRS S1 & S2 Reporting External Assurance Sustainability Steering Committee

Sustainability and Climate Risk Category	Emerging Risk
Sustainability & Climate Risk Theme	Artificial Intelligence Sustainability
Corporate Objective	
Adapt to emerging AI, marketing and technological trends	

Risk identified	Risk Assessment Score (Likelihood x Impact)	Risk Response (Tolerate, Treat, Terminate or Transfer)	Control Activities	Metrics and Targets (Follower, Adopter, Champion or Leader)	Monitoring & Reporting
Uncharted landscape with the integration of AI in material sustainability issues including ESG Investment Analysis including discriminating algorithms, data labeling & lack of industry understanding; environmental impact on cooling equipment (Including ESG Scorecards & Analytics)	Likelihood – pending analysis Impact – Pending due to technological advancement Limited Exposure to 3rd party ESG Analytics	<ul style="list-style-type: none"> Tolerate – Given the emerging nature of AI in sustainability reporting and ESG analytics, the Group will continue to monitor developments, assess relevant use cases, and refine its approach as standards and practices evolve. <p>Uncertainty over the appropriate use of AI in sustainability reporting and ESG analytics may result in inconsistent application, unreliable outputs, and governance, compliance, and reputational risks.</p>	<ul style="list-style-type: none"> To be determined as part of the Enterprise Risk Management Plan 	<ul style="list-style-type: none"> To be determined 	<ul style="list-style-type: none"> IFRS S1 & S2 Reporting External Assurance Sustainability Steering Committee

SM Group GHG Management Plan

SM Investments continues to implement its Group GHG Management Plan, which guides emissions reduction efforts across its portfolio. The Group targets a 40% reduction in greenhouse gas emissions by 2040 from a 2019 baseline, supported by initiatives across key business units.

Renewable energy procurement, green building design, solar installations, and energy efficiency measures are central to this effort. Other businesses are also pursuing operational efficiencies and exploring renewable energy options where feasible.

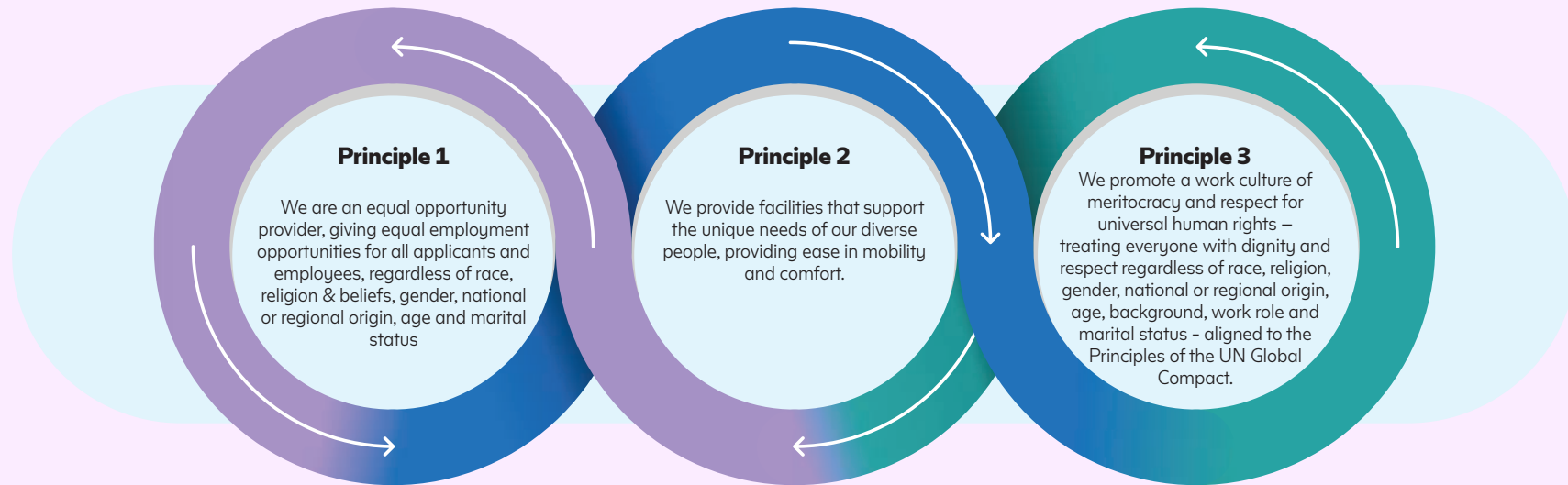
Emissions reduction initiatives are tracked at the business unit level, with ongoing work to improve the consistency and quality of monitoring and reporting. Through these efforts, the Group contributes to the Philippines' transition to a lower-carbon energy system and supports national ambitions to increase renewable energy in the country's power mix.



Equal Opportunity Framework

Under the leadership of Group Diversity Officer, Ms. Lizanne Uychaco, SMIC presents a simple framework on how each business unit can introduce equal opportunity. This framework is the basis for consolidated group-wide performance reporting. The business units build upon this framework and develop their respective unique frameworks.

Our Broad Equal Opportunity Principles



Our Equal Opportunity Framework

POLICIES

1. We have a designated officer responsible for driving diversity, equity and inclusion in our organization.
2. We have an EQUAL OPPORTUNITY policy which articulates our commitment to provide equal employment opportunities for all applicants and employees, regardless of race, religion, gender, national origin, age or marital status
3. We have a MERITOCRACY policy which articulates our commitment to reward and promote employees based on performance, merit and contribution to the company's goals and objectives.

POLICIES

In SM Offices, we ensure that we have adequate facilities for ease in mobility.

1. Gender Neutral Washroom
2. Non-Denominational, Ecumenical Meditation Room
3. PWD-Friendly pathways
4. Breastfeeding Room for Nursing Mothers

PERFORMANCE METRICS & DISCLOSURES

We safeguard our equal opportunity work culture by measuring our performance.

- Percentage of Gender Share
- Percentage of Various Religious Affiliation
- Percentage of internal promotions, by rank, by gender
- Percentage of Women occupying senior leadership roles
- Percentage of Women in Board
- Percentage of Employees Trained by gender by rank

SMIC Sustainability Policy and Management System

Sustainability Policy – this serves as the overarching policy on which the Management System is developed consisting of Topic Specific Policies with Implementing Guidelines

Management System

Anti-Bribery and Anti-Corruption Policy	Operational Health and Safety Policy
Anti-Discrimination and Anti-Harassment Policy	Resource Management Policy
Climate Action Policy	Stakeholder Engagement Policy
Environmental Protection Policy	Sustainability & Climate Risk Management Policy
Equal Opportunity Policy	Sustainable Supply Chain Policy
Human Rights Policy	Sustainability Governance and Implementing Rules and Regulations



To view the SM Sustainability Policy and Management System, please scan here.
link: https://www.sminvestments.com/2025smicintegratedreport/sustainability_management_system_2025/

SM Retail Sustainability Policy and Management System

Sustainability Policy – aligned to the SMIC Sustainability Policy, this serves as the overarching policy on which the Management System is developed consisting of Topic Specific Policies with Implement Guidelines for SM Retail

Management System

Anti-Bribery and Anti-Corruption Policy	Occupational Health and Safety Policy
Anti-Sexual Harassment Policy Resourc	Management Policy
Climate Policy Statement Responsible Marketing	Labeling and Packaging Policy
Data Privacy	Stakeholder Engagement Policy
Employee Welfare Policy	Sustainability & Climate Risk Management Policy
Environmental Protection Policy	Sustainable Supply Chain Policy
Equal Opportunity Policy	
Human Rights Policy	



SM Retail Sustainability Management System, please scan here.
link: https://www.sminvestments.com/2025smicintegratedreport/sm_retail_sustainability_management_system_2025/

Social Sustainability Data

Our people are central to long-term value creation. This section outlines our performance across key social indicators, including workforce demographics and diversity, new hires, separations, training, promotions, appraisals, occupational health and safety, and parental leaves. Selected 2024 figures have been restated to improve data integrity and comparability.

Employee Demographics		
	2025	2024
Total Permanent Employees	141,148	140,540
Refers to regular full-time employees		
By Business Unit		
SM Investments	395	405
SM Retail	58,056	61,315
SM Prime	14,191	13,747
BDO	47,117	44,044
Chinabank	11,584	11,350
2GO	1,842	1,774
Belle	42	64
Atlas Mining	2,717	2,735
SM Foundation	33	31
Airspeed	697	831
PGPC	332	317
Goldilocks	4,050	3,841
PULS	92	86
By Gender		
Male	50,443	50,521
Female	90,705	90,019
By Age Group		
Below 30 years old	61,693	65,832
Between 30-50 years old	71,020	66,879
Above 50 years old	8,435	7,829
By Level		
Rank and File	86,122	89,033
Junior Management	32,291	30,456
Middle Management	18,696	17,425
Senior Management	4,039	3,626
By Region		
NCR	35,781	32,871
Luzon	77,731	80,143
Visayas	15,855	15,902
Mindanao	10,852	10,690
Outside the Philippines	929	934
By Citizenship		
Filipino	140,271	139,679
Non-Filipino	877	861
Total Fixed-Term Employees	24,356	14,419
Refers to project-based and seasonal employees		
Total PWD Employees	195	90
Refers to employees who are persons with disabilities		

Gender Diversity				
	2025		2024	
By Level and Gender	Male	Female	Male	Female
Rank and File	29,875	56,247	28,664*	54,803*
Junior Management	11,575	20,716	8,826*	16,520*
Middle Management	7,275	11,421	5,532*	9,055*
Senior Management	1,718	2,321	1,419*	1,974*
By Job Function and Gender	Male	Female	Male	Female
Revenue-generating Functions				
Sales	23,928	59,015	24,811	56,631
STEM-related Functions	4,508	1,446	3,307	1,118
Information Technology	2,778	1,141	2,332	938
Engineering	1,730	305	975	180

New Hires		
	2025	2024
Hiring Rate	32%	30%
Total New Hires	44,925	42,766
By Gender		
Male	17,801	16,775
Female	27,124	25,991
By Age Group		
Below 30 years old	34,887	34,334
Between 30-50 years old	9,415	8,158
Above 50 years old	623	274
By Level		
Rank and File	37,485	35,723
Junior Management	5,225	4,663
Middle Management	1,867	2,025
Senior Management	348	355
By Region		
NCR	11,648	12,146
Luzon	27,093	24,362
Visayas	3,457	3,743
Mindanao	2,600	2,472
Outside the Philippines	127	43

Job Openings		
	2025	2024
Percentage of open positions filled by internal candidates (internal hires)	17%	nil

*The total of the breakdown does not match the overall total due to the unavailability of detailed data from the business units.

Employee Appraisals		
	2025	2024
Appraisal Rate	95%	94%
Total Employees Eligible for Appraisal	111,836	107,039
Total Employees Appraised	105,780	100,282
By Gender		
Male	35,640	35,006
Female	70,140	65,276
By Level		
Rank and File	61,214	64,272
Junior Management	25,467	21,213
Middle Management	15,530	11,747
Senior Management	3,569	3,050

Employee Promotions		
	2025	2024
Total Employees Promoted	13,824	13,313
By Gender		
Male	3,496	3,314
Female	10,328	9,999
By Level		
Rank and File	5,736	5,536
Junior Management	4,721	4,660
Middle Management	2,911	2,613
Senior Management	456	504

Employee Separations		
	2025	2024
Turnover Rate	21%	23%
Male Turnover Rate	24%	25%
Female Turnover Rate	20%	22%
Total Employee Separations	30,144	32,937
By Separation Type		
Voluntary	21,260	21,049*
Involuntary	8,884	9,676*
By Gender		
Male	12,028	12,796
Female	18,116	20,141
By Age Group		
Below 30 years old	21,071	21,389*
Between 30-50 years old	8,241	8,604*
Above 50 years old	832	732*
By Level		
Rank and File	24,193	26,452
Junior Management	3,912	4,291
Middle Management	1,706	1,852
Senior Management	333	342
By Region		
NCR	7,522	9,142*
Luzon	18,101	18,945*
Visayas	2,720	2,732*
Mindanao	1,782	2,017*
Outside the Philippines	19	20*

Employee Trainings		
	2025	2024
Total Employee Training Hours	2,864,537.42	2,952,075.76
By Gender *		
Male	896,503.65	681,059.82
Female	1,962,153.77	1,727,114.56
By Level *		
Rank and File	1,458,121.28	1,324,461.45
Junior Management	508,159.32	636,817.34
Middle Management	393,523.11	380,346.98
Senior Management	71,306.37	66,548.60
By Training Type *		
Leadership/Management	139,413.78	254,311.38
Skills/Technical/Sustainability	1,146,343.32	1,000,740.88
Occupational Health & Safety	112,732.86	89,724.63
Team Building	8,037.16	10,772.82
Various Trainings	1,458,010.30	1,052,625.16
Average Training Hours Per Employee	20.29	21.01
By Gender		
Per Male Employee	17.77	13.48
Per Female Employee	21.63	19.19
By Level		
Per Rank and File Employee	16.93	14.88
Per Junior Management Employee	15.74	20.91
Per Middle Management Employee	21.05	21.83
Per Senior Management Employee	17.65	18.35
Total Amount Spent on Employee Training in PHP	181,733,949.56	213,654,896.25
Average Amount Spent on Training Per Employee in PHP	1,287.54	1,520.24

Parental Leaves		
	2025	2024
Paid Parental Leave Offered		
Primary Parental Leave (No. of Weeks)	15	15
Secondary Parental Leave (No. of Weeks)	1	1
Total Employees who availed parental leave	7,612	7,229
Male	1,151	1,177
Female	6,461	6,052
Total Employees who returned to work after parental leave	7,412	6,595
Male	1,123	1,133
Female	6,289	5,462
Total Employees who are due to return to work after parental leave	3,928	2,199
Male	582	300
Female	3,346	1,899
Total Employees who remain employed by the company 12 months after returning from parental leave	6,777	5,871
Male	1,053	1,000
Female	5,724	4,871
Return-to-Work Rate	97%	91%
Male Return-to-Work Rate	98%	96%
Female Return-to-Work Rate	97%	90%
Retention Rate	103%	141%
Male Retention Rate	93%	106%
Female Retention Rate	105%	151%

*The total of the breakdown does not match the overall total due to the unavailability of detailed data from the business units.

Occupational Health and Safety		
	2025	2024
Employees		
Total Safe Manhours	1,167,362,671	185,219,425.29
Total No. of Fatalities	1	2
Total No. of Lost-Time Incident	2,214	3,145
Contractors		
Total Safe Manhours	2,526,964,552	13,792,304.48
Total No. of Fatalities	1	2
Total No. of Lost-Time Incident	5,466	66

Collective Bargaining Agreement (CBA)		
	2025	2024
Percentage of Employees covered by CBA	40%	21%
Total Employees covered by CBA	57,150	29,127

Inclusive Facilities		
	2025	2024
No. of Gender-Neutral Washrooms	198	171
No. of Non-Denominational Meditation Rooms	32	19
No. of PWD Pathways	1,036	787
No. of Nursing Stations	2,502	814



Restatement of 2024 Social Sustainability Data

To enhance transparency and accuracy, we have restated certain 2024 Social Sustainability Data to cover permanent employees only. Fixed-term employees are excluded from the breakdown.

Employee Demographics		
	2024 Restated	2024 Reported
By Business Unit		
SM Investments	405	407
SM Specialty Stores	21,593	21,836
The SM Store	9,052	9,435
BDO	44,044	44,097
Chinabank	11,350	11,448
ZGO	1,774	1,778
Atlas Mining	2,735	2,954
Airspeed	831	973
PGPC	317	352
Goldilocks	3,841	4,310
PULS	86	89
By Gender		
Male	50,521	51,298
Female	90,019	90,893
By Age Group		
Below 30 years old	65,832	67,067
Between 30-50 years old	66,879	67,252
Above 50 years old	7,829	7,872
By Level		
Rank and File	89,033	90,637
Junior Management	30,456	30,494
Middle Management	17,425	17,432
Senior Management	3,626	3,628
By Region		
NCR	32,871	33,417
Luzon	80,143	80,796
Visayas	15,902	16,250
Mindanao	10,690	10,791
Outside the Philippines	934	937
By Citizenship		
Non-Filipino	861	866
Total Fixed-Term Employees Refers to project-based and seasonal employees	14,419	1,651

Gender Diversity				
	2024 Restated		2024 Reported	
By Level and Gender	Male	Female	Male	Female
Rank and File	28,664	54,803	29,624	53,842
Junior Management	8,826	16,520	8,720	16,626
Middle Management	5,532	9,055	5,506	9,082

Employee Separations		
	2024 Restated	2024 Reported
Female Turnover Rate	22%	23%

Employee Trainings		
	2024 Restated	2024 Reported
Total Employee Training Hours	2,952,075.76	7,306,879.76
By Gender*		
Male	681,059.82	3,181,523.90
Female	1,727,114.56	3,659,162.48
By Level*		
Rank and File	1,379,449.82	4,416,021.63
Junior Management	645,395.36	1,688,599.85
Middle Management	394,205.35	644,001.36
Senior Management	66,831.84	92,063.54
By Training Type*		
Leadership/Management	254,311.38	269,115.38
Skills/Technical/Sustainability	1,000,740.88	1,026,760.88
Occupational Health & Safety	89,724.63	3,066,434.63
Various Trainings	1,052,625.16	2,467,603.16
Average Training Hours Per Employee	21.01	51.39
By Gender*		
Per Male Employee	13.48	62.03
Per Female Employee	19.19	40.26
By Level*		
Per Rank and File Employee	14.88	48.72
Per Junior Management Employee	20.91	55.37
Per Middle Management Employee	21.83	36.94
Per Senior Management Employee	18.35	25.38
Total Amount Spent on Employee Training in PHP	213,654,896.25	213,178,523.10
Average Amount Spent on Training Per Employee in PHP	1,520.24	1,499.24

Collective Bargaining Agreement (CBA)		
	2024 Restated	2024 Reported
Percentage of Employees covered by CBA	21%	20%

*The total of the breakdown does not match the overall total due to the unavailability of detailed data from the business units.

Environmental Sustainability Data

We are committed to sustainability and environmental stewardship, and we track key performance indicators to monitor our ecological footprint and support our long-term goals. This section presents 2025 performance data alongside restated 2024 figures, incorporating enhanced methodologies and new primary data to ensure accurate year-on-year analysis.

Energy Consumption		
in Gigajoules	2025	2024
Within the Organization	14,079,198.61	13,821,982.08
Non-Renewable Energy Sources	11,451,057.33	4,531,473.23
Renewable Energy Sources	11,730,510.15	4,040,951.62
Outside the Organization	4,626,900.54	4,131,154.91
Non-Renewable Energy Sources	2,628,141.28	95,427.31
Renewable Energy Sources	2,091,471.93	90,203.29
Electricity Consumption		
in kWh	2025	2024
Within the Organization	2,339,556,306.91	2,188,295,186.40
Non-Renewable Energy Sources	1,609,517,062.62	1,607,330,760.49
Purchased from the Grid	1,609,517,062.62	1,607,330,760.49
Renewable Energy Sources	730,039,244.28	580,964,425.90
Self-generated from Solar Panels	94,197,089.62	30,957,139.39
Self-generated from Geothermal Steam Fields	23,652,797.12	23,351,327.04
Purchased through RCOA, GEOP, REC, etc.	612,077,620.10	526,533,413.57
Purchased from the RE-powered DUs	111,737.44	122,545.90
Outside the Organization	898,359,906.78	822,447,713.58
Non-Renewable Energy Sources	871,852,320.37	797,391,244.32
Purchased from the Grid	871,852,320.37	797,391,244.32
Renewable Energy Sources	26,507,586.40	25,056,469.26
Self-generated from Solar Panels	nil	nil
Purchased through RCOA, GEOP, REC, etc.	26,507,586.40	25,056,469.26
Fuel Consumption		
in liters	2025	2024
Within the Organization	144,885,485.72	152,424,336.22
Non-Renewable Energy Sources	144,885,485.72	152,424,336.22
Generator Set (Diesel)	7,479,257.41	5,361,184.18
Transport Vehicle (Diesel)	2,813,235.83	3,305,131.68
Transport Vehicle (Gasoline)	394,836.27	101,884.72
Other Diesel Consumption	47,566,027.64	57,372,815.52
Other Gasoline Consumption	97,019.20	34,703.33
Shipping/Bunker Fuel	84,915,113.66	84,474,413.00
Heating and Cooking (LPG)	1,619,995.71	1,774,203.78
Renewable Energy Sources	nil	nil
Outside the Organization	53,725,957.50	45,076,008.53
Non-Renewable Energy Sources	53,725,957.50	45,076,008.53
Generator Set (Diesel)	111,632.19	65,652.15
Transport Vehicle (Diesel)	1,618,468.74	1,127,214.83
Transport Vehicle (Gasoline)	5,463.09	9,418.61
Other Diesel Consumption	125,414.00	501,525.49
Other Gasoline Consumption	3,800.55	348.47
Shipping/Bunker Fuel	nil	nil
Heating and Cooking (LPG)	51,861,178.93	43,371,848.98
Renewable Energy Sources	nil	nil

Refrigerant Consumption		
in kilograms	2025	2024
Within the Organization	29,968.14	28,475.39
Hydrofluorocarbons (HFC)	21,898.19	21,154.35
Hydrochlorofluorocarbons (HCFC)	7,906.75	7,315.04
Chlorofluorocarbons (CFC)	163.20	6.00
Outside the Organization	90.05	1.20
Hydrofluorocarbons (HFC)	8.55	1.20
Hydrochlorofluorocarbons (HCFC)	81.50	nil
Chlorofluorocarbons (CFC)	nil	nil
Water		
in cubic meters	2025	2024
Water Withdrawal	37,323,027.96	40,334,232.42
Third-party utility provider	23,071,385.68	23,071,503.96
Surface water	13,439,118.08	16,528,149.31
Rainwater harvesting	167,704.09	150,330.80
Groundwater	8,915.00	nil
Deep well	391,818.76	361,233.53
Seawater	220,473.05	175,665.45
Water hauling	23,613.30	47,349.37
Water Discharge	18,082,907.42	24,532,648.69
Third-party utility provider	2,555,419.27	10,317,818.58
Surface water	2,309,482.88	722,012.74
Groundwater	5,687.75	893.00
Seawater	968,385.67	113,237.47
Tailings	11,644,952.94	13,378,686.90
Other	598,978.91	nil
Water Recycled	15,407,132.69	15,694,279.99
Water Recycling Rate	41%	39%
Waste		
in tonnes	2025	2024
Waste Generated	258,268.51	318,560.82
Biodegradable/Compostable Waste	81,343.37	189,305.59
Recyclable Waste	108,355.49	12,080.34
Residual/Disposable Waste	53,190.68	104,161.10
Hazardous Waste	15,347.50	6,261.29
Other Waste	31.46	6,752.51
Waste Disposal	258,268.51	309,267.26
Collected by Accredited Hauler	27,090.72	298,944.87
Composted	78,546.29	179.23
Recycled/Reused	100,901.86	3,723.54
Sold	4,101.84	5,492.23
Disposed/Sent to Landfill	47,052.89	825.30
Others	574.91	102.08

GHG Emissions		
in tCO ₂ e	2025	2024
Scope 1 GHG Emissions	487,370.06	509,002.76
By Business		
SM Investments	90.79	53.32
Retail	4,962.76	4,978.50
Property	30,552.49	33,035.53
Banking	3,962.38	5,165.83
Portfolio Investments	447,801.63	465,769.59
By Activity		
Stationary Combustion	24,509.61	18,559.14
Mobile Combustion	405,216.67	433,211.28
Transport Vehicles & Other Equipment	148,593.69	177,920.15
Vessels	256,622.97	255,291.12
Fugitive Emissions	57,643.78	57,232.34
By Greenhouse Gas		
Carbon dioxide (CO ₂)	427,296.58	449,213.24
Methane (CH ₄)	1,513.66	1,593.15
Nitrous oxide (N ₂ O)	916.03	964.04
Hydrofluorocarbons (HFC)	44,491.21	46,320.07
Hydrochlorofluorocarbons (HCFC)	11,112.57	10,837.28
Chlorofluorocarbons (CFC)	2,040.00	75.00
Scope 2 GHG Emissions Market-based	1,173,116.75	1,070,673.98
By Business		
SM Investments	4,104.11	4,232.04
Retail	299,557.24	179,370.82
Property	542,043.24	508,547.51
Banking	48,180.33	52,457.61
Portfolio Investments	279,231.83	326,066.00
By Region		
Philippines	1,112,731.62	1,005,285.23
China	60,385.13	65,388.75
Hong Kong	nil	nil
Singapore	nil	nil
Scope 2 GHG Emissions Location-based	1,543,760.82	1,329,283.40
By Business		
SM Investments	10,992.65	10,355.75
Retail	311,490.30	179,587.80
Property	838,078.86	711,413.99
Banking	59,804.33	60,287.68
Portfolio Investments	323,394.68	367,638.18
By Region		
Philippines	1,483,375.69	1,263,894.64
China	60,385.13	65,388.75
Hong Kong	nil	nil
Singapore	nil	nil
Scope 3 GHG Emissions	683,841.20	747,766.39
By Category		
Category 8 - Upstream Leased Assets	587,200.65	596,910.21
Category 13 - Downstream Leased Assets	96,640.55	150,856.18

GHG Emissions Intensity		
in tCO ₂ e per million PHP Revenue	2025	2024
Total Revenues in million PHP	681,733	654,777
By Scope		
Scope 1 GHG Emissions	0.7	0.8
Scope 2 GHG Emissions Market-based	1.7	1.6
Scope 2 GHG Emissions Location-based	2.3	2.0
Scope 3 GHG Emissions	1.0	1.1

NOx Emissions		
	2025	2024
Within the Organization		
Diesel (in grams per kilogram)	1,506,476,571.68	1,656,603,757.78
Gasoline (in grams per kilogram)	4,811,723.70	1,336,213.58
Industrial Fuel Oil (in grams per GJ)	152,287,007.91	151,496,654.09
Automotive Diesel Oil (in grams per GJ)	5,678,866.64	9,133,459.01
Outside the Organization		
Diesel (in grams per kilogram)	52,630,753.23	48,060,595.22
Gasoline (in grams per kilogram)	90,624.34	95,549.38
Industrial Fuel Oil (in grams per GJ)	nil	nil
Automotive Diesel Oil (in grams per GJ)	nil	nil

SOx Emissions		
	2025	2024
Within the Organization		
Diesel (in grams per kilogram)	225.72	248.22
Gasoline (in grams per kilogram)	1.09	0.30
Industrial Fuel Oil (in grams per GJ)	6,199,294.13	6,167,120.43
Automotive Diesel Oil (in grams per GJ)	1,542.41	2,480.69
Outside the Organization		
Diesel (in grams per kilogram)	7.89	7.20
Gasoline (in grams per kilogram)	0.02	0.02
Industrial Fuel Oil (in grams per GJ)	nil	nil
Automotive Diesel Oil (in grams per GJ)	nil	nil

GHG Emissions Reporting Boundary

GHG emissions are consolidated using the operational control approach of the GHG Protocol. This covers operations and facilities across our core businesses and portfolio investments over which the SM Group has operational control.

Scope 1 GHG emissions were calculated using the GHG Protocol Cross Sector Tool emission factors (March 2024) and Global Warming Potential values from AR6.

Scope 2 GHG emissions were calculated using both the location-based and market-based methods, in accordance with the GHG Protocol Scope 2 Guidance. Under the location-based method, emissions were calculated using the 2019–2021 national grid emission factors of the Philippine Department of Energy, which reflect the average emission intensity of the national electricity grid. Under the market-based method, emissions were calculated using emission factors provided by electricity suppliers through the Retail Competition and Open Access (RCOA) program, the Green Energy Option Program (GEOP), and Renewable Energy Certificates (REC), where applicable.

Scope 3 GHG emissions cover other indirect emissions occurring in the Group's value chain that are not accounted for under Scope 1 and Scope 2. For the reporting period, only upstream leased assets and downstream leased assets were identified as material categories.

Restatement of 2024 Environmental Sustainability Data

To ensure the highest standards of data integrity, we have restated select 2024 figures to reflect refined emission factors and enhanced methodologies. These updates incorporate corrected data from our business units alongside additional data points previously excluded from earlier reports. This approach enables stakeholders to clearly distinguish actual operational improvements from changes arising from reporting refinements. By maintaining a consistent and expanded dataset, we provide a reliable basis for year-on-year performance comparisons.

Electricity Consumption		
in kWh	2024 Restated	2024 Reported
Within the Organization	2,188,295,186.40	2,154,740,336.09
Non-Renewable Energy Sources	1,607,330,760.49	1,653,002,366.21
Purchased from the Grid	1,607,330,760.49	1,653,002,366.21
Renewable Energy Sources	580,964,425.90	501,737,969.88
Self-generated from Solar Panels	30,957,139.39	40,248,949.74
Self-generated from Geothermal Steam Fields	23,351,327.04	23,351,327.04
Purchased through RCOA, GEOP, REC, etc.	526,533,413.57	438,137,693.10
Purchased from the RE-powered DUs	122,545.90	-
Outside the Organization	822,447,713.58	851,049,673.92
Non-Renewable Energy Sources	797,391,244.32	556,828,155.41
Purchased from the Grid	797,391,244.32	556,828,155.41
Renewable Energy Sources	25,056,469.26	294,221,518.51
Self-generated from Solar Panels	nil	199,334.56
Purchased through RCOA, GEOP, REC, etc.	25,056,469.26	294,022,183.95

Fuel Consumption		
in liters	2024 Restated	2024 Reported
Within the Organization	152,424,336.22	153,204,416.89
Non-Renewable Energy Sources	152,424,336.22	-
Generator Set (Diesel)	5,361,184.18	5,548,177.18
Transport Vehicle (Diesel)	3,305,131.68	3,735,767.55
Transport Vehicle (Gasoline)	101,884.72	231,862.13
Shipping/Bunker Fuel	84,474,413.00	84,474,571.00
Heating and Cooking (LPG)	1,774,203.78	1,806,520.18
Renewable Energy Sources	nil	-
Outside the Organization	45,076,008.53	1,441,080,884.35
Non-Renewable Energy Sources	45,076,008.53	-
Generator Set (Diesel)	65,652.15	65,652.17
Transport Vehicle (Diesel)	1,127,214.83	1,391,132.91
Heating and Cooking (LPG)	43,371,848.98	1,439,112,806.70
Renewable Energy Sources	nil	-

Refrigerant Consumption		
in kilograms	2024 Restated	2024 Reported
Within the Organization	28,475.39	224,167.59
Hydrofluorocarbons (HFC)	21,154.35	191,165.95
Hydrochlorofluorocarbons (HCFC)	7,315.04	32,995.64
Outside the Organization	1.20	37.20
Hydrofluorocarbons (HFC)	1.20	37.20

Water		
in cubic meters	2024 Restated	2024 Reported
Water Withdrawal	40,334,232.42	40,579,777.56
Third-party utility provider	23,071,503.96	23,317,049.10
Water Discharge	24,532,648.69	24,532,656.40
Third-party utility provider	10,317,818.58	10,317,826.29
Other	nil	-

Waste		
	2024 Restated in tonnes	2024 Reported in kilograms
Waste Generated	318,560.82	318,560,815.82
Biodegradable/Compostable Waste	189,305.59	189,305,588.17
Recyclable Waste	12,080.34	12,080,338.43
Residual/Disposable Waste	104,161.10	104,161,103.26
Hazardous Waste	6,261.29	6,261,281.32
Other Waste	6,752.50	6,752,504.64
Waste Disposal	309,267.26	305,665,935.47
Collected by Accredited Hauler	298,944.87	295,368,887.65
Composted	179.23	179,231.00
Recycled/Reused	3,723.54	3,723,541.57
Sold	5,492.23	5,492,233.65
Disposed/Sent to Landfill	825.30	825,300.78
Others	102.08	76,740.82

GHG Emissions		
in tCO ₂ e	2024 Restated	2024 Reported
Scope 1 GHG Emissions	509,002.76	821,867.22
By Business		
SM Investments	53.32	-
Retail	4,978.50	5,031.81
Property	33,035.53	343,209.30
Banking	5,165.83	5,042.51
Portfolio Investments	465,769.59	468,583.60
By Activity		
Stationary Combustion	18,559.14	19,158.69
Mobile Combustion	433,211.28	434,771.51
Transport Vehicles & Other Equipment	177,920.15	179,479.91
Vessels	255,291.12	255,291.60
Fugitive Emissions	57,232.34	367,937.01
By Greenhouse Gas		
Carbon dioxide (CO ₂)	449,213.24	819,297.51
Methane (CH ₄)	1,593.15	1,604.36
Nitrous oxide (N ₂ O)	964.04	970.79
Hydrofluorocarbons (HFC)	46,320.07	-
Hydrochlorofluorocarbons (HCFC)	10,837.28	-
Chlorofluorocarbons (CFC)	75.00	-

GHG Emissions		
in tCO ₂ e	2024 Restated	2024 Reported
Scope 2 GHG Emissions Market-based	1,070,673.98	1,143,449.00
By Business		
SM Investments	4,232.04	-
Retail	179,370.82	250,236.59
Property	508,547.51	514,164.27
Banking	52,457.61	53,010.84
Portfolio Investments	326,066.00	326,037.30
By Region		
Philippines	1,005,285.23	-
China	65,388.75	-
Hong Kong	nil	-
Singapore	nil	-
Scope 2 GHG Emissions Location-based	1,329,283.40	1,450,493.83
By Business		
SM Investments	10,355.75	-
Retail	179,587.80	305,749.60
Property	711,413.99	748,799.76
Banking	60,287.68	61,179.65
Portfolio Investments	367,638.18	334,764.82
By Region		
Philippines	1,263,894.64	1,385,105.07
China	65,388.75	65,388.76
Scope 3 GHG Emissions	747,766.39	2,916,043.51
By Category		
Category 1 - Purchased Goods and Services*	-	3,265.35
Category 2 - Capital Goods*	-	nil
Category 5 - Waste Generated in Operations*	-	481.77
Category 8 - Upstream Leased Assets	596,910.21	31,397.84
Category 13 - Downstream Leased Assets	155,646.02	2,880,898.55

*no longer disclosed as these are identified to be not material categories for the Group

GHG Emissions Intensity		
in tCO ₂ e per million PHP Revenue	2024 Restated	2024 Reported
By Scope		
Scope 1 GHG Emissions	0.8	1.3
Scope 2 GHG Emissions Market-based	1.6	1.7
Scope 2 GHG Emissions Location-based	2.0	2.2
Scope 3 GHG Emissions	1.1	4.5

NOx Emissions		
	2024 Restated	2024 Reported
Within the Organization		
Diesel (in grams per kilogram)	1,656,603,757.78	1,674,122,491.65
Gasoline (in grams per kilogram)	1,336,213.58	2,607,756.58
Automotive Diesel Oil (in grams per GJ)	9,133,459.01	9,133,648.02
Outside the Organization		
Diesel (in grams per kilogram)	48,060,595.22	-
Gasoline (in grams per kilogram)	95,549.38	-
Industrial Fuel Oil (in grams per GJ)	nil	-
Automotive Diesel Oil (in grams per GJ)	nil	-

SOx Emissions		
	2024 Restated	2024 Reported
Within the Organization		
Diesel (in grams per kilogram)	248.22	250.84
Gasoline (in grams per kilogram)	0.30	0.59
Automotive Diesel Oil (in grams per GJ)	2,480.69	2,480.74
Outside the Organization		
Diesel (in grams per kilogram)	7.20	-
Gasoline (in grams per kilogram)	0.02	-
Industrial Fuel Oil (in grams per GJ)	nil	-
Automotive Diesel Oil (in grams per GJ)	nil	-

Company Headquarters

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Pasay City, 1300 Philippines

Stockholder Inquiries

SM Investments Corporation's common shares are listed on the Philippine Stock Exchange under the ticker symbol SM. Inquiries regarding dividend payments, account information, address changes, stock certificates, and other related matters may be directed to the Company's transfer agent.

BDO Unibank, Inc.
Trust & Investments Group
- Securities Services (Stock Transfer)

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12 ADB Avenue, Ortigas Center, Mandaluyong City
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Sustainability Inquiries

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We Value Your Feedback

Thank you for reading SM Investments Corporation's 2025 Sustainability Report. Your insights are important to us as we strive to improve the quality, clarity and usefulness of our disclosures.



We encourage you to share your thoughts by scanning the QR code for a brief online survey, or by emailing us at sustainability@sminvestments.com



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