

# COVER SHEET

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S.E.C. Registration Number

S	M		I	N	V	E	S	T	M	E	N	T	S		C	O	R	P	O	R	A	T	I	O	N						

(Company's Full Name)

1	0	T	H		F	L	O	O	R	,	O	N	E	-	E	C	O	M		C	E	N	T	E	R			
O	C	E	A	N		D	R	I	V	E		M	O	A		C	O	M	P	L	E	X		P	A	S	A	Y
C	I	T	Y																									

( Business Address : No. Street City / Town / Province )

<b>Vicky L. Salas</b> Contact Person
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6	3	2	8	8	5	7	0	1	0	0
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Company Telephone Number

<table border="1" style="border-collapse: collapse; width: 100%;"> <tr> <td style="width: 20px;">1</td><td style="width: 20px;">2</td> <td style="width: 20px;">3</td><td style="width: 20px;">1</td> </tr> </table> <p style="font-size: small; margin: 0;">Month Day Fiscal Year</p>	1	2	3	1
1	2	3	1	

I	A	C	G	R
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FORM TYPE

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0	4	2	9	

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Secondary License Type, if Applicable

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Dept. Requiring this Doc.

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Amended Articles Number/Section

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Total No. of Stockholders

Total Amount of Borrowings

Domestic	Foreign

To be accomplished by SEC Personnel concerned

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File Number

LCU

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Document I.D.

Cashier

STAMPS

Remarks = pls. use black ink for scanning purposes



SM INVESTMENTS

26 May 2026

**Corporate Governance and Finance Department**

Securities and Exchange Commission  
7907 Makati Avenue, Barangay Bel-Air  
Makati City 1227

Attention: **Dir. Rachel Esther J. Gumtang-Remalante**  
*Corporate Governance and  
Finance Department (CGFD)*

Subject: **SM Investments Corporation**  
**(SEC Reg No. 16342)**  
**SEC Form I-ACGR**

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Ladies and Gentlemen:

We respectfully submit the Integrated Annual Corporate Governance Report (**I-ACGR**) of SM Investments Corporation (the **Corporation**) for the year 2025.

Pursuant to the advice received from the Corporate Governance and Finance Department (**CGFD**) of the Securities and Exchange Commission regarding the Corporation's inquiry on the wet signature and notarization requirement for two of its signatories, Mr. Frederic C. DyBuncio (President and CEO) and Ms. Marife B. Zamora (Independent Director), the Corporation notes that this I-ACGR contains the e-signatures of Mr. DyBuncio and Ms. Zamora and undertakes to submit an amended I-ACGR following the identified conditions of the CGFD as soon as practicable.

We trust you find the foregoing in order.

Thank you.

Very truly yours,

**ELMER B. SERRANO**  
Corporate Secretary



## SEC FORM – I-ACGR

### INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

1. For the fiscal year ended **2025**.
2. SEC Identification Number **16342**      3. BIR Tax Identification No. **000-169-020-000**.
4. Exact name of issuer as specified in its charter **SM INVESTMENTS CORPORATION**.
5. **PHILIPPINES**      6. (SEC Use Only)   
Province, Country or other jurisdiction of      Industry Classification Code:  
incorporation or organization
7. **10th Floor, One-Ecom Center, Ocean Drive**  
**Mall of Asia Complex, Pasay City**      **1300**  
Address of principal office      Postal Code
8. **(632) 8857-0100**.  
Issuer's telephone number, including area code
9. ....  
Former name, former address, and former fiscal year, if changed since last report.

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT			
	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
<b>The Board's Governance Responsibilities</b>			
<b>Principle 1:</b> The company should be headed by a competent, working board to foster the long- term success of the corporation, and to sustain its competitiveness and profitability in a manner consistent with its corporate objectives and the long- term best interests of its shareholders and other stakeholders.			
<b>Recommendation 1.1</b>			
1. Board is composed of directors with collective working knowledge, experience or expertise that is relevant to the company's industry/sector.	<b>COMPLIANT</b>	<p>In accordance with SM Investments Corporation's (the "Company" or "SMIC" or "SM") Manual on Corporate Governance (MCG), the Board is composed of directors who possess the necessary qualifications and collective knowledge to effectively participate and help secure objective, independent judgment on corporate affairs and to substantiate proper checks and balances. The Board ensures that it has an appropriate mix of competencies and expertise and that its members remain qualified for their positions individually and collectively, which enable it to fulfill its roles and responsibilities and respond to the needs of the organization based on the evolving business environment and the Company's strategic direction. SMIC's Corporate Governance and Sustainability Committee also ensures each director nominee to be elected to the Board during the Company's Annual Stockholders' Meeting (ASM) will be effective in his/her role as director and function as such in the best interest of the Company and its stakeholders pursuant to prevailing regulations, SMIC's MCG, Board Diversity Policy and By-Laws.</p> <p>The profiles of SMIC's directors are included in the Company's Annual Report (SEC Form 17-A or Annual Report), Definitive Information Statement (SEC Form 20-IS or DIS) and reflected in the 2025 Integrated Report (IR). The relevant trainings</p>	
2. Board has an appropriate mix of competence and expertise.	<b>COMPLIANT</b>		
3. Directors remain qualified for their positions individually and collectively to enable them to fulfill their roles and responsibilities and respond to the needs of the organization.	<b>COMPLIANT</b>		

	<p>attended by the directors are likewise disclosed in the 2025 IR and on the Company's website. All of these are uploaded on the company website, along with the corporate documents, company policies and pertinent reports, which the Company's stakeholders can easily access, view and download.</p> <p>Board of Directors' Profiles (Company website) <a href="https://www.sminvestments.com/our-leadership/">https://www.sminvestments.com/our-leadership/</a></p> <p>2025 IR (pp. 32 - 35) <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p> <p>SEC Form 17-A for 2025 (PDF pp. ) <a href="https://www.sminvestments.com/publication/smic-annual-report-sec-form-17-a-as-of-31-december-2025/">https://www.sminvestments.com/publication/smic-annual-report-sec-form-17-a-as-of-31-december-2025/</a></p> <p>DIS 2026 – Profiles of the Board of Directors (PDF pp. 24 - 28) <a href="https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/">https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/</a></p> <p>MCG – 1.5 Nomination, Qualification and Election of Directors (pp. 5–8) <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>SMIC By-Laws <a href="https://www.sminvestments.com/wp-content/uploads/2023/04/PDEX-Disclosure-Amended-By-Laws-July-2016_0.pdf">https://www.sminvestments.com/wp-content/uploads/2023/04/PDEX-Disclosure-Amended-By-Laws-July-2016_0.pdf</a></p>	
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**Recommendation 1.2**

<p>1. Board is composed of a majority of non-executive directors.</p>	<p><b>COMPLIANT</b></p>	<p>The Board of Directors is composed of nine (9) directors, five (5) of them are non-executive directors.</p> <p>The stockholders approved at the 2025 annual stockholders' meeting (ASM) the amendments to SMIC's Articles of Incorporation (AOI)</p> <p>SMIC Articles of Incorporation  <a href="https://www.sminvestments.com/wp-content/uploads/2025/05/SMIC-Articles-of-Incorporation-AOI-as-of-30-April-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/05/SMIC-Articles-of-Incorporation-AOI-as-of-30-April-2025.pdf</a></p> <p>Board of Directors' Profiles (Company website)  <a href="https://www.sminvestments.com/our-leadership/">https://www.sminvestments.com/our-leadership/</a></p> <p>2025 IR (pp. 32 - 35)  <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p> <p>SEC Form 17-A for 2025 (pp. 41 - 45)  <a href="https://www.sminvestments.com/publication/smic-annual-report-sec-form-17-a-as-of-31-december-2025/">https://www.sminvestments.com/publication/smic-annual-report-sec-form-17-a-as-of-31-december-2025/</a></p> <p>DIS 2026 – Profiles of the Board of Directors (PDF pp. 24 - 28)  <a href="https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/">https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/</a></p>	
<b>Recommendation 1.3</b>			
<p>1. Company provides in its Board Charter and Manual on Corporate Governance a policy on training of directors.</p>	<p><b>COMPLIANT</b></p>	<p>In accordance with the Company's MCG, <i>the Board shall ensure that each director shall annually attend relevant continuing education programs conducted by a regulatory board and/or an accredited training provider.</i></p>	

		<p>In 2025, the Board and key officers continued to participate in various SEC-accredited training programs.</p> <p>MCG – Specific Duties and Functions of the Board - 1.4.10 &amp; 1.4.11 (page 4)  <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>2025 IR (page 39)  <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p>	
<p>2. Company has an orientation program for first time directors.</p>	<p><b>COMPLIANT</b></p>	<p>In accordance with the Company's MCG, <i>the Board shall ensure that each elected director shall before assumption of office, be required to attend a seminar on corporate governance conducted by a duly recognized private or governance institution; and that each director shall annually attend relevant continuing education programs conducted by a regulatory board and/or an accredited training provider.</i> In practice, all new directors are oriented on Board procedures, business operations and corporate governance related policies and programs before assumption of office.</p>	
<p>3. Company has relevant annual continuing training for all directors.</p>	<p><b>COMPLIANT</b></p>	<p>In 2025, members of the Board of Directors participated in various corporate governance seminars and training programs. On October 3, 2025, members of the Board of Directors and key officers participated in a corporate governance seminar conducted by the Institute of Corporate Directors (ICD). Attendance of the SMIC Board of Directors and key officers to these SEC-accredited seminars and training programs are disclosed in the Company website.</p>	

		<p>MCG – Specific Duties and Functions of the Board – 1.4.10 &amp; 1.4.11 (page 4)  <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>Corporate Governance and Sustainability Committee Charter - 3.6 (page 2)  <a href="https://www.sminvestments.com/wp-content/uploads/2024/12/SMIC-CGandSustainability-Committee-Charter_w.pdf">https://www.sminvestments.com/wp-content/uploads/2024/12/SMIC-CGandSustainability-Committee-Charter_w.pdf</a></p> <p>Board and Management Training Certificates  <a href="https://www.sminvestments.com/wp-content/uploads/2025/11/SMIC2025CorporateGovernanceSeminarTrainingCertificatesofAttendanceParticipation_final.pdf">https://www.sminvestments.com/wp-content/uploads/2025/11/SMIC2025CorporateGovernanceSeminarTrainingCertificatesofAttendanceParticipation_final.pdf</a></p>	
<b>Recommendation 1.4</b>			
<p>1. Board has a policy on board diversity.</p>	<p><b>COMPLIANT</b></p>	<p>In accordance with the MCG, the Company values, promotes and observes a policy on diversity in the composition of the Board such that the Company will strive to have at least one (1) woman independent director in its Board at all times.</p> <p>The Board is currently composed of nine (9) directors, three (3) of whom are female directors, namely Vice Chairperson, Ms. Teresita T. Sy, and Independent Directors Atty. Lily K. Gruba and Ms. Marife B. Zamora.</p> <p>MCG – 1.2 Board Diversity Statement (page 3)  <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>Board Diversity Policy and Board Matrix (Company website)</p>	

		<p><a href="https://www.sminvestments.com/wp-content/uploads/2024/07/Board-Diversity-Policy-and-Board-Matrix.pdf">https://www.sminvestments.com/wp-content/uploads/2024/07/Board-Diversity-Policy-and-Board-Matrix.pdf</a></p> <p>2025 IR (pp. 32 - 35) <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p> <p>2026 Results of the ASM and Board Organizational Meeting <a href="https://www.sminvestments.com/publication/smic-results-of-organizational-board-meeting-april-29-2026/">https://www.sminvestments.com/publication/smic-results-of-organizational-board-meeting-april-29-2026/</a></p> <p>DIS 2026 – Profiles of the Board of Directors (PDF pp. 24 - 28) <a href="https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/">https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/</a></p>	
<b>Optional: Recommendation 1.4</b>			
<p>1. Company has a policy on and discloses measurable objectives for implementing its board diversity and reports on progress in achieving its objectives.</p>	<p><b>COMPLIANT</b></p>	<p>The Company adheres to a process of selection to ensure an appropriate mix of competent directors and officers. The Company values, promotes, and observes a Board Diversity Policy in the composition of its Board of Directors. Provided that regulatory qualifications are met, the Company commits to maintaining a diverse Board and does not discriminate based on age, ethnicity, culture, skill, competence, knowledge, gender, among other qualifications.</p> <p>To monitor progress in achieving the Board's diversity objectives, the Corporate Governance and Sustainability Committee uses a Board Matrix, which provides for the mix of attributes, skills, competencies, experience and affiliations. The Board Matrix reflects the areas relevant to the Company's strategic objectives, as well as other</p>	

		<p>areas of general relevance to the composition of the Board.</p> <p>MCG – Specific Duties and Functions of the Board – 1.4 (page 3)  <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>Board Diversity Policy and Board Matrix (Company website)  <a href="https://www.sminvestments.com/wp-content/uploads/2024/07/Board-Diversity-Policy-and-Board-Matrix.pdf">https://www.sminvestments.com/wp-content/uploads/2024/07/Board-Diversity-Policy-and-Board-Matrix.pdf</a></p>	
<b>Recommendation 1.5</b>			
1. Board is assisted by a Corporate Secretary.	<b>COMPLIANT</b>	<p>The Board is assisted by a Corporate Secretary, Atty. Elmer B. Serrano, who is not the Compliance Officer and is not a member of the Board of Directors. He assists the Board in its duties and possesses administrative, interpersonal and legal skills. The Corporate Secretary's duties and responsibilities are also stated in the MCG. Atty. Serrano's re-appointment as the Company's Corporate Secretary was properly disclosed.</p> <p>DIS for 2026 (PDF pp. 33 - 34)  <a href="https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/">https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/</a></p> <p>MCG – 1.11 Corporate Secretary (pp. 17-18)  <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>2026 Results of the Organizational Meeting of the Board of Directors  <a href="https://www.sminvestments.com/publication/smic-results-of-organizational-board-meeting-april-29-2026/">https://www.sminvestments.com/publication/smic-results-of-organizational-board-meeting-april-29-2026/</a></p>	
2. Corporate Secretary is a separate individual from the Compliance Officer.	<b>COMPLIANT</b>		
3. Corporate Secretary is not a member of the Board of Directors.	<b>COMPLIANT</b>		

		<p>2025 Results of the Organizational Meeting of the Board of Directors  <a href="https://www.sminvestments.com/publication/smic-results-of-organizational-board-meeting-april-24-2024/">https://www.sminvestments.com/publication/smic-results-of-organizational-board-meeting-april-24-2024/</a></p>	
<p>4. Corporate Secretary attends training/s on corporate governance.</p>	<p><b>COMPLIANT</b></p>	<p>The Corporate Secretary, Atty. Elmer B. Serrano, attends training on corporate governance. On October 3, 2025, Atty. Serrano attended the 2025 Corporate Governance Seminar of SMIC in partnership with SEC-accredited training provider, Institute of Corporate Directors (ICD). Atty. Serrano's participation in the program was disclosed.</p> <p>Board and Key Officers Trainings (Company website)  <a href="https://www.sminvestments.com/wp-content/uploads/2025/11/SMIC2025CorporateGovernanceSeminarTrainingCertificatesofAttendanceParticipation_final.pdf">https://www.sminvestments.com/wp-content/uploads/2025/11/SMIC2025CorporateGovernanceSeminarTrainingCertificatesofAttendanceParticipation_final.pdf</a></p> <p>2025 IR (page 39)  <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p>	
<b>Optional: Recommendation 1.5</b>			
<p>1. Corporate Secretary distributes materials for board meetings at least five business days before scheduled meeting.</p>	<p><b>COMPLIANT</b></p>	<p>Pursuant to the MCG, the Corporate Secretary ensures that materials are provided to the Board at least five (5) business days in advance of the actual meetings.</p> <p>Board Performance and Attendance (Company website)  <a href="https://www.sminvestments.com/corporate-governance/">https://www.sminvestments.com/corporate-governance/</a></p> <p>2025 IR (page 36)  <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p>	

		<a href="https://www.sminvestments.com/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">edreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a>  MCG – 1.11.4 Corporate Secretary – Duties and Responsibilities (page 17) <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a>	
<b>Recommendation 1.6</b>			
1. Board is assisted by a Compliance Officer.	<b>COMPLIANT</b>	The Board is assisted by a Chief Compliance Officer who is a Senior Vice President and is not a member of the Board of Directors as stated in the Company's MCG. Ms. Elizabeth Anne C. Uychaco served the Board as Chief Compliance Officer for the year 2024. Ms. Vicky L. Salas is SMIC's Chief Compliance Officer as appointed at the Company's Organizational Board Meeting on April 30, 2025.  2026 Results of the Organizational Meeting of the Board of Directors <a href="https://www.sminvestments.com/publication/smic-results-of-organizational-board-meeting-april-29-2026/">https://www.sminvestments.com/publication/smic-results-of-organizational-board-meeting-april-29-2026/</a>  MCG – 1.12 Compliance Officer (pp. 18-19) <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a>	
2. Compliance Officer has a rank of Senior Vice President or an equivalent position with adequate stature and authority in the corporation.	<b>COMPLIANT</b>		
3. Compliance Officer is not a member of the board.	<b>COMPLIANT</b>		
4. Compliance Officer attends training/s on corporate governance.	<b>COMPLIANT</b>	Ms. Elizabeth Anne C. Uychaco, Compliance Officer until April 30, 2025, and Ms. Vicky L. Salas who assumed the role of compliance officer in April 2025, attended the Corporate Governance Training sponsored by the Institute of Corporate Directors (ICD).  Board and Key Officers Trainings (Company website)	

		<a href="https://www.sminvestments.com/wp-content/uploads/2025/11/SMIC2025CorporateGovernanceSeminarTrainingCertificatesofAttendanceParticipation_final.pdf">https://www.sminvestments.com/wp-content/uploads/2025/11/SMIC2025CorporateGovernanceSeminarTrainingCertificatesofAttendanceParticipation_final.pdf</a>  2025 IR (page 39 ) <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a>	
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**Principle 2:** The fiduciary roles, responsibilities and accountabilities of the Board as provided under the law, the company's articles and by-laws, and other legal pronouncements and guidelines should be clearly made known to all directors as well as to stockholders and other stakeholders.

**Recommendation 2.1**

1. Directors act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the company.	<b>COMPLIANT</b>	In accordance with the Company's MCG, it is the general responsibility of the Board of Directors to act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the Company, its shareholders and other stakeholders.  MCG – 1.3 General Responsibility of the Board (page 3) <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a>  2025 IR – Conflict of Interest Policy (page 40) <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a>  Conflict of Interest Policy (Company website) <a href="https://www.sminvestments.com/code-of-ethics/">https://www.sminvestments.com/code-of-ethics/</a>	
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**Recommendation 2.2**

<p>1. Board oversees the development, review and approval of the company's business objectives and strategy.</p>	<p><b>COMPLIANT</b></p>	<p>In accordance with the Company's MCG, a specific duty and function of the Board is to oversee the development of and approve the Company's business objectives and strategy, and monitor Management's implementation of such.</p>	
<p>2. Board oversees and monitors the implementation of the company's business objectives and strategy.</p>	<p><b>COMPLIANT</b></p>	<p>The Company's performance is reviewed in comparison to the annual plan, and the effectiveness of the implemented strategy is also evaluated by the Board. Furthermore, the Board determines the Company's purpose, vision, mission and strategies to carry out its objectives and reviews it annually, or sooner should the need arise.</p> <p>MCG – Specific Duties and Functions of the Board, 1.4.2 and 1.4.3 (page 4)  <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>Results of Board Meetings  <a href="https://www.sminvestments.com/corporate-disclosures/">https://www.sminvestments.com/corporate-disclosures/</a></p> <p>2025 IR (page 36)  <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p>	
<p><b>Supplement to Recommendation 2.2</b></p>			
<p>1. Board has a clearly defined and updated vision, mission and core values.</p>	<p><b>COMPLIANT</b></p>	<p>The Company's mission, vision, and core values are posted on the company website. In accordance with the Company's MCG, the Board shall determine the Company's purpose, vision, mission and strategies to carry out objectives. The Board also conducts annual review of the same, or sooner should the need arise.</p> <p>Vision, Mission and Value Creation</p>	

		<p><a href="https://www.sminvestments.com/about/">https://www.sminvestments.com/about/</a></p> <p>MCG – Specific Duties and Functions of the Board, 1.4.2 (page 4) <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>2025 IR (page 2, 24, 36) <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p>	
<p>2. Board has a strategy execution process that facilitates effective management performance and is attuned to the company's business environment, and culture.</p>	<p><b>COMPLIANT</b></p>	<p>The Company's strategy execution process is supported by active and structured Board engagement, reinforcing accountability and effective oversight. The Chairman regularly attends executive meetings in an advisory capacity, providing strategic guidance while maintaining appropriate governance boundaries. Independent Directors, who chair key Board Committees, are likewise consulted on a regular basis, ensuring independent judgment, constructive challenge, and robust checks and balances in management decision-making. Formally appointed Board of Advisers provide specialized expertise and independent perspectives, complementing—but not substituting—the oversight role of the Board. This approach promotes transparency, accountability, and alignment between management actions and Board-approved strategic objectives.</p> <p>MCG – Specific Duties and Functions of the Board –1.4.3 (pp. 4) <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p>	

		<p>2025 IR (page 36 )  <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p>	
<b>Recommendation 2.3</b>			
<p>1. Board is headed by a competent and qualified Chairperson.</p>	<p><b>COMPLIANT</b></p>	<p>The Board is led by a highly competent and qualified Chairman, a former Governor of the Bangko Sentral ng Pilipinas, who brings extensive experience in economic policy, financial regulation, and institutional governance. His leadership strengthens the Board's capacity to provide sound strategic direction and exercise effective oversight. Strategy execution is reinforced by active and structured Board engagement, with the Chairman participating in executive meetings in an advisory capacity and Independent Directors, as Committee Chairs, regularly consulted to ensure alignment with Board-approved strategic objectives.</p> <p>Board of Directors (Company website)  <a href="https://www.sminvestments.com/our-leadership/">https://www.sminvestments.com/our-leadership/</a></p> <p>2025 IR (pp. 32 - 35)  <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p> <p>DIS 2026 – Profiles of the Board of Directors (PDF pp. 24 - 28)  <a href="https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/">https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/</a></p> <p>MCG – 1.9 Chairman of the Board (pp.16-17)  <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p>	
<b>Recommendation 2.4</b>			

<p>1. Board ensures and adopts an effective succession planning program for directors, key officers and management.</p>	<p><b>COMPLIANT</b></p>	<p>In accordance with the Company's MCG, the Board shall ensure that an effective succession planning program for directors, key officers and management is in place. The Company's Succession Planning Policy is also posted on the company website.</p>	
<p>2. Board adopts a policy on the retirement for directors and key officers.</p>	<p><b>COMPLIANT</b></p>	<p>MCG – Specific Duties and Functions of the Board, 1.4.9 and Corporate Governance and Sustainability Committee, 1.8.A (pp. 4, 10-11)  <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a>                       Succession Planning Policy (Company website)  <a href="https://www.sminvestments.com/wp-content/uploads/2024/11/SUCCESSION-PLANNING-POLICY.pdf">https://www.sminvestments.com/wp-content/uploads/2024/11/SUCCESSION-PLANNING-POLICY.pdf</a></p>	
<b>Recommendation 2.5</b>			
<p>1. Board aligns the remuneration of key officers and board members with long-term interests of the company.</p>	<p><b>COMPLIANT</b></p>	<p>The Company's Board, through the Compensation Committee establishes a formal and transparent procedure for the development of policies on executive remuneration and sets the remuneration packages of officers and directors; providing oversight over remuneration of Management, which ensures that compensation is consistent with the Company's culture, strategy and control environment. The Board approved the establishment of a management stock incentive program in April 2023, reinforcing the Company's commitment to aligning employee rewards with long-term performance and sustainable value creation.</p>	
<p>2. Board adopts a policy specifying the relationship between remuneration and performance.</p>	<p><b>COMPLIANT</b></p>	<p>Furthermore, the Compensation Committee disallows any director to decide his/her own remuneration.</p>	
<p>3. Directors do not participate in discussions or deliberations involving his/her own remuneration.</p>	<p><b>COMPLIANT</b></p>	<p>Disclosure on the Results of the Board Meeting held on April 26, 2023</p>	

		<p><a href="https://www.sminvestments.com/wp-content/uploads/2023/04/SMIC-Results-of-Board-Meeting-April-26-2023.pdf">https://www.sminvestments.com/wp-content/uploads/2023/04/SMIC-Results-of-Board-Meeting-April-26-2023.pdf</a></p> <p>MCG – Specific Duties and Functions of the Board –1.4.3 &amp; 1.8.B Compensation Committee – Duties and Responsibilities (pp. 4, 12) <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>Compensation Committee Charter, Item 3.4 (page 1) <a href="https://www.sminvestments.com/wp-content/uploads/2023/04/Compensation-Committee-Charter-2222017_0.pdf">https://www.sminvestments.com/wp-content/uploads/2023/04/Compensation-Committee-Charter-2222017_0.pdf</a></p> <p>DIS 2026 – Compensation of Directors and Executive Officers (PDF pp. 36 - 37) <a href="https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/">https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/</a></p>	
<b>Optional: Recommendation 2.5</b>			
<p>1. Board approves the remuneration of senior executives.</p>	<p><b>COMPLIANT</b></p>	<p>The Board, through the Compensation Committee, has established a formal and transparent procedure for determining executive remuneration and fixes and approves the remuneration packages of officers and directors.</p> <p>MCG – Specific Duties and Functions of the Board –1.4.3 &amp; 1.8.B Compensation Committee – Duties and Responsibilities (pp. 4, 12) <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>Compensation Committee Charter <a href="https://www.sminvestments.com/wp-content/uploads/2023/04/Compensation-Committee-Charter-2222017_0.pdf">https://www.sminvestments.com/wp-content/uploads/2023/04/Compensation-Committee-Charter-2222017_0.pdf</a></p>	

<p>2. Company has measurable standards to align the performance-based remuneration of the executive directors and senior executives with long-term interest, such as claw back provision and deferred bonuses.</p>	<p><b>COMPLIANT</b></p>	<p>The Company has measurable standards that align the performance-based remuneration of the executive directors and senior management with the long-term interest of the Company. Performance-based remuneration for the executive directors and senior executives is designed to align rewards with long-term performance, risk management practices and responsible corporate conduct.</p> <p>The Company aligns employee performance with remuneration via merit-based remuneration increases and career advancement opportunities based on annual performance appraisals. Management performance is directly tied to sustainability metrics. Pursuant to the Company's Code of Ethics, verified reports on violations thereto may warrant appropriate sanctions, which may lead to separation from the service of the Company and may include filing of legal suits on behalf of the company, effectively deferring employee incentives.</p> <p>In April 2023, the SMIC Board approved the establishment of a management stock incentive program, reinforcing the Company's commitment to aligning employee rewards with long-term performance and sustainable value creation.</p> <p>MCG – Specific Duties and Functions of the Board –1.4.3 &amp; 1.8.B Compensation Committee – Duties and Responsibilities (pp. 4, 12)  <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>Compensation Committee Charter  <a href="https://www.sminvestments.com/wp-content/uploads/2023/04/Compensation-Committee-Charter-2222017_0.pdf">https://www.sminvestments.com/wp-content/uploads/2023/04/Compensation-Committee-Charter-2222017_0.pdf</a></p>	
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		<p>Disclosure on the Results of the Board Meeting held on April 26, 2023  <a href="https://www.sminvestments.com/wp-content/uploads/2023/04/SMIC-Results-of-Board-Meeting-April-26-2023.pdf">https://www.sminvestments.com/wp-content/uploads/2023/04/SMIC-Results-of-Board-Meeting-April-26-2023.pdf</a></p> <p>SMIC Code of Ethics  <a href="https://www.sminvestments.com/wp-content/uploads/2023/03/Code-of-Ethics-v4.1.pdf">https://www.sminvestments.com/wp-content/uploads/2023/03/Code-of-Ethics-v4.1.pdf</a></p>	
<b>Recommendation 2.6</b>			
1. Board has a formal and transparent board nomination and election policy.	<b>COMPLIANT</b>	<p>In accordance with the Company's policy, nominations to the Board shall be submitted (in writing) to the Corporate Governance and Sustainability Committee, Board, or Corporate Secretary at least thirty (30) days before the Annual Stockholders' Meeting (ASM). This is to ensure that the CG and Sustainability Committee has ample time to review and ensure that candidates to the Board meet all the qualifications and none of the disqualifications to be a director. The CG and Sustainability Committee shortlists the final candidates to the Board from the pool of candidates nominated by shareholders. Based on the final list of candidates, directors are elected by shareholders individually.</p> <p>The nomination and election process are fully disclosed in the Company's MCG. Voting procedures and rights, and pertinent data on directors are included in the information statement released to shareholders before the start of the nomination period. Furthermore, the Board identifies the quality of directors that are aligned with the strategic direction of the Company, which may be viewed in the Company's Board Diversity Policy and Board Matrix.</p> <p>MCG – 1.5 Nomination, Qualification and Election of the Board of Directors (pp. 5-8)</p>	
2. Board nomination and election policy is disclosed in the company's Manual on Corporate Governance.	<b>COMPLIANT</b>		
3. Board nomination and election policy includes how the company accepted nominations from minority shareholders.	<b>COMPLIANT</b>		
4. Board nomination and election policy includes how the board shortlists candidates.	<b>COMPLIANT</b>		
5. Board nomination and election policy includes an assessment of the effectiveness of the Board's processes in the nomination, election or replacement of a director.	<b>COMPLIANT</b>		
6. Board has a process for identifying the quality of directors that is aligned with the strategic direction of the company.	<b>COMPLIANT</b>		

		<p><a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>DIS 2026 – Nomination of Directors (PDF pp. 29 - 31) <a href="https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/">https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/</a></p> <p>2025 IR – Nomination and Election of Directors (page 38 - 39) <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p> <p>Corporate Governance and Sustainability Committee Charter <a href="https://www.sminvestments.com/wp-content/uploads/2024/12/SMIC-CGandSustainability-Committee-Charter_w.pdf">https://www.sminvestments.com/wp-content/uploads/2024/12/SMIC-CGandSustainability-Committee-Charter_w.pdf</a></p> <p>By-Laws <a href="https://www.sminvestments.com/wp-content/uploads/2023/04/PDEX-Disclosure-Amended-By-Laws-July-2016_0.pdf">https://www.sminvestments.com/wp-content/uploads/2023/04/PDEX-Disclosure-Amended-By-Laws-July-2016_0.pdf</a></p> <p>Board Diversity Policy and Board Matrix <a href="https://www.sminvestments.com/wp-content/uploads/2024/07/Board-Diversity-Policy-and-Board-Matrix.pdf">https://www.sminvestments.com/wp-content/uploads/2024/07/Board-Diversity-Policy-and-Board-Matrix.pdf</a></p>	
<b>Optional: Recommendation to 2.6</b>			
<p>1. Company uses professional search firms or other external sources of candidates (such as director databases set up by director or shareholder bodies) when searching for candidates to the board of directors.</p>	<p><b>COMPLIANT</b></p>	<p>In accordance with the Company's MCG, the services of professional search firms or other external sources are used when searching for candidates to the Board of Directors.</p> <p>In practice, the Company has engaged, an executive search firm, the Institute of Corporate Directors (ICD) and the Good Governance</p>	

		<p>Advocates and Practitioners of the Philippines (GGAPP) to provide shortlists of potential candidates to the Board when there are potential vacancies. Ms. Tomasa H. Lipana was included in the shortlist provided to SMIC by the ICD and subsequently served as one of the Company's independent directors from 2016 to April 2025.</p> <p>MCG – 1.5 Nomination, Qualification and Election of the Board of Directors – 1.5.2 (page 5)  <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>2025 IR – Nomination and Election of Directors (page 38 - 39)  <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p>	
<b>Recommendation 2.7</b>			
<p>1. Board has overall responsibility in ensuring that there is a group-wide policy and system governing related party transactions (RPTs) and other unusual or infrequently occurring transactions.</p>	<b>COMPLIANT</b>	<p>In accordance with the Company's MCG, the Board formulates and implements group-wide policies to ensure that integrity and fairness of related party transactions (RPTs) are maintained at all times. Further, SMIC's policy on RPTs include thresholds of materiality pursuant to applicable regulations, identification of the scope and coverage considering transactions between and among the Company and its related companies, business associates, major shareholders, officers, directors and their spouses, children, dependent siblings and parents, and of interlocking director relationships, and reportorial requirements, among others.</p>	
<p>2. RPT policy includes appropriate review and approval of material RPTs, which guarantee fairness and transparency of the transactions.</p>	<b>COMPLIANT</b>		
<p>3. RPT policy encompasses all entities within the group, taking into account their size, structure, risk profile and complexity of operations.</p>	<b>COMPLIANT</b>	<p>The Board, through the Related Party Transaction Committee, reviews and approves all material RPTs and ensures that all said transactions are done fairly, at market's price and at arms' length. SMIC's policy on RPTs also outlines the monitoring and</p>	

		<p>review process by the RPT Committee of such transactions, as supported by the Internal Auditor and Audit Committee.</p> <p>MCG – Specific Duties and Functions of the Board – 1.4.13 &amp; 1.8.E. Related Party Transactions Committee (pp. 4-5, 14-15)  <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>Related Party Transactions Policy (Company website)  <a href="https://www.sminvestments.com/wp-content/uploads/2023/03/Related-Party-Transactions.pdf">https://www.sminvestments.com/wp-content/uploads/2023/03/Related-Party-Transactions.pdf</a></p> <p>Related Party Transaction Committee Charter  <a href="https://www.sminvestments.com/wp-content/uploads/2023/04/Charter-Related-Party-Transaction-committee.pdf">https://www.sminvestments.com/wp-content/uploads/2023/04/Charter-Related-Party-Transaction-committee.pdf</a></p> <p>DIS 2026 and Note 21-Related Party Disclosures (PDF pp. 34 - 35, 158 - 159)  <a href="https://www.sminvestments.com/publication/sm-c-definitive-information-statement-2026/">https://www.sminvestments.com/publication/sm-c-definitive-information-statement-2026/</a></p>	
<b>Supplement to Recommendations 2.7</b>			
<p>1. Board clearly defines the threshold for disclosure and approval of RPTs and categorizes such transactions according to those that are considered <i>de minimis</i> or transactions that need not be reported or announced, those that need to be disclosed, and those that need prior shareholder approval. The aggregate amount of RPTs within any twelve (12) month period should be considered for</p>	<p><b>COMPLIANT</b></p>	<p>The Board, through the Related Party Transactions Committee, clearly defines the thresholds for disclosure and approval of RPTs and categorizes such transactions according to their qualifying details. The aggregate amount of RPTs within the year is considered for purposes of applying the thresholds for disclosure and approval.</p> <p>Related Party Transactions Policy (Company website)</p>	

<p>purposes of applying the thresholds for disclosure and approval.</p>		<p><a href="https://www.sminvestments.com/wp-content/uploads/2023/03/Related-Party-Transactions.pdf">https://www.sminvestments.com/wp-content/uploads/2023/03/Related-Party-Transactions.pdf</a></p> <p>Related Party Transaction Committee Charter <a href="https://www.sminvestments.com/wp-content/uploads/2023/04/Charter-Related-Party-Transaction-committee.pdf">https://www.sminvestments.com/wp-content/uploads/2023/04/Charter-Related-Party-Transaction-committee.pdf</a></p> <p>DIS 2026 and Note 21-Related Party Disclosures (PDF pp. 34 – 35, 158 - 159) <a href="https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/">https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/</a></p>	
<p>2. Board establishes a voting system whereby a majority of non-related party shareholders approve specific types of related party transactions during shareholders' meetings.</p>	<p><b>COMPLIANT</b></p>	<p>The Company discloses that Related Party Transactions (RPTs) exceeding the materiality threshold require review and approval by at least a two-thirds (2/3) vote of the Board of Directors, with the affirmative vote of a majority of the Independent Directors. In the absence of such Board approval, material RPTs may be ratified by the vote of stockholders representing at least two-thirds (2/3) of the outstanding capital stock. In line with this principle, the Board has established a voting system whereby a majority of non-related party shareholders approve specific types of RPTs during shareholders' meetings. Consistent with this framework, the approval and ratification of the acts of the Board of Directors and Management during their term of office were undertaken at the 2026 Annual Stockholders' Meeting (ASM), where all stockholders — including minority shareholders — were given the opportunity to vote.</p> <p>DIS 2026 (PDF pp. 4, 47, 88) - Approval and ratification of acts of the Board of Directors and Management during their term of office <a href="https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/">https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/</a></p> <p>Related Party Transactions Policy (page 4)</p>	

		<a href="https://www.sminvestments.com/wp-content/uploads/2023/03/Related-Party-Transactions.pdf">https://www.sminvestments.com/wp-content/uploads/2023/03/Related-Party-Transactions.pdf</a>  Related Party Transaction Committee Charter <a href="https://www.sminvestments.com/wp-content/uploads/2023/04/Charter-Related-Party-Transaction-committee.pdf">https://www.sminvestments.com/wp-content/uploads/2023/04/Charter-Related-Party-Transaction-committee.pdf</a>	
<b>Recommendation 2.8</b>			
<p>1. Board is primarily responsible for approving the selection of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive).</p>	<b>COMPLIANT</b>	<p>The Company's By-Laws states that all officers shall be elected annually by affirmative vote of a majority of all the member of the Board of Directors.</p> <p>On April 29, 2026, at the Organizational Meeting of the Board of Directors, the Board elected/appointed its Corporate Officers that included, among others:</p> <ul style="list-style-type: none"> <li>• Mr. Frederic C. DyBuncio – President and CEO</li> <li>• Ms. Vicky L. Salas – Chief Risk and Compliance Officer</li> <li>• Ms. Shiela P. Alarcio – Chief Audit Officer</li> </ul> <p>SMIC By-Laws – Article VI: Officers  <a href="https://www.sminvestments.com/wp-content/uploads/2023/04/PDEX-Disclosure-Amended-By-Laws-July-2016_0.pdf">https://www.sminvestments.com/wp-content/uploads/2023/04/PDEX-Disclosure-Amended-By-Laws-July-2016_0.pdf</a></p> <p>2026 Results of the Organizational Meeting of the Board of Directors  <a href="https://www.sminvestments.com/publication/sm-ic-results-of-organizational-board-meeting-april-29-2026/">https://www.sminvestments.com/publication/sm-ic-results-of-organizational-board-meeting-april-29-2026/</a></p>	
<p>2. Board is primarily responsible for assessing the performance of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions (Chief</p>	<b>COMPLIANT</b>	<p>The Company's Board conducts an annual assessment of the CEO/President, representing Management, the Chief Risk and Compliance Officer, and the Chief Audit Executive. The evaluation is done through the Corporate Governance and Sustainability Committee as</p>	

<p>Risk Officer, Chief Compliance Officer and Chief Audit Executive).</p>		<p>stated in SMIC's MCG. The evaluation criteria are based on the duties and responsibilities of the respective officers pursuant to SMIC's By-Laws and MCG.</p> <p>MCG – 1.8.A. Corporate Governance and Sustainability Committee, 1.8.A.2 (pp. 10-11)  <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>SMIC By-Laws – Article VI: Officers  <a href="https://www.sminvestments.com/wp-content/uploads/2023/04/PDEX-Disclosure-Amended-By-Laws-July-2016_0.pdf">https://www.sminvestments.com/wp-content/uploads/2023/04/PDEX-Disclosure-Amended-By-Laws-July-2016_0.pdf</a></p> <p>SMIC Website – Audit Committee Charter, Items 4.1 and 5.3.4  <a href="https://www.sminvestments.com/wp-content/uploads/2024/11/SMIC-Revised-Audit-Committee-Charter_Approved-by-the-Board_w-13Nov.2024.pdf">https://www.sminvestments.com/wp-content/uploads/2024/11/SMIC-Revised-Audit-Committee-Charter_Approved-by-the-Board_w-13Nov.2024.pdf</a></p> <p>2025 IR – The Board of Directors (page 36)  <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p>	
<b>Recommendation 2.9</b>			
<p>1. Board establishes an effective performance management framework that ensures that Management's performance is at par with the standards set by the Board and Senior Management.</p>	<p><b>COMPLIANT</b></p>	<p>Directors, officers and employees of the Company undergo annual performance assessments. These assessments ensure that the employees meet the performance standards set by the Company. In line with this and the Company's MCG, the Board, through the Compensation Committee, provides a formal and transparent procedure on executive remuneration packages of officers and provides oversight over remuneration of Management and other key personnel, ensuring that compensation is</p>	
<p>2. Board establishes an effective performance management framework that ensures that personnel's performance</p>	<p><b>COMPLIANT</b></p>		

<p>is at par with the standards set by the Board and Senior Management.</p>		<p>consistent with the Company's culture, strategy and control environment.</p> <p>Further to this, the performance of key officers is evaluated by the Board of Directors annually. Said evaluation is conducted based on the respective officers' duties and responsibilities as provided for by the MCG.</p> <p>Compensation Committee Charter  <a href="https://www.sminvestments.com/wp-content/uploads/2023/04/Compensation-Committee-Charter-2222017_0.pdf">https://www.sminvestments.com/wp-content/uploads/2023/04/Compensation-Committee-Charter-2222017_0.pdf</a></p> <p>MCG – 1.8.A. Corporate Governance and Sustainability Committee, 1.8.A.2 and 1.8.B. Compensation Committee, 1.8.B.2 (pp. 10-12)  <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>2025 IR (page 39)  <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p> <p>DIS 2026 (PDF pp. 37 - 38)  <a href="https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/">https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/</a></p>	
<b>Recommendation 2.10</b>			
<p>1. Board oversees that an appropriate internal control system is in place.</p>	<p><b>COMPLIANT</b></p>	<p>The Audit Committee, among its other responsibilities, is tasked to enhance the Board's oversight capability over the Company's internal control system. SMIC's internal control system includes a mechanism for monitoring and managing potential conflicts of interest of the Company's shareholders, Board and Management. To this end, the Internal Audit Team</p>	
<p>2. The internal control system includes a mechanism for monitoring and managing</p>	<p><b>COMPLIANT</b></p>	<p></p>	

<p>potential conflict of interest of the Management, members and shareholders.</p>		<p>is in place to ensure that there is an effective system of internal control that will ensure the integrity of the financial reports and protection of the assets of the Company safeguarding the interests of its stockholders and other stakeholders.</p> <p>MCG – 1.4.6 Duties of the Board of Directors, 1.4.15 and 1.8.C. Audit Committee (pp. 4-5, 12-13)  <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>Audit Committee Charter  <a href="https://www.sminvestments.com/wp-content/uploads/2024/11/SMIC-Revised-Audit-Committee-Charter-Approved-by-the-Board-w-13Nov.2024.pdf">https://www.sminvestments.com/wp-content/uploads/2024/11/SMIC-Revised-Audit-Committee-Charter-Approved-by-the-Board-w-13Nov.2024.pdf</a></p> <p>Internal Audit Charter  <a href="https://www.sminvestments.com/wp-content/uploads/2024/11/SMIC-Revised-Internal-Audit-Charter-Approved-by-the-Board-w-13Nov.2024.pdf">https://www.sminvestments.com/wp-content/uploads/2024/11/SMIC-Revised-Internal-Audit-Charter-Approved-by-the-Board-w-13Nov.2024.pdf</a></p>	
<p>3. Board approves the Internal Audit Charter.</p>	<p><b>COMPLIANT</b></p>	<p>The Board, through the Audit Committee, approves the Internal Audit Charter.</p> <p>Audit Committee Charter, 5.3.5  <a href="https://www.sminvestments.com/wp-content/uploads/2024/11/SMIC-Revised-Audit-Committee-Charter-Approved-by-the-Board-w-13Nov.2024.pdf">https://www.sminvestments.com/wp-content/uploads/2024/11/SMIC-Revised-Audit-Committee-Charter-Approved-by-the-Board-w-13Nov.2024.pdf</a></p> <p>Internal Audit Charter  <a href="https://www.sminvestments.com/wp-content/uploads/2024/11/SMIC-Revised-Internal-Audit-Charter-Approved-by-the-Board-w-13Nov.2024.pdf">https://www.sminvestments.com/wp-content/uploads/2024/11/SMIC-Revised-Internal-Audit-Charter-Approved-by-the-Board-w-13Nov.2024.pdf</a></p> <p>2025 IR – Report of the Audit Committee – (pp. 49 - 51)</p>	

		<a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a>  MCG – 1.8.C. Audit Committee (pp. 12-13) <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a>	
<b>Recommendation 2.11</b>			
1. Board oversees that the company has in place a sound enterprise risk management (ERM) framework to effectively identify, monitor, assess and manage key business risks.	<b>COMPLIANT</b>	In accordance with the Company's MCG, the Board is tasked to identify and monitor key risk areas and key performance indicators and ensure that a sound Enterprise Risk Management (ERM) framework is in place.	
2. The risk management framework guides the board in identifying units/business lines and enterprise-level risk exposures, as well as the effectiveness of risk management strategies.	<b>COMPLIANT</b>	The Risk Management Committee is responsible for the oversight of the Company's ERM system and ensures its functionality and effectiveness.  MCG – Specific Duties and Functions of the Board, 1.4.7 & 1.8.D Risk Management Committee (pp. 4, 13-14) <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a>  2025 IR (pp. 41 - 43) <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a>  Enterprise Risk Management (Company website) <a href="https://www.sminvestments.com/erm/">https://www.sminvestments.com/erm/</a>  Risk Management Committee Charter <a href="https://www.sminvestments.com/wp-content/uploads/2023/04/Risk_Management_Committee_Charter_JAN-2022.pdf">https://www.sminvestments.com/wp-content/uploads/2023/04/Risk_Management_Committee_Charter_JAN-2022.pdf</a>	
<b>Recommendation 2.12</b>			

1. Board has a Board Charter that formalizes and clearly states its roles, responsibilities and accountabilities in carrying out its fiduciary role.	<b>COMPLIANT</b>	The Company's MCG serves as the Company's Board Charter, which clearly provides for the Board's roles, responsibilities and accountabilities and serves as a guide for the Company's directors in the performance of their functions. It is also publicly available on the Company's website, under the Corporate Governance section.	
2. Board Charter serves as a guide to the directors in the performance of their functions.	<b>COMPLIANT</b>	MCG	
3. Board Charter is publicly available and posted on the company's website.	<b>COMPLIANT</b>	<a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a>  2025 IR (pp. 37) <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a>  Corporate Governance (Company Website) <a href="https://www.sminvestments.com/corporate-governance/">https://www.sminvestments.com/corporate-governance/</a>	
<b>Additional Recommendation to Principle 2</b>			
1. Board has a clear insider trading policy.	<b>COMPLIANT</b>	Pursuant to SMIC's Insider Trading Policy, directors, officers, employees and other covered persons are required to report their dealings in Company shares within three (3) business days from the transaction. Directors, officers and employees are prohibited from trading in the Company's shares, five (5) trading days before and two (2) trading days after the public disclosure of material, non-public, price-sensitive information (MNPI). In general, covered persons are prohibited from trading the Company's shares for as long as they possess MNPI until such information has been publicly disclosed. The Company's Governance and Compliance Office issues reminders of the "trading restriction" before the release of financial reports or the disclosure of other material non-	

		<p>public information to ensure compliance with the policy.</p> <p>Insider Trading Policy  <a href="https://www.sminvestments.com/wp-content/uploads/2023/03/Insider-Trading-Policy-v2.pdf">https://www.sminvestments.com/wp-content/uploads/2023/03/Insider-Trading-Policy-v2.pdf</a></p> <p>Code of Ethics – II. Compliance with Laws &amp; III. E. Avoiding Conflicts of Interest (pp. 1-2, 4-5)  <a href="https://www.sminvestments.com/wp-content/uploads/2023/03/Code-of-Ethics-v4.1.pdf">https://www.sminvestments.com/wp-content/uploads/2023/03/Code-of-Ethics-v4.1.pdf</a></p>	
<b>Optional: Principle 2</b>			
<p>1. Company has a policy on granting loans to directors, either forbidding the practice or ensuring that the transaction is conducted at arm's length basis and at market rates.</p>	<p><b>COMPLIANT</b></p>	<p>In accordance with the Company's Code of Ethics, all business decisions and actions must be based on the best interests of the Company and the value to shareholders and should not be motivated by personal considerations or relations which may interfere with the exercise of independent judgment. Directors, officers and employees should only use the Company's resources to benefit the Company. This means that they must not act on their own or support any action that may run counter to the Company's ethical standards. Non-executive directors do not receive any share options, profit sharing, or other forms of emoluments other than fees disclosed in the annual reports. Grants or loan arrangements extended to Directors or Officers by the Company and/or its subsidiaries and/or affiliates are prohibited unless covered by the requisite approval from the Board and are done at arms' length and at fair market rates.</p> <p>Code of Ethics – E. Avoiding Conflicts of Interest (pp. 4-5)  <a href="https://www.sminvestments.com/wp-content/uploads/2023/03/Code-of-Ethics-v4.1.pdf">https://www.sminvestments.com/wp-content/uploads/2023/03/Code-of-Ethics-v4.1.pdf</a></p> <p>SEC Form 17-A for 2025 (PDF page 53)</p>	

		<p><a href="https://www.sminvestments.com/publication/smic-annual-report-sec-form-17-a-as-of-31-december-2025/">https://www.sminvestments.com/publication/smic-annual-report-sec-form-17-a-as-of-31-december-2025/</a></p> <p>DIS 2026 – Board Remuneration (PDF page 36 - 37) <a href="https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/">https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/</a></p>	
<p>2. Company discloses the types of decision requiring board of directors' approval.</p>	<p><b>COMPLIANT</b></p>	<p>The Company's By-Laws and MCG provide for the types of decisions that require Board approval in carrying out their duties and responsibilities. Disclosures of Board approval is done in accordance with applicable regulatory rules and regulations. As such, these are also posted on the company website.</p> <p>Corporate Disclosures (Company website) <a href="https://www.sminvestments.com/corporate-disclosures/">https://www.sminvestments.com/corporate-disclosures/</a></p> <p>SMIC By-Laws <a href="https://www.sminvestments.com/wp-content/uploads/2023/04/PDEX-Disclosure-Amended-By-Laws-July-2016_0.pdf">https://www.sminvestments.com/wp-content/uploads/2023/04/PDEX-Disclosure-Amended-By-Laws-July-2016_0.pdf</a></p> <p>MCG <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p>	
<p><b>Principle 3:</b> Board committees should be set up to the extent possible to support the effective performance of the Board's functions, particularly with respect to audit, risk management, related party transactions, and other key corporate governance concerns, such as nomination and remuneration. The composition, functions and responsibilities of all committees established should be contained in a publicly available Committee Charter.</p>			
<p><b>Recommendation 3.1</b></p>			
<p>1. Board establishes board committees that focus on specific board functions to aid in the optimal performance of its roles and responsibilities.</p>	<p><b>COMPLIANT</b></p>	<p>To address specific tasks and responsibilities, the Company's Board adopted six (6) board committees, namely the Audit Committee, the Executive Committee, the Related Party</p>	

		<p>Transactions Committee, the Compensation Committee, the Risk Management Committee, and the Corporate Governance and Sustainability Committee.</p> <p>Board and Management (Company website) <a href="https://www.sminvestments.com/corporate-governance/">https://www.sminvestments.com/corporate-governance/</a></p> <p>MCG – 1.8 Board Committees (pp. 10-16) <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>2025 IR – Board Committees (pp. 37 - 38) <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p>	
<b>Recommendation 3.2</b>			
<p>1. Board establishes an Audit Committee to enhance its oversight capability over the company's financial reporting, internal control system, internal and external audit processes, and compliance with applicable laws and regulations.</p>	<p><b>COMPLIANT</b></p>	<p>The Company's Audit Committee exercises the Board's oversight of the Company's financial reporting, internal control system, internal and external audit processes and compliance with applicable laws, rules and regulation. Among its other functions and responsibilities, the Audit Committee recommends the appointment and removal of the Company's external auditor.</p> <p>2025 IR – Report of the Audit Committee (pp. 49 - 51) <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p> <p>Audit Committee Charter <a href="https://www.sminvestments.com/wp-content/uploads/2024/11/SMIC-Revised-Audit-Committee-Charter_Approved-by-the-Board_w-13Nov.2024.pdf">https://www.sminvestments.com/wp-content/uploads/2024/11/SMIC-Revised-Audit-Committee-Charter_Approved-by-the-Board_w-13Nov.2024.pdf</a></p>	

		<p>MCG – 1.8.C Audit Committee (pp. 12-13)  <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p>	
<p>2. Audit Committee is composed of at least three appropriately qualified non-executive directors, the majority of whom, including the Chairman is independent.</p>	<p><b>COMPLIANT</b></p>	<p>The Audit Committee is composed entirely of independent directors, including the Chairperson. The Committee members each possess relevant background, knowledge, skills and/or experience in areas of accounting, audit and finance. The appointment of the Audit Committee members was disclosed as part of the most recent organizational meeting of the Board of Directors.</p> <p>2025 IR – Report of the Audit Committee (pp. 49 - 51)  <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p> <p>Audit Committee Charter  <a href="https://www.sminvestments.com/wp-content/uploads/2024/11/SMIC-Revised-Audit-Committee-Charter-Approved-by-the-Board-w-13Nov.2024.pdf">https://www.sminvestments.com/wp-content/uploads/2024/11/SMIC-Revised-Audit-Committee-Charter-Approved-by-the-Board-w-13Nov.2024.pdf</a></p> <p>MCG – 1.8.C Audit Committee (pp. 12-13)  <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>2026 Results of the Organizational Meeting of the Board of Directors  <a href="https://www.sminvestments.com/publication/smic-results-of-organizational-board-meeting-april-29-2026/">https://www.sminvestments.com/publication/smic-results-of-organizational-board-meeting-april-29-2026/</a></p>	
<p>3. All the members of the committee have relevant background, knowledge, skills,</p>	<p><b>COMPLIANT</b></p>	<p>Each member of the Audit Committee possesses relevant background, knowledge, skills and/or experience in areas of accounting, auditing and</p>	

<p>and/or experience in the areas of accounting, auditing and finance.</p>		<p>finance. The Chairperson of the Audit Committee for the year 2025, Atty. Lily K. Gruba, is a lawyer and has relevant knowledge and experience in accounting, auditing and finance. Profiles of Audit Committee members are also in the annual reports and company website.</p> <p>2025 IR – Report of the Audit Committee (pp. 49 - 51)  <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p> <p>Audit Committee Charter  <a href="https://www.sminvestments.com/wp-content/uploads/2024/11/SMIC-Revised-Audit-Committee-Charter-Approved-by-the-Board-w-13Nov.2024.pdf">https://www.sminvestments.com/wp-content/uploads/2024/11/SMIC-Revised-Audit-Committee-Charter-Approved-by-the-Board-w-13Nov.2024.pdf</a></p> <p>MCG – 1.8.C Audit Committee (pp. 12-13)  <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>SMIC Corporate Website – Board and Management (Skill Set Matrix of the Directors)  <a href="https://www.sminvestments.com/corporate-governance">https://www.sminvestments.com/corporate-governance</a></p>	
<p>4. The Chairman of the Audit Committee is not the Chairman of the Board or of any other committee.</p>	<p><b>COMPLIANT</b></p>	<p>As stated in the Company's MCG and Audit Committee Charter, the Chairperson of the Audit Committee does not serve as the Chairperson of the Board or of any other board committee.</p> <p>2025 IR – Report of the Audit Committee (pp. 49 - 51)  <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p>	

		<p>Audit Committee Charter <a href="https://www.sminvestments.com/wp-content/uploads/2024/11/SMIC-Revised-Audit-Committee-Charter-Approved-by-the-Board-w-13Nov.2024.pdf">https://www.sminvestments.com/wp-content/uploads/2024/11/SMIC-Revised-Audit-Committee-Charter-Approved-by-the-Board-w-13Nov.2024.pdf</a></p> <p>MCG – 1.8.C Audit Committee (pp. 12-13) <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>2026 Results of the Organizational Meeting of the Board of Directors <a href="https://www.sminvestments.com/publication/smic-results-of-organizational-board-meeting-april-29-2026/">https://www.sminvestments.com/publication/smic-results-of-organizational-board-meeting-april-29-2026/</a></p>	
<b>Supplement to Recommendation 3.2</b>			
<p>1. Audit Committee approves all non-audit services conducted by the external auditor.</p>	<p><b>COMPLIANT</b></p>	<p>The Audit Committee approves all non-audit services conducted by the external auditor.</p> <p>MCG – 1.8.C.7 Audit Committee Duties and Responsibilities (page 13) <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>2025 IR – Report of the Audit Committee, External Audit (page 50) <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p> <p>Audit Committee Charter <a href="https://www.sminvestments.com/wp-content/uploads/2024/11/SMIC-Revised-Audit-Committee-Charter-Approved-by-the-Board-w-13Nov.2024.pdf">https://www.sminvestments.com/wp-content/uploads/2024/11/SMIC-Revised-Audit-Committee-Charter-Approved-by-the-Board-w-13Nov.2024.pdf</a></p>	
<p>2. Audit Committee conducts regular meetings and dialogues with the external</p>	<p><b>COMPLIANT</b></p>	<p>The Audit Committee meets at least four (4) times annually pursuant to its Charter. The Committee</p>	

<p>audit team without anyone from management present.</p>		<p>met five (5) times in 2025. The Committee invites members of Management, auditors or others to attend meetings and provide pertinent information, as necessary. The Committee members hold separate meetings with the auditors without anyone from management present.</p> <p>2025 IR – Report of the Audit Committee, External Audit (pp. 50)  <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p> <p>Audit Committee Charter  <a href="https://www.sminvestments.com/wp-content/uploads/2024/11/SMIC-Revised-Audit-Committee-Charter-Approved-by-the-Board-w-13Nov.2024.pdf">https://www.sminvestments.com/wp-content/uploads/2024/11/SMIC-Revised-Audit-Committee-Charter-Approved-by-the-Board-w-13Nov.2024.pdf</a></p>	
<b>Optional: Recommendation 3.2</b>			
<p>1. Audit Committee meet at least four times during the year.</p>	<p><b>COMPLIANT</b></p>	<p>The Audit Committee meets at least four (4) times annually pursuant to its Charter. The Committee met five (5) times in 2025 as reflected in the annual reports and posted on the company website.</p> <p>SEC Form 17-A for 2025 (PDF page 35)  <a href="https://www.sminvestments.com/publication/smic-annual-report-sec-form-17-a-as-of-31-december-2025/">https://www.sminvestments.com/publication/smic-annual-report-sec-form-17-a-as-of-31-december-2025/</a></p> <p>Audit Committee Charter  <a href="https://www.sminvestments.com/wp-content/uploads/2024/11/SMIC-Revised-Audit-Committee-Charter-Approved-by-the-Board-w-13Nov.2024.pdf">https://www.sminvestments.com/wp-content/uploads/2024/11/SMIC-Revised-Audit-Committee-Charter-Approved-by-the-Board-w-13Nov.2024.pdf</a></p> <p>2025 IR (page 37)  <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p>	

<p>2. Audit Committee approves the appointment and removal of the internal auditor.</p>	<p><b>COMPLIANT</b></p>	<p>As stated in the Company's Audit Committee Charter and pertinent reports, the Audit Committee approves the appointment and removal of the Chief Audit Executive/internal auditor.</p> <p>Audit Committee Charter, Item 5.3 (page 2)  <a href="https://www.sminvestments.com/wp-content/uploads/2024/11/SMIC-Revised-Audit-Committee-Charter-Approved-by-the-Board-w-13Nov.2024.pdf">https://www.sminvestments.com/wp-content/uploads/2024/11/SMIC-Revised-Audit-Committee-Charter-Approved-by-the-Board-w-13Nov.2024.pdf</a></p> <p>2025 IR – Report of the Audit Committee (page 49)  <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p>	
<p><b>Recommendation 3.3</b></p>			
<p>1. Board establishes a Corporate Governance Committee tasked to assist the Board in the performance of its corporate governance responsibilities, including the functions that were formerly assigned to a Nomination and Remuneration Committee.</p>	<p><b>COMPLIANT</b></p>	<p>The Corporate Governance and Sustainability Committee is tasked to assist the Board in its corporate governance related responsibilities, while also performing the review and evaluation of the qualifications of all candidates nominated to the Board of Directors, and those nominated to positions that require board approval under the Company's By-Laws. Furthermore, the Committee undertakes the process of identifying the quality of directors aligned with the Company's strategic direction.</p> <p>Corporate Governance and Sustainability Committee Charter  <a href="https://www.sminvestments.com/wp-content/uploads/2024/12/SMIC-CGandSustainability-Committee-Charter-w.pdf">https://www.sminvestments.com/wp-content/uploads/2024/12/SMIC-CGandSustainability-Committee-Charter-w.pdf</a></p> <p>MCG – 1.8.A Corporate Governance and Sustainability Committee (pp. 10-11)  <a href="https://www.sminvestments.com/wp-">https://www.sminvestments.com/wp-</a></p>	

		<p><a href="#">content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>2025 IR (pp. 38) <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p>	
<p>2. Corporate Governance Committee is composed of at least three members, all of whom should be independent directors.</p>	<p><b>COMPLIANT</b></p>	<p>SMIC's Corporate Governance and Sustainability Committee is currently composed of four (4) members, all of whom are independent directors, including the Chairperson.</p> <p>2026 Results of the Organizational Meeting of the Board of Directors <a href="https://www.sminvestments.com/publication/smic-results-of-organizational-board-meeting-april-29-2026/">https://www.sminvestments.com/publication/smic-results-of-organizational-board-meeting-april-29-2026/</a></p> <p>2025 IR (pp. 38) <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p> <p>Corporate Governance and Sustainability Committee Charter <a href="https://www.sminvestments.com/wp-content/uploads/2024/12/SMIC-CGandSustainability-Committee-Charter_w.pdf">https://www.sminvestments.com/wp-content/uploads/2024/12/SMIC-CGandSustainability-Committee-Charter_w.pdf</a></p> <p>MCG – 1.8.A Corporate Governance and Sustainability Committee (pp. 10-11) <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p>	
<p>3. Chairman of the Corporate Governance Committee is an independent director.</p>	<p><b>COMPLIANT</b></p>	<p>As stated in the Company's Corporate Governance and Sustainability Committee Charter and pertinent reports, the Chairman of the Committee is an Independent Director.</p>	

		<p>2026 Results of the Organizational Meeting of the Board of Directors <a href="https://www.sminvestments.com/publication/smic-results-of-organizational-board-meeting-april-29-2026/">https://www.sminvestments.com/publication/smic-results-of-organizational-board-meeting-april-29-2026/</a></p> <p>2025 IR (pp. 38) <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p> <p>Corporate Governance and Sustainability Committee Charter <a href="https://www.sminvestments.com/wp-content/uploads/2024/12/SMIC-CGandSustainability-Committee-Charter_w.pdf">https://www.sminvestments.com/wp-content/uploads/2024/12/SMIC-CGandSustainability-Committee-Charter_w.pdf</a></p> <p>MCG – 1.8.A Corporate Governance and Sustainability Committee (pp. 10-11) <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p>	
<b>Optional: Recommendation 3.3.</b>			
<p>1. Corporate Governance Committee meet at least twice during the year.</p>	<p><b>COMPLIANT</b></p>	<p>Pursuant to the Company's Corporate Governance and Sustainability Committee Charter, the Committee meets at least twice annually. The Committee met three (3) times in 2025 as reflected in the annual reports.</p> <p>2025 IR (pp. 38) <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p> <p>SEC Form 17-A for 2025 (PDF page 43 - 44) <a href="https://www.sminvestments.com/publication/smic-annual-report-sec-form-17-a-as-of-31-december-2025/">https://www.sminvestments.com/publication/smic-annual-report-sec-form-17-a-as-of-31-december-2025/</a></p> <p>DIS 2026 (PDF page 12 - 13)</p>	

		<p><a href="https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/">https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/</a></p> <p>Corporate Governance and Sustainability Committee Charter</p> <p><a href="https://www.sminvestments.com/wp-content/uploads/2024/12/SMIC-CGandSustainability-Committee-Charter_w.pdf">https://www.sminvestments.com/wp-content/uploads/2024/12/SMIC-CGandSustainability-Committee-Charter_w.pdf</a></p>	
<b>Recommendation 3.4</b>			
<p>1. Board establishes a separate Board Risk Oversight Committee (BROC) that should be responsible for the oversight of a company's Enterprise Risk Management system to ensure its functionality and effectiveness.</p>	<p><b>COMPLIANT</b></p>	<p>Pursuant to its Charter, SMIC's Risk Management Committee assists and advises the Board of Directors in fulfilling its oversight of the Company's Enterprise Risk Management system to ensure its functionality and effectiveness.</p> <p>2025 IR ERM Framework and Process (page 41 - 43) <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p> <p>Risk Management Committee Charter <a href="https://www.sminvestments.com/wp-content/uploads/2023/04/Risk_Management_Committee_Charter_JAN-2022.pdf">https://www.sminvestments.com/wp-content/uploads/2023/04/Risk_Management_Committee_Charter_JAN-2022.pdf</a></p> <p>MCG – 1.8.D Risk Management Committee (pp. 13-14) <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p>	
<p>2. BROC is composed of at least three members, the majority of whom should be independent directors, including the Chairman.</p>	<p><b>COMPLIANT</b></p>	<p>The Risk Management Committee is composed of four (4) non-executive directors, all of whom, including the Chairman, are independent directors.</p> <p>2026 Results of the Organizational Meeting of the Board of Directors <a href="https://www.sminvestments.com/publication/smic-results-of-organizational-board-meeting-april-29-2026/">https://www.sminvestments.com/publication/smic-results-of-organizational-board-meeting-april-29-2026/</a></p>	

		<p>2025 IR (page 38)  <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p> <p>Risk Management Committee Charter  <a href="https://www.sminvestments.com/wp-content/uploads/2023/04/Risk_Management_Committee_Charter_JAN-2022.pdf">https://www.sminvestments.com/wp-content/uploads/2023/04/Risk_Management_Committee_Charter_JAN-2022.pdf</a></p>	
<p>3. The Chairman of the BROCC is not the Chairman of the Board or of any other committee.</p>	<p><b>COMPLIANT</b></p>	<p>As stated in the Company's MCG and Risk Management Committee Charter, the Chairman of the Risk Management Committee is not the Chairman of the Board or of any other board committee.</p> <p>2026 Results of the Organizational Meeting of the Board of Directors  <a href="https://www.sminvestments.com/publication/smic-results-of-organizational-board-meeting-april-29-2026/">https://www.sminvestments.com/publication/smic-results-of-organizational-board-meeting-april-29-2026/</a></p> <p>2025 IR (page 38)  <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p> <p>Risk Management Committee Charter  <a href="https://www.sminvestments.com/wp-content/uploads/2023/04/Risk_Management_Committee_Charter_JAN-2022.pdf">https://www.sminvestments.com/wp-content/uploads/2023/04/Risk_Management_Committee_Charter_JAN-2022.pdf</a></p>	
<p>4. At least one member of the BROCC has relevant thorough knowledge and experience on risk and risk management.</p>	<p><b>COMPLIANT</b></p>	<p>In accordance with the Risk Management Committee's Charter, at least one (1) of its members must have relevant knowledge and experience on risk and risk management. All of the Committee members possess relevant experience in risk and management.</p> <p>Risk Management Committee Charter</p>	

		<p><a href="https://www.sminvestments.com/wp-content/uploads/2023/04/Risk_Management_Committee_Charter_JAN-2022.pdf">https://www.sminvestments.com/wp-content/uploads/2023/04/Risk_Management_Committee_Charter_JAN-2022.pdf</a></p> <p>2025 IR (pp. 32 - 35) <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p> <p>SMIC Corporate Website – Board and Management (Skill Set Matrix of the Directors) <a href="https://www.sminvestments.com/corporate-governance/">https://www.sminvestments.com/corporate-governance/</a></p>	
<b>Recommendation 3.5</b>			
<p>1. Board establishes a Related Party Transactions (RPT) Committee, which is tasked with reviewing all material related party transactions of the company.</p>	<b>COMPLIANT</b>	<p>The Related Party Transactions (RPT) Committee reviews all material RPTs of the Company and ensures that said transactions are conducted fairly and at arms' length.</p> <p>2025 IR (pp. 37) <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p> <p>Related Party Transaction Committee Charter <a href="https://www.sminvestments.com/wp-content/uploads/2023/04/Charter-Related-Party-Transaction-committee.pdf">https://www.sminvestments.com/wp-content/uploads/2023/04/Charter-Related-Party-Transaction-committee.pdf</a></p> <p>MCG – 1.8.E Related Party Transactions Committee (pp. 14-15) <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p>	
<p>2. RPT Committee is composed of at least three non-executive directors, two of whom should be independent, including the Chairman.</p>	<b>COMPLIANT</b>	<p>The Related Party Transactions Committee is composed of three (3) non-executive directors, all of whom, including the Chairman, are independent directors.</p>	

		<p>2026 Results of the Organizational Meeting of the Board of Directors <a href="https://www.sminvestments.com/publication/smic-results-of-organizational-board-meeting-april-29-2026/">https://www.sminvestments.com/publication/smic-results-of-organizational-board-meeting-april-29-2026/</a></p> <p>2025 IR (pp. 37) <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p> <p>Related Party Transaction Committee Charter <a href="https://www.sminvestments.com/wp-content/uploads/2023/04/Charter-Related-Party-Transaction-committee.pdf">https://www.sminvestments.com/wp-content/uploads/2023/04/Charter-Related-Party-Transaction-committee.pdf</a></p>	
<b>Recommendation 3.6</b>			
1. All established committees have a Committee Charter stating in plain terms their respective purposes, memberships, structures, operations, reporting process, resources and other relevant information.	<b>COMPLIANT</b>	Each board committee has a Charter which defines its composition, roles and responsibilities based on the provisions found in the MCG. The Charters include administrative provisions on the conduct of meetings and proceedings, reportorial responsibilities and provide the standards for evaluation of the respective committee performance, among others. The Charters are also posted on the Company's website.	
2. Committee Charters provide standards for evaluating the performance of the Committees.	<b>COMPLIANT</b>	Board Committees (Company website) <a href="https://www.sminvestments.com/corporate-governance/">https://www.sminvestments.com/corporate-governance/</a>	
3. Committee Charters were fully disclosed on the company's website.	<b>COMPLIANT</b>	<p>2025 IR (pp. 37 - 38) <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p> <p>MCG – 1.8. Board Committees (page 10) <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p>	

**Principle 4:** To show full commitment to the company, the directors should devote the time and attention necessary to properly and effectively perform their duties and responsibilities, including sufficient time to be familiar with the corporation's business.

**Recommendation 4.1**

<p>1. The Directors attend and actively participate in all meetings of the Board, Committees and shareholders in person or through tele-/videoconferencing conducted in accordance with the rules and regulations of the Commission.</p>	<p><b>COMPLIANT</b></p>	<p>In accordance with the Company's MCG, the Board is tasked to properly discharge Board functions by meeting regularly. Independent views during meetings shall be given due consideration and all such meetings are documented in the minutes of meetings. Directors attend and actively participate in all meetings of the Board, Committees and shareholders in person or through tele/video-conferencing conducted in accordance with pertinent rules and regulation.</p> <p>Board and Board Committee attendance are disclosed through the Company's website and annual reports.</p> <p>2025 IR (pp. 38 - 40) <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p> <p>Attendance of Directors to 2025 Board and Committee Meetings (Company Website) <a href="https://www.sminvestments.com/corporate-governance/">https://www.sminvestments.com/corporate-governance/</a></p> <p>DIS 2026 (PDF page 11 - 13) <a href="https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/">https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/</a></p> <p>SEC Form 17-A for 2025 (PDF pp. 42) <a href="https://www.sminvestments.com/publication/smic-annual-report-sec-form-17-a-as-of-31-december-2025/">https://www.sminvestments.com/publication/smic-annual-report-sec-form-17-a-as-of-31-december-2025/</a></p> <p>MCG – 1.6. Board Meetings (pp. 8-9)</p>	
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2. The directors review meeting materials for all Board and Committee meetings.	<b>COMPLIANT</b>	<p>SMIC's directors review meeting materials for all Board and Committee meetings prior to the said meetings.</p> <p>MCG – 1.11 Corporate Secretary (pp. 17-18) <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>2025 IR (pp. 36-39) <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p>	
3. The directors ask the necessary questions or seek clarifications and explanations during the Board and Committee meetings.	<b>COMPLIANT</b>	<p>The Company ensures that when a director seeks clarifications/explanations on certain matters during Board and/or Committee meetings, relevant parties are available to provide the necessary clarifications/explanations. As part of established protocols, Board members are provided with meeting materials at least five (5) days prior to the scheduled Board or Committee sessions. This ensures they have sufficient time to review the documents thoroughly and raise any clarifications or points of discussion during the meeting itself.</p> <p>MCG – 1.11 Corporate Secretary (pp. 17-18) <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>Board and Management – Board Attendance (Company Website) <a href="https://www.sminvestments.com/corporate-governance/">https://www.sminvestments.com/corporate-governance/</a></p>	

Recommendation 4.2			
<p>1. Non-executive directors concurrently serve in a maximum of five publicly-listed companies to ensure that they have sufficient time to fully prepare for meetings, challenge Management's proposals/views, and oversee the long-term strategy of the company.</p>	<b>COMPLIANT</b>	<p>In accordance with the Company's MCG, any non-executive director that holds more than five (5) simultaneous board seats in listed companies will be temporarily disqualified to serve as a director. None of the Company's directors hold more than five (5) simultaneous board seats in listed companies.</p> <p>MCG – Temporary Disqualification – 1.5.6 g. (page 8)  <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>2025 IR (pp. 32-35)  <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p> <p>DIS 2026 – Profiles of the Board of Directors (PDF pp. 6-9)  <a href="https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/">https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/</a></p> <p>SEC Form 17-A for 2025 (PDF pp. 37-41)  <a href="https://www.sminvestments.com/publication/smic-annual-report-sec-form-17-a-as-of-31-december-2025/">https://www.sminvestments.com/publication/smic-annual-report-sec-form-17-a-as-of-31-december-2025/</a></p>	
Recommendation 4.3			
<p>1. The directors notify the company's board before accepting a directorship in another company.</p>	<b>COMPLIANT</b>	<p>In accordance with the Company's MCG, it is the duty of a director to notify the Board through the Corporate Governance and Sustainability Committee before accepting a directorship in another company.</p> <p>MCG – Duties and Responsibilities of a Director – 1.7.7 (page 9)</p>	

		<a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a>	
<b>Optional: Principle 4</b>			
1. Company does not have any executive directors who serve in more than two boards of listed companies outside of the group.	<b>COMPLIANT</b>	<p>In accordance with the Company's MCG, "the CEO and other executive directors shall limit the number of corporate board seats they hold to a low number. This is to ensure that the number of board seats held do not exceed their ability to perform their duties in an appropriate fashion".</p> <p>None of SMIC's executive directors serve in more than two (2) boards of listed companies outside the SM Group of Companies.</p> <p>MCG – Corporate Governance and Sustainability Committee, 1.8.A.10 (page 11) <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>2025 IR (pp. 32-35) <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p> <p>SEC Form 17-A for 2025 (PDF pp. 37-41) <a href="https://www.sminvestments.com/publication/smic-annual-report-sec-form-17-a-as-of-31-december-2025/">https://www.sminvestments.com/publication/smic-annual-report-sec-form-17-a-as-of-31-december-2025/</a></p> <p>DIS 2026 (PDF pp. 10 - 16) <a href="https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/">https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/</a></p>	
2. Company schedules board of directors' meetings before the start of the financial year.	<b>COMPLIANT</b>	<p>In accordance with the Company's MCG, board meetings are scheduled a year in advance. This is to ensure maximum participation of the directors.</p> <p>MCG – 1.6.1 Board Meetings (page 9)</p>	

		<p><a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>2025 IR – Board Performance and Attendance (page 36) <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p> <p>Board Attendance (Company website) <a href="https://www.sminvestments.com/corporate-governance/">https://www.sminvestments.com/corporate-governance/</a></p>	
3. Board of directors meet at least six times during the year.	<b>COMPLIANT</b>	<p>In accordance with the Company's MCG, the Board meets at least six (6) times annually. In 2025, the Board met nine (9) times during the year.</p> <p>MCG – 1.6.1 Board Meetings (page 9) <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>2025 IR – Board Performance and Attendance (page 36) <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p> <p>Board Attendance (Company website) <a href="https://www.sminvestments.com/corporate-governance/">https://www.sminvestments.com/corporate-governance/</a></p>	
4. Company requires as minimum quorum of at least 2/3 for board decisions.	<b>COMPLIANT</b>	<p>In accordance with the Company's By-Laws, 2/3 of the Board of Directors shall constitute a quorum for the transaction of business at any meeting, unless otherwise provided by the same By-Laws.</p> <p>SMIC By-Laws – Article IV, Section 5</p>	

	<a href="https://www.sminvestments.com/wp-content/uploads/2023/04/PDEX-Disclosure-Amended-By-Laws-July-2016_0.pdf">https://www.sminvestments.com/wp-content/uploads/2023/04/PDEX-Disclosure-Amended-By-Laws-July-2016_0.pdf</a>	
<p><b>Principle 5:</b> The board should endeavor to exercise an objective and independent judgment on all corporate affairs</p>		
<p><b>Recommendation 5.1</b></p>		
<p>1. The Board has at least 3 independent directors or such number as to constitute one-third of the board, whichever is higher.</p>	<p><b>COMPLIANT</b></p>	<p>SMIC's Board is composed of nine (9) highly qualified directors, five (5) or fifty six percent (56%) of whom are independent directors including the Chairman of the Board. In accordance with SMIC's MCG, the Board shall always have at least three (3) independent directors <i>or such number as to constitute at least one-third (1/3) of the members of the Board, whichever is higher.</i></p> <p>2026 Results of the Organizational Meeting of the Board of Directors  <a href="https://www.sminvestments.com/publication/smic-results-of-organizational-board-meeting-april-29-2026/">https://www.sminvestments.com/publication/smic-results-of-organizational-board-meeting-april-29-2026/</a></p> <p>2026 Results of the ASM and Board Organizational Meeting  <a href="https://www.sminvestments.com/publication/smic-results-of-annual-stockholders-meeting-april-29-2026/">https://www.sminvestments.com/publication/smic-results-of-annual-stockholders-meeting-april-29-2026/</a></p> <p>Board of Directors' Profiles (Company website)  <a href="https://www.sminvestments.com/our-leadership/">https://www.sminvestments.com/our-leadership/</a></p> <p>2025 IR (pp. 32-35)  <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p> <p>MCG – 1.1 Board Composition (page 3)  <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p>

Recommendation 5.2			
<p>1. The independent directors possess all the qualifications and none of the disqualifications to hold the positions.</p>	<p><b>COMPLIANT</b></p>	<p>The Company's independent directors possess all the qualifications and none of the disqualifications necessary to serve on the Board as set forth in the company policies that are aligned with pertinent rules and regulations alongside CG best practices.</p> <p>MCG – 1.5 Nomination, Qualification and Election of Board of Directors (pp. 5-8)  <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>DIS 2026 (PDF pp. 10-16)  <a href="https://www.sminvestments.com/publication/sm-ic-definitive-information-statement-2026/">https://www.sminvestments.com/publication/sm-ic-definitive-information-statement-2026/</a></p> <p>Board of Directors' Profiles (Company website)  <a href="https://www.sminvestments.com/our-leadership/">https://www.sminvestments.com/our-leadership/</a></p> <p>SEC Form 17-A for 2025 (PDF pp. 37-41)  <a href="https://www.sminvestments.com/publication/sm-ic-annual-report-sec-form-17-a-as-of-31-december-2025/">https://www.sminvestments.com/publication/sm-ic-annual-report-sec-form-17-a-as-of-31-december-2025/</a></p>	
Supplement to Recommendation 5.2			
<p>1. Company has no shareholder agreements, by-laws provisions, or other arrangements that constrain the directors' ability to vote independently.</p>	<p><b>COMPLIANT</b></p>	<p>The provisions in the Company's shareholder agreements, By-Laws or other agreements do not constrain directors from voting independently. Per the Company's MCG, directors are required to exercise independent judgment.</p> <p>MCG – 1.7 Duties and Responsibilities of a Director (page 9)  <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p>	
Recommendation 5.3			

<p>1. The independent directors serve for a cumulative term of nine years (reckoned from 2013).</p>	<p><b>COMPLIANT</b></p>	<p>In accordance with the Company's MCG, any independent director that has served on the Board for a maximum cumulative term of nine (9) years shall be permanently disqualified to return as an independent director.</p> <p>None of the Company's independent directors serve over a cumulative term of nine (9) years. The number of years of service of directors are also indicated in the annual reports and reflected in their profiles posted on the company website.</p> <p>MCG – 1.5.5. Permanent Disqualification, Item f. (page 6)  <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>Board of Directors' Profiles (Company website)  <a href="https://www.sminvestments.com/our-leadership/">https://www.sminvestments.com/our-leadership/</a></p> <p>DIS 2026 (PDF pp. 10-16)  <a href="https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/">https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/</a></p> <p>SEC Form 17-A for 2025 (PDF pp. 41-46)  <a href="https://www.sminvestments.com/publication/smic-annual-report-sec-form-17-a-as-of-31-december-2025/">https://www.sminvestments.com/publication/smic-annual-report-sec-form-17-a-as-of-31-december-2025/</a></p> <p>2025 IR (pp. 31-35)  <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p>	
<p>2. The company bars an independent director from serving in such capacity after the term limit of nine years.</p>	<p><b>COMPLIANT</b></p>	<p>In accordance with the Company's MCG, any independent director that has served on the Board for a maximum cumulative term of nine (9)</p>	

		<p>years shall be permanently disqualified to return as an independent director.</p> <p>MCG – 1.5.5. Permanent Disqualification, Item f. (page 6)  <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>2026 Results of the Organizational Meeting of the Board of Directors  <a href="https://www.sminvestments.com/publication/sm-ic-results-of-organizational-board-meeting-april-29-2026/">https://www.sminvestments.com/publication/sm-ic-results-of-organizational-board-meeting-april-29-2026/</a></p> <p>2026 Results of the ASM and Board Organizational Meeting  <a href="https://www.sminvestments.com/publication/sm-ic-results-of-annual-stockholders-meeting-april-29-2026/">https://www.sminvestments.com/publication/sm-ic-results-of-annual-stockholders-meeting-april-29-2026/</a></p> <p>DIS 2026 – Profiles of the Board of Directors (PDF pp. 24 - 28)  <a href="https://www.sminvestments.com/publication/sm-ic-definitive-information-statement-2026/">https://www.sminvestments.com/publication/sm-ic-definitive-information-statement-2026/</a></p>	
<p>3. In the instance that the company retains an independent director in the same capacity after nine years, the board provides meritorious justification and seeks shareholders' approval during the annual shareholders' meeting.</p>	<p><b>COMPLIANT</b></p>	<p>The Company discloses that it adheres to the provisions of its Manual on Corporate Governance (MCG), which sets the maximum cumulative term of Independent Directors at nine (9) years. In the event that an Independent Director is retained in the same capacity beyond this period, the Board provides a meritorious justification and seeks shareholders' approval during the Annual Stockholders' Meeting (ASM), consistent with best governance practice and the principle of shareholder protection.</p>	

		<p>MCG – 1.5.5. Permanent Disqualification, Item f. (page 6)  <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>2026 Results of the Organizational Meeting of the Board of Directors  <a href="https://www.sminvestments.com/publication/smhc-results-of-organizational-board-meeting-april-29-2026/">https://www.sminvestments.com/publication/smhc-results-of-organizational-board-meeting-april-29-2026/</a></p> <p>2026 Results of the ASM and Board Organizational Meeting  <a href="https://www.sminvestments.com/publication/smhc-results-of-annual-stockholders-meeting-april-29-2026/">https://www.sminvestments.com/publication/smhc-results-of-annual-stockholders-meeting-april-29-2026/</a></p> <p>DIS 2026 – Profiles of the Board of Directors (PDF pp. 24 - 28)  <a href="https://www.sminvestments.com/publication/smhc-definitive-information-statement-2026/">https://www.sminvestments.com/publication/smhc-definitive-information-statement-2026/</a></p>	
<b>Recommendation 5.4</b>			
<p>1. The positions of Chairman of the Board and Chief Executive Officer are held by separate individuals.</p>	<p><b>COMPLIANT</b></p>	<p>The Company's Chairman of the Board is Mr. Amando M. Tetangco, Jr. while the President and CEO is Mr. Frederic C. DyBuncio, who are separate individuals.</p> <p>Board of Directors' Profiles (Company website)  <a href="https://www.sminvestments.com/our-leadership/">https://www.sminvestments.com/our-leadership/</a></p> <p>2025 IR (pp. 32-35)  <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p> <p>SEC Form 17-A for 2025 (PDF pp. 37-42)</p>	

		<p><a href="https://www.sminvestments.com/publication/smic-annual-report-sec-form-17-a-as-of-31-december-2025/">https://www.sminvestments.com/publication/smic-annual-report-sec-form-17-a-as-of-31-december-2025/</a></p> <p>DIS 2026 – Profiles of the Board of Directors (PDF pp.6 - 10) <a href="https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/">https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/</a></p> <p>2026 Results of the Organizational Meeting of the Board of Directors <a href="https://www.sminvestments.com/publication/smic-results-of-organizational-board-meeting-april-29-2026/">https://www.sminvestments.com/publication/smic-results-of-organizational-board-meeting-april-29-2026/</a></p>	
2. The Chairman of the Board and Chief Executive Officer have clearly defined responsibilities.	<b>COMPLIANT</b>	<p>The Chairman of the Board and the CEO/President have clearly defined duties and responsibilities provided for by the Company's MCG and By-Laws.</p> <p>MCG – 1.9 Chairman of the Board and 1.10 President (pp. 16-17) <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>By-Laws – Article VI. Officers (PDF pp. 13-14) <a href="https://www.sminvestments.com/wp-content/uploads/2023/04/PDEX-Disclosure-Amended-By-Laws-July-2016_0.pdf">https://www.sminvestments.com/wp-content/uploads/2023/04/PDEX-Disclosure-Amended-By-Laws-July-2016_0.pdf</a></p>	
<b>Recommendation 5.5</b>			
1. If the Chairman of the Board is not an independent director, the board designates a lead director among the independent directors.	<b>COMPLIANT</b>	<p>The Chairman of the Board, Mr. Amando M. Tetangco, Jr., is an independent director.</p> <p>MCG – 1.1 Board Composition (page 3) <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>Board of Directors' Profiles (Company website)</p>	

		<p><a href="https://www.sminvestments.com/our-leadership/">https://www.sminvestments.com/our-leadership/</a></p> <p>2025 IR (pp. 32 - 35) <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p> <p>DIS 2026 – Profiles of the Board of Directors (PDF pp. 24 - 28) <a href="https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/">https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/</a></p>	
<b>Recommendation 5.6</b>			
<p>1. Directors with material interest in a transaction affecting the corporation abstain from taking part in the deliberations on the transaction.</p>	<p><b>COMPLIANT</b></p>	<p>In accordance with the Company's MCG, the Board ensures that directors with a material interest in any transaction affecting the Company abstain from taking part in the deliberations for the same. In 2025, the Company did not have any transaction in which a director had a material interest.</p> <p>Furthermore, the Company's Conflict of Interest policy requires any director, officer, or employee involved in an actual or potential conflict of interest to immediately disclose said conflict to the Company, if any.</p> <p>MCG – 1.4 Specific Duties and Functions of the Board, 1.4.12 (page 4) <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>2025 IR – Other CG Related Policies (pp.40 - 41) <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p> <p>SMIC Code of Ethics (pp. 4 - 5)</p>	

		<a href="https://www.sminvestments.com/wp-content/uploads/2023/03/Code-of-Ethics-v4.1.pdf">https://www.sminvestments.com/wp-content/uploads/2023/03/Code-of-Ethics-v4.1.pdf</a>	
<b>Recommendation 5.7</b>			
1. The non-executive directors (NEDs) have separate periodic meetings with the external auditor and heads of the internal audit, compliance and risk functions, without any executive present.	<b>COMPLIANT</b>	At least annually, the NEDs meet with the external auditor and head of internal audit, compliance and risk, without any executive directors present. The Board is currently led by a Chairman who is an Independent Director.	
2. The meetings are chaired by the lead independent director.	<b>COMPLIANT</b>	<p>In 2025, the NEDs met twice with the external auditors, and four (4) times with the internal auditors and the Chief Risk Officer during the year. These refer to scheduled formal meetings. Consultation and oversight engagements and meetings are conducted as needed and are not included in the meeting count.</p> <p>MCG – Definition of Terms, e. Lead Independent Director and 1.6 Board Meetings (pp. 1, 8-9)  <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>2025 IR – Board Performance and Attendance (page 36)  <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p> <p>2026 Results of the Organizational Meeting of the Board of Directors  <a href="https://www.sminvestments.com/publication/smic-results-of-organizational-board-meeting-april-29-2026/">https://www.sminvestments.com/publication/smic-results-of-organizational-board-meeting-april-29-2026/</a></p>	
<b>Optional: Principle 5</b>			
1. None of the directors is a former CEO of the company in the past 2 years.	<b>COMPLIANT</b>	Mr. Frederic C. DyBuncio remains the incumbent President and CEO of the Company.	

		<p>DIS 2026 (PDF pp. 23 - 28)  <a href="https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/">https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/</a></p> <p>Board of Directors' Profiles (Company website)  <a href="https://www.sminvestments.com/our-leadership/">https://www.sminvestments.com/our-leadership/</a></p> <p>2026 Results of the Organizational Meeting of the Board of Directors  <a href="https://www.sminvestments.com/publication/smic-results-of-organizational-board-meeting-april-29-2026/">https://www.sminvestments.com/publication/smic-results-of-organizational-board-meeting-april-29-2026/</a></p>	
<p><b>Principle 6:</b> The best measure of the Board's effectiveness is through an assessment process. The Board should regularly carry out evaluations to appraise its performance as a body, and assess whether it possesses the right mix of backgrounds and competencies.</p>			
<p><b>Recommendation 6.1</b></p>			
1. Board conducts an annual self-assessment of its performance as a whole.	<b>COMPLIANT</b>	<p>The Company's Board conducts an annual self-assessment of its performance facilitated by the Compliance Officer done through a self-assessment questionnaire. This questionnaire includes evaluation of performance of the Chairman, individual members, each committee and the Management through identified key officers including the President and CEO, CRO and CCO, and Chief Audit Executive. Details on the Company's Board self-assessment exercise is available on the company website. The Corporate Governance and Sustainability Committee oversees this annual self-assessment exercise of the Board.</p> <p>MCG – Corporate Governance and Sustainability Committee, 1.8.A.2-1.8.A.4 (page 10)  <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p>	
2. The Chairman conducts a self-assessment of his performance.	<b>COMPLIANT</b>		
3. The individual members conduct a self-assessment of their performance.	<b>COMPLIANT</b>		
4. Each committee conducts a self-assessment of its performance.	<b>COMPLIANT</b>		

		<p>2025 IR (pp. 36, 39) <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p> <p>DIS 2026 – Board Evaluation and Assessment (PDF pp. 38 - 39) <a href="https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/">https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/</a></p>	
<p>5. Every three years, the assessments are supported by an external facilitator.</p>	<p><b>COMPLIANT</b></p>	<p>Pursuant to the Company's MCG, the Board's annual self-assessment should be supported by an external facilitator at least once every three (3) years. The Company engaged the services of the Institute of Corporate Directors (ICD) for this purpose in its 2021 and 2024 assessments.</p> <p>MCG – 1.8.A. Corporate Governance and Sustainability Committee, 1.8.A.3 (page 10) <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>2025 IR (pp. 36, 39) <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p> <p>DIS 2026 – Board Evaluation and Assessment (PDF pp. 38 - 39) <a href="https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/">https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/</a></p>	
<p><b>Recommendation 6.2</b></p>			
<p>1. Board has in place a system that provides, at the minimum, criteria and process to determine the performance of the Board, individual directors and committees.</p>	<p><b>COMPLIANT</b></p>	<p>SMIC's Board conducts an annual self-assessment of its performance facilitated by the Compliance Officer done through a self-assessment questionnaire. This questionnaire includes evaluation of performance of the Chairman,</p>	

<p>2. The system allows for a feedback mechanism from the shareholders.</p>	<p><b>COMPLIANT</b></p>	<p>individual members, each committee and the Management through identified key officers including the President and CEO. The evaluation criteria are based on the duties and responsibilities as provided for by the Company's By-Laws, MCG and respective Board Committee Charters.</p> <p>In accordance with the Company's MCG, it is the duty of the Board to promote shareholder rights, remove impediments to the exercise of shareholder rights and allow possibilities to seek redress for violation of their rights. The Board encourages the exercise of the shareholders' voting rights and the solution of collective action problems through appropriate mechanisms.</p> <p>Furthermore, the Board has established an Investor Relations Department that ensures constant engagement with its shareholders. The Company's shareholders and various stakeholders may raise concerns, provide feedback or make recommendations to the Company coursed through the Investor Relations Department. Other forms of reports may also go through the Company's whistleblowing channels such as designated email and platform managed by independent third-party provider. SMIC also adopted a Stakeholder Engagement Policy, which is discussed in the Sustainability Notes to the IR.</p> <p>2025 IR (pp. 35, 44)  <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p> <p>Stakeholder Engagement Policy  <a href="https://www.sminvestments.com/2024smicintegratedreport/wp-content/uploads/2025/04/SUS-GRC-005-STAKEHOLDER-ENGAGEMENT-POLICY_2024.pdf">https://www.sminvestments.com/2024smicintegratedreport/wp-content/uploads/2025/04/SUS-GRC-005-STAKEHOLDER-ENGAGEMENT-POLICY_2024.pdf</a></p>	
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		MCG – 2. Shareholders' Benefits and Rights (pp. 20-23) <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a>	
<b>Principle 7:</b> Members of the Board are duty-bound to apply high ethical standards, taking into account the interests of all stakeholders.			
<b>Recommendation 7.1</b>			
1. Board adopts a Code of Business Conduct and Ethics, which provide standards for professional and ethical behavior, as well as articulate acceptable and unacceptable conduct and practices in internal and external dealings of the company.	<b>COMPLIANT</b>	The Company's Code of Ethics provides the backbone for its culture of good governance. All directors, officers and employees are required to adhere to the Code in the performance of their duties and responsibilities. The Code highlights the importance of integrity in dealings with investors, creditors, customers, contractors, suppliers, regulators, co-employees and the Company's other various stakeholders.  SMIC Code of Ethics <a href="https://www.sminvestments.com/wp-content/uploads/2023/03/Code-of-Ethics-v4.1.pdf">https://www.sminvestments.com/wp-content/uploads/2023/03/Code-of-Ethics-v4.1.pdf</a>  2025 IR (pp. 39 , 45) <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a>	
2. The Code is properly disseminated to the Board, senior management and employees.	<b>COMPLIANT</b>	The Company ensures that the Code of Ethics is properly disseminated to its Board, Management and employees and is available to the public via the Company's website.	
3. The Code is disclosed and made available to the public through the company website.	<b>COMPLIANT</b>	Furthermore, the Company orients all new directors, officers and employees on the Code of Ethics and its supplemental policies.  MCG – 1.4 Specific Duties and Functions of the Board, 1.4.14 (page 5) <a href="https://www.sminvestments.com/wp-">https://www.sminvestments.com/wp-</a>	

		<p><a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>SMIC Code of Ethics <a href="https://www.sminvestments.com/wp-content/uploads/2023/03/Code-of-Ethics-v4.1.pdf">https://www.sminvestments.com/wp-content/uploads/2023/03/Code-of-Ethics-v4.1.pdf</a></p> <p>2025 IR (pp. 39, 45) <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p>	
<b>Supplement to Recommendation 7.1</b>			
<p>1. Company has clear and stringent policies and procedures on curbing and penalizing company involvement in offering, paying and receiving bribes.</p>	<p><b>COMPLIANT</b></p>	<p>The Company maintains clear and well-established policies and procedures to prevent and address bribery, principally through its Anti-Bribery and Anti-Corruption Policy and Code of Ethics, which require all directors, officers, and employees to conduct business ethically and with integrity and to avoid offering or receiving improper benefits. These are complemented by guidelines on gifts, hospitality, and conflicts of interest, as well as a whistleblowing mechanism that provides for the reporting, investigation, and appropriate sanction of violations, in accordance with due process.</p> <p>SMIC Code of Ethics – III. Ethical Practices – E. Avoiding Conflicts of Interest (pp. 4-5) <a href="https://www.sminvestments.com/wp-content/uploads/2023/03/Code-of-Ethics-v4.1.pdf">https://www.sminvestments.com/wp-content/uploads/2023/03/Code-of-Ethics-v4.1.pdf</a></p> <p>SMIC Guidelines on Gifts and Hospitality/Entertainment (Company website) <a href="https://www.sminvestments.com/wp-content/uploads/2023/03/GUIDELINES-ON-GIFTS-AND-HOSPITALITY-v2-1.pdf">https://www.sminvestments.com/wp-content/uploads/2023/03/GUIDELINES-ON-GIFTS-AND-HOSPITALITY-v2-1.pdf</a></p> <p>Whistleblowing Policy (Company website)</p>	

		<a href="https://www.sminvestments.com/policy-on-accountability-integrity-and-vigilance-paiv/">https://www.sminvestments.com/policy-on-accountability-integrity-and-vigilance-paiv/</a>  Anti-Bribery and Anti-Corruption Policy (Company website) <a href="https://www.sminvestments.com/wp-content/uploads/2023/03/Anti-Bribery-and-Anti-Corruption-Policy.pdf">https://www.sminvestments.com/wp-content/uploads/2023/03/Anti-Bribery-and-Anti-Corruption-Policy.pdf</a>	
<b>Recommendation 7.2</b>			
1. Board ensures the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics.	<b>COMPLIANT</b>	Pursuant to the Company's MCG, the Board ensures the proper and efficient implementation and monitoring of compliance with the Code of Ethics and internal policies. Monitoring is done through the Human Resources (HR), Governance, Risk and Compliance (GRC), and Internal Audit teams as part of their daily responsibilities. Any violation to the Code of Ethics is elevated to the Board, through the Executive Committee for proper disposition. All directors, officers, and employees are required to adhere strictly to the Company's Code of Ethics. In 2025, there were no reported instances of non-compliance with the Code.  SMIC Code of Ethics <a href="https://www.sminvestments.com/wp-content/uploads/2023/03/Code-of-Ethics-v4.1.pdf">https://www.sminvestments.com/wp-content/uploads/2023/03/Code-of-Ethics-v4.1.pdf</a>  MCG – Items 1.4.14 and 5. Monitoring and Assessment (pp. 5, 24) <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a>	
2. Board ensures the proper and efficient implementation and monitoring of compliance with company internal policies.	<b>COMPLIANT</b>		
<b>Disclosure and Transparency</b>			
<b>Principle 8:</b> The company should establish corporate disclosure policies and procedures that are practical and in accordance with best practices and regulatory expectations.			
<b>Recommendation 8.1</b>			

<p>1. Board establishes corporate disclosure policies and procedures to ensure a comprehensive, accurate, reliable and timely report to shareholders and other stakeholders that gives a fair and complete picture of a company's financial condition, results and business operations.</p>	<p><b>COMPLIANT</b></p>	<p>The Company maintains policies and processes to ensure the timely and accurate disclosure of material information to shareholders and other stakeholders. These are implemented through established reporting mechanisms and regular disclosures, including the Annual Report, Definitive Information Statement, and other regulatory filings, which provide relevant, reliable, and up-to-date information. Oversight by the Board and Management supports the proper review and verification of disclosures, reinforcing transparency and accountability in the Company's communications.</p> <p>MCG – 2.1.4 Right to Information and 4. Reportorial or Disclosure System, 4.2 (pp. 21-22, 24)  <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>2025 IR – Disclosure and Transparency (pp. 44 - 45)  <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p> <p>SMIC Corporate Disclosures (Company website)  <a href="https://www.sminvestments.com/corporate-disclosures/">https://www.sminvestments.com/corporate-disclosures/</a></p>	
<b>Supplement to Recommendations 8.1</b>			
<p>1. Company distributes or makes available annual and quarterly consolidated reports, cash flow statements, and special audit revisions. Consolidated financial statements are published within ninety (90) days from the end of the fiscal year, while interim reports are published within forty-five (45) days from the end of the reporting period.</p>	<p><b>COMPLIANT</b></p>	<p>All annual and quarterly financial statements are published within the prescribed time frame.</p> <p>On February 27, 2026, The Company disclosed Board approval for the 2025 Consolidated Financial Report , fifty-eight (58) days from the end of calendar year. The 2025 interim reports were published within forty-five (45) days from the end of their respective reporting period: November 14, 2025, August 14, 2025, and May 14, 2025, respectively.</p>	

		<p>MCG – 2.1.4 Right to Information and 4. Reportorial or Disclosure System, 4.2 (pp. 21-22, 24)  <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>SEC Form 17-A for 2025 (Annual Report)  <a href="https://www.sminvestments.com/publication/sm-ic-annual-report-sec-form-17-a-as-of-31-december-2025/">https://www.sminvestments.com/publication/sm-ic-annual-report-sec-form-17-a-as-of-31-december-2025/</a></p> <p>SMIC Financial Reports (Company website)  <a href="https://www.sminvestments.com/financial-reports/">https://www.sminvestments.com/financial-reports/</a></p> <p>Corporate Disclosures (Company website)  <a href="https://www.sminvestments.com/corporate-disclosures/">https://www.sminvestments.com/corporate-disclosures/</a></p>	
<p>2. Company discloses in its annual report the principal risks associated with the identity of the company's controlling shareholders; the degree of ownership concentration; cross-holdings among company affiliates; and any imbalances between the controlling shareholders' voting power and overall equity position in the company.</p>	<p><b>COMPLIANT</b></p>	<p>The Company discloses in its Integrated Report the key risks to which it is materially exposed. These disclosures are presented as part of the Company's Enterprise Risk Management and corporate governance reporting, providing stakeholders with a transparent view of risk exposures and corresponding mitigation measures.</p> <p>To address such risks, the Company has established governance safeguards, including the presence of independent directors who exercise objective judgment, as well as formal policies on related party transactions and conflicts of interest, which are subject to appropriate review and approval processes. These mechanisms support the protection of minority shareholders and promote fairness and accountability in decision-making.</p> <p>Enterprise Risk Management (Company Website)</p>	

		<p><a href="https://www.sminvestments.com/erm/">https://www.sminvestments.com/erm/</a></p> <p>2025 IR – ERM (pp. 41 – 43) <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p> <p>DIS 2026 (PDF pp. 158) <a href="https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/">https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/</a></p> <p>SEC Form 17-A (PDF pp. 141, 231)) <a href="https://www.sminvestments.com/publication/smic-annual-report-sec-form-17-a-as-of-31-december-2025/">https://www.sminvestments.com/publication/smic-annual-report-sec-form-17-a-as-of-31-december-2025/</a></p>	
<b>Recommendation 8.2</b>			
<p>1. Company has a policy requiring all directors to disclose/report to the company any dealings in the company's shares within three business days.</p>	<b>COMPLIANT</b>	<p>In accordance with the Company's MCG and Insider Trading Policy, directors, officers and employees are required to disclose any dealings in the Company's shares within three (3) business days of the transaction for proper and timely disclosure.</p>	
<p>2. Company has a policy requiring all officers to disclose/report to the company any dealings in the company's shares within three business days.</p>	<b>COMPLIANT</b>	<p>2025 IR – Insider Trading Policy (page 40) <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p> <p>MCG – 1.7 Duties and Responsibilities of Directors, 1.7.6 (page 9) <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>Corporate Disclosures (Company website) <a href="https://www.sminvestments.com/corporate-disclosures/">https://www.sminvestments.com/corporate-disclosures/</a></p>	

		<p>SMIC Insider Trading Policy (Company website)  <a href="https://www.sminvestments.com/wp-content/uploads/2023/03/Insider-Trading-Policy-v2.pdf">https://www.sminvestments.com/wp-content/uploads/2023/03/Insider-Trading-Policy-v2.pdf</a></p>	
<b>Supplement to Recommendation 8.2</b>			
<p>1. Company discloses the trading of the corporation's shares by directors, officers (or persons performing similar functions) and controlling shareholders. This includes the disclosure of the company's purchase of its shares from the market (e.g. share buy-back program).</p>	<p><b>COMPLIANT</b></p>	<p>The Company discloses trading in its shares by directors, officers, and controlling shareholders through corporate disclosures and regulatory filings. This includes the Company's repurchase of its own shares under its share buy-back program, as well as periodic disclosures of significant shareholdings, in accordance with applicable rules.</p> <p>DIS 2026 (PDF pp. 22 - 23)  <a href="https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/">https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/</a></p> <p>SEC Form 17-A (pp. 140, 238, 240)  <a href="https://www.sminvestments.com/publication/smic-annual-report-sec-form-17-a-as-of-31-december-2025/">https://www.sminvestments.com/publication/smic-annual-report-sec-form-17-a-as-of-31-december-2025/</a></p> <p>Corporate Disclosures (Company website)  <a href="https://www.sminvestments.com/corporate-disclosures/">https://www.sminvestments.com/corporate-disclosures/</a></p> <p>Shares Held By Directors &amp; Officers (Company website)  <a href="https://www.sminvestments.com/wp-content/uploads/2026/04/Shares-Held-by-Directors-and-Key-Officers-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2026/04/Shares-Held-by-Directors-and-Key-Officers-2025.pdf</a></p> <p>Shareholding Structure (Company website)  <a href="https://www.sminvestments.com/wp-content/uploads/2025/01/SMIC-Public-Ownership-Report-as-of-December-31-2024.pdf">https://www.sminvestments.com/wp-content/uploads/2025/01/SMIC-Public-Ownership-Report-as-of-December-31-2024.pdf</a></p>	
<b>Recommendation 8.3</b>			

<p>1. Board fully discloses all relevant and material information on individual board members to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment.</p>	<p><b>COMPLIANT</b></p>	<p>All relevant and material information on individual directors are disclosed in the Company's website, DIS and IR.</p> <p>DIS 2026 – Profiles of the Board of Directors (PDF pp. 11 - 17, 23 - 28)  <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/SMIC-Definitive-Information-Statement-for-Annual-Stockholders-Meeting-on-April-30-2025-March-19-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/SMIC-Definitive-Information-Statement-for-Annual-Stockholders-Meeting-on-April-30-2025-March-19-2025.pdf</a></p> <p>2025 IR (pp. 32 - 35)  <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p> <p>Board of Directors' Profiles (Company website)  <a href="https://www.sminvestments.com/our-leadership/">https://www.sminvestments.com/our-leadership/</a></p> <p>Board Diversity Policy and Board Matrix (Company website)  <a href="https://www.sminvestments.com/wp-content/uploads/2024/07/Board-Diversity-Policy-and-Board-Matrix.pdf">https://www.sminvestments.com/wp-content/uploads/2024/07/Board-Diversity-Policy-and-Board-Matrix.pdf</a></p> <p>Skill Set Matrix of the Directors (Company website)  <a href="https://www.sminvestments.com/corporate-governance/">https://www.sminvestments.com/corporate-governance/</a></p>	
<p>2. Board fully discloses all relevant and material information on key executives to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment.</p>	<p><b>COMPLIANT</b></p>	<p>All relevant and material information on key officers are disclosed in the Company's website, DIS and IR.</p> <p>DIS 2026 – Profiles of the Board of Directors (PDF pp. 11 - 17, 23 - 27)  <a href="https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/">https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/</a></p> <p>2025 IR (pp. 32 - 35)</p>	

		<a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a>  Board of Directors' Profiles (Company website) <a href="https://www.sminvestments.com/our-leadership/">https://www.sminvestments.com/our-leadership/</a>	
<b>Recommendation 8.4</b>			
1. Company provides a clear disclosure of its policies and procedure for setting Board remuneration, including the level and mix of the same.	<b>COMPLIANT</b>	The Company discloses its policies and procedures for setting Board remuneration through its Manual on Corporate Governance and Compensation Committee Charter, where the Compensation Committee determines the appropriate level of remuneration. The Company also discloses the compensation of directors and executive officers in its Definitive Information Statement. The remuneration of executive officers is disclosed on an aggregate basis, taking into account confidentiality considerations and competitive sensitivities.  MCG – 1.8.B Compensation Committee (page 12) <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a>  Compensation Committee Charter <a href="https://www.sminvestments.com/wp-content/uploads/2023/04/Compensation-Committee-Charter-2222017_0.pdf">https://www.sminvestments.com/wp-content/uploads/2023/04/Compensation-Committee-Charter-2222017_0.pdf</a>  DIS 2026 – Compensation of Directors and Executive Officers (PDF pp. 36-37) <a href="https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/">https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/</a>	
2. Company provides a clear disclosure of its policies and procedure for setting executive remuneration, including the level and mix of the same.	<b>COMPLIANT</b>		
3. Company discloses the remuneration on an individual basis, including termination and retirement provisions.	<b>COMPLIANT</b>	The Company discloses Directors' remuneration on an individual basis. There are no termination or retirement benefit provisions for Directors. Their removal is subject to applicable laws and the Company's By-Laws, including provisions that	

		<p>address misconduct, such as violations of the Code of Ethics.</p> <p>2025 IR – Board Remuneration (page 38)  <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p> <p>DIS 2026 – Compensation of Directors and Executive Officers (PDF pp. 36 - 37)  <a href="https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/">https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/</a></p> <p>SEC Form 17-A for 2025 (PDF pp. 53 - 54)  <a href="https://www.sminvestments.com/publication/smic-annual-report-sec-form-17-a-as-of-31-december-2025/">https://www.sminvestments.com/publication/smic-annual-report-sec-form-17-a-as-of-31-december-2025/</a></p>	
<b>Recommendation 8.5</b>			
<p>1. Company discloses its policies governing Related Party Transactions (RPTs) and other unusual or infrequently occurring transactions in their Manual on Corporate Governance.</p>	<p><b>COMPLIANT</b></p>	<p>The Company discloses its policies governing Related Party Transactions (RPTs) in its Manual on Corporate Governance, RPT Policy, and Committee Charter, which are publicly available. These provide for the identification and definition of related parties, establishment of materiality thresholds, and clear procedures for review, approval, monitoring, and reporting. Material RPTs are evaluated and approved by the Board through the RPT Committee to ensure that transactions are conducted at arm's length and on terms that are fair and in the best interest of the Company and its stakeholders.</p> <p>MCG – 1.8.E Related Party Transactions Committee (pp. 14-15)  <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p>	

		<p>SMIC Related Party Transactions Policy <a href="https://www.sminvestments.com/wp-content/uploads/2023/03/Related-Party-Transactions.pdf">https://www.sminvestments.com/wp-content/uploads/2023/03/Related-Party-Transactions.pdf</a></p> <p>Related Party Transaction Committee Charter <a href="https://www.sminvestments.com/wp-content/uploads/2023/04/Charter-Related-Party-Transaction-committee.pdf">https://www.sminvestments.com/wp-content/uploads/2023/04/Charter-Related-Party-Transaction-committee.pdf</a></p> <p>2025 IR (page 40) <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p>	
<p>2. Company discloses material or significant RPTs reviewed and approved during the year.</p>	<p><b>COMPLIANT</b></p>	<p>All material RPTs are presented to the Related Party Transaction Committee in accordance with the MCG and the said Committee's Charter. SMIC discloses the RPTs as required by prevailing standards and relevant rules, laws and regulations.</p> <p>DIS 2026 – Audited Financial Statements (PDF pp. 158 - 159) <a href="https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/">https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/</a></p> <p>SEC Form 17-A (PDF pp. 141 - 142) <a href="https://www.sminvestments.com/publication/smic-annual-report-sec-form-17-a-as-of-31-december-2025/">https://www.sminvestments.com/publication/smic-annual-report-sec-form-17-a-as-of-31-december-2025/</a></p> <p>MCG – 1.8.E Related Party Transactions Committee (pp. 14-15) <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>Corporate Disclosures (Company website) <a href="https://www.sminvestments.com/corporate-disclosures/">https://www.sminvestments.com/corporate-disclosures/</a></p>	

Supplement to Recommendation 8.5			
<p>1. Company requires directors to disclose their interests in transactions or any other conflict of interests.</p>	<b>COMPLIANT</b>	<p>All directors are required to disclose their interests in transactions, or any other conflicts of interest to the Company in line with the Code of Ethics and Conflict of Interest Policy.</p> <p>MCG – 4. Reportorial or Disclosure System (page 24)  <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>SMIC Code of Ethics – III. Ethical Practices – E. Avoiding Conflicts of Interest (pp. 4-5)  <a href="https://www.sminvestments.com/wp-content/uploads/2023/03/Code-of-Ethics-v4.1.pdf">https://www.sminvestments.com/wp-content/uploads/2023/03/Code-of-Ethics-v4.1.pdf</a></p>	
Optional: Recommendation 8.5			
<p>1. Company discloses that RPTs are conducted in such a way to ensure that they are fair and at arms' length.</p>	<b>COMPLIANT</b>	<p>The Company discloses its policies governing Related Party Transactions (RPTs) in its Manual on Corporate Governance, RPT Policy, and Committee Charter, which are publicly available. These provide for the identification and definition of related parties, establishment of materiality thresholds, and clear procedures for review, approval, monitoring, and reporting. Material RPTs are evaluated and approved by the Board through the RPT Committee to ensure that transactions are conducted at arm's length and on terms that are fair and in the best interest of the Company and its stakeholders.</p> <p>SMIC Related Party Transactions Policy  <a href="https://www.sminvestments.com/wp-content/uploads/2023/03/Related-Party-Transactions.pdf">https://www.sminvestments.com/wp-content/uploads/2023/03/Related-Party-Transactions.pdf</a></p> <p>Related Party Transactions Committee Charter  <a href="https://www.sminvestments.com/wp-content/uploads/2023/04/Charter-Related-Party-Transaction-committee.pdf">https://www.sminvestments.com/wp-content/uploads/2023/04/Charter-Related-Party-Transaction-committee.pdf</a></p>	

		<p>2025 IR – Related Party Transactions Policy (page 40)  <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p> <p>DIS 2026 – Audited Financials (PDF pp. -158 - 159)  <a href="https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/">https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/</a></p> <p>SEC Form 17-A (PDF pp. 141 - 142)  <a href="https://www.sminvestments.com/publication/smic-annual-report-sec-form-17-a-as-of-31-december-2025/">https://www.sminvestments.com/publication/smic-annual-report-sec-form-17-a-as-of-31-december-2025/</a></p>	
<b>Recommendation 8.6</b>			
<p>1. Company makes a full, fair, accurate and timely disclosure to the public of every material fact or event that occur, particularly on the acquisition or disposal of significant assets, which could adversely affect the viability or the interest of its shareholders and other stakeholders.</p>	<p><b>COMPLIANT</b></p>	<p>The Company ensures full, accurate, and timely disclosure of material information that may affect the interests of shareholders, in accordance with its Disclosure Policy and applicable laws, rules, and regulations. The Board exercises oversight of significant transactions and corporate actions, taking into account their potential impact on the Company's long-term viability and shareholder value.</p> <p>MCG – 4. Reportorial or Disclosure System, 4.2 (page 24)  <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>DIS 2026  <a href="https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/">https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/</a></p> <p>Corporate Disclosures (Company website)  <a href="https://www.sminvestments.com/corporate-disclosures/">https://www.sminvestments.com/corporate-disclosures/</a></p>	

		<p>Investor Presentations (Company website) <a href="https://www.sminvestments.com/investor-presentations/">https://www.sminvestments.com/investor-presentations/</a></p>	
<p>2. Board appoints an independent party to evaluate the fairness of the transaction price on the acquisition or disposal of assets.</p>	<p><b>COMPLIANT</b></p>	<p>The Company appoints independent parties to evaluate the fairness of prices in its acquisitions and/or disposal of assets. The procedures followed in the acquisition and/or disposal of assets include due diligence, benchmarking, market dynamics, long-term sustainability of the business, synergies with the whole group, cost implications, core competency, board approval and regulatory approvals.</p> <p>The independent parties engaged by the Company vary depending on the nature of transactions undertaken. In conduct of such transactions, the Company works with a range of reputable institutions and professionals, including investment banks, external auditors, third party appraisers, as well as legal and tax consultants.</p> <p>MCG – 4. Reportorial or Disclosure System – 4.2 (page 24) <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>Press Releases (Company website) <a href="https://www.sminvestments.com/media/#press_releases">https://www.sminvestments.com/media/#press_releases</a></p> <p>Corporate Disclosures (Company website) <a href="https://www.sminvestments.com/corporate-disclosures/">https://www.sminvestments.com/corporate-disclosures/</a></p> <p>Investor Presentations (Company website) <a href="https://www.sminvestments.com/investor-presentations/">https://www.sminvestments.com/investor-presentations/</a></p>	

<p>1. Company discloses the existence, justification and details on shareholder agreements, voting trust agreements, confidentiality agreements, and such other agreements that may impact on the control, ownership, and strategic direction of the company.</p>	<p><b>COMPLIANT</b></p>	<p>The Company discloses the existence and relevant details of shareholder agreements, voting trust agreements, confidentiality agreements, and similar arrangements that may affect the control, ownership, or strategic direction of the Company. These are monitored through the Company's Disclosure Policy and related reporting processes, with disclosures made through appropriate regulatory filings, as applicable. For the period under review, there were no such agreements.</p> <p>DIS 2026 <a href="https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/">https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/</a></p>	
<b>Recommendation 8.7</b>			
<p>1. Company's corporate governance policies, programs and procedures are contained in its Manual on Corporate Governance (MCG).</p>	<p><b>COMPLIANT</b></p>	<p>The Company's Manual on Corporate Governance (MCG) institutionalizes the principles of good corporate governance across the organization. It reflects the Company's conviction that strong governance is an essential pillar of sound strategic business management, operational sustainability, and long-term shareholder value. The MCG sets out the Company's corporate governance policies, procedures, and programs. It is submitted to the Securities and Exchange Commission (SEC) and the Philippine Stock Exchange (PSE) to ensure compliance, and is also posted on the Company's website for stakeholder access.</p> <p>MCG submission to the SEC and PSE <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>MCG(Company Website) <a href="https://www.sminvestments.com/manual-on-corporate-governance-2025/">https://www.sminvestments.com/manual-on-corporate-governance-2025/</a></p>	
<p>2. Company's MCG is submitted to the SEC and PSE.</p>	<p><b>COMPLIANT</b></p>		
<p>3. Company's MCG is posted on its company website.</p>	<p><b>COMPLIANT</b></p>		

Supplement to Recommendation 8.7			
<p>1. Company submits to the SEC and PSE an updated MCG to disclose any changes in its corporate governance practices.</p>	<b>COMPLIANT</b>	<p>The Company ensures that all subsequent amendments and enhancements to the MCG are promptly communicated to regulators, in alignment with disclosure requirements and transparency standards. In March 2025, the Company submitted its updated MCG to the Securities and Exchange Commission (SEC) and the Philippine Stock Exchange (PSE). This is evidenced by the most recent submission of the MCG, which is published and accessible on the Company's corporate website.</p> <p>MCG  <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>Corporate Governance Policies - MCG (Corporate Website)  <a href="https://www.sminvestments.com/corporate-governance/">https://www.sminvestments.com/corporate-governance/</a></p>	
Optional: Principle 8			
<p>1. Does the company's Annual Report disclose the following information:</p>		<p>The Company's Annual Integrated Report (IR) discloses a comprehensive discussion of the Company's corporate objectives, financial and non-financial performance indicators, dividend policy, and governance-related policies and programs. It also presents the full profiles of the directors and their attendance records, thereby reinforcing transparency, accountability, and adherence to good corporate governance practices.</p>	
<p>a. Corporate Objectives</p>	<b>COMPLIANT</b>		
<p>b. Financial performance indicators</p>	<b>COMPLIANT</b>		
<p>c. Non-financial performance indicators</p>	<b>COMPLIANT</b>		
<p>d. Dividend Policy</p>	<b>COMPLIANT</b>		
<p>e. Biographical details (at least age, academic qualifications, date of first appointment, relevant experience,</p>	<b>COMPLIANT</b>	<p>The Company ensures that stakeholders have access to complete and accurate information on the Company's objectives, performance measures, governance policies, and Board</p>	

<p>and other directorships in listed companies) of all directors</p>		<p>disclosures. The Company's IR is posted in the website.</p>	
<p>f. Attendance details of each director in all directors' meetings held during the year</p>	<p><b>COMPLIANT</b></p>	<p>2025 IR (pp. 2, 6 - 9, 30 - 35, 36 - 35, 46 - 47)  <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p> <p>DIS 2026 (PDF pp. 11-17, 23-28, 29)  <a href="https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/">https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/</a></p>	
<p>g. Total remuneration of each member of the board of directors</p>	<p><b>COMPLIANT</b></p>	<p>The Company discloses the total remuneration of each member of the Board of Directors in its Annual Report and in the Definitive Information Statement (DIS) circulated to shareholders. This practice ensures transparency, accountability, and alignment with good corporate governance standards by providing stakeholders with clear and complete information on directors' compensation.</p> <p>DIS 2026 – Compensation of Directors and Executive Officers (PDF pp. 36-37)  <a href="https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/">https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/</a></p> <p>2025 IR – Board Remuneration (page 38)  <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p> <p>SEC Form 17-A for 2025 (PDF page 53)  <a href="https://www.sminvestments.com/publication/smic-annual-report-sec-form-17-a-as-of-31-december-2025/">https://www.sminvestments.com/publication/smic-annual-report-sec-form-17-a-as-of-31-december-2025/</a></p>	
<p>2. The Annual Report contains a statement confirming the company's full compliance with the Code of Corporate Governance and where there is non-compliance,</p>	<p><b>COMPLIANT</b></p>	<p>The Company's Annual Report contains a formal statement confirming full compliance with the Code of Corporate Governance. SMIC certifies that the Company, together with its directors,</p>	

<p>identifies and explains reason for each such issue.</p>		<p>officers, and employees, has adopted and consistently adhered to the leading practices and principles of good corporate governance as set forth in its Manual on Corporate Governance (MCG).</p> <p>2025 IR – MCG (page 39)  <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p>	
<p>3. The Annual Report/Annual CG Report discloses that the board of directors conducted a review of the company's material controls (including operational, financial and compliance controls) and risk management systems.</p>	<p><b>COMPLIANT</b></p>	<p>The Company discloses in the Annual Report that the Audit Committee has assessed the Company's internal control system based on the review and evaluation conducted by both the internal and external auditors. The Committee noted that the system is generally adequate to generate reliable financial statements and to safeguard the integrity of financial reporting. In addition, the Internal Audit function reviews operational and compliance controls as part of its approved annual audit plan, thereby supporting risk management and governance oversight.</p>	
<p>4. The Annual Report/Annual CG Report contains a statement from the board of directors or Audit Committee commenting on the adequacy of the company's internal controls/risk management systems.</p>	<p><b>COMPLIANT</b></p>	<p>The Company also discloses in its Annual Report a formal statement from the Audit Committee through the Annual Confirmation of Internal Control Adequacy. This confirmation, which affirms the adequacy and effectiveness of the Company's internal control system, is also uploaded on the Company's website to ensure transparency and accessibility to stakeholders.</p> <p>2025 IR – Report of the Audit Committee (pp. 49 - 51, 42)  <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p>	

		<p>2025 Attestation of Internal Control and Compliance Systems Adequacy  <a href="https://www.sminvestments.com/wp-content/uploads/2026/05/2025-CEO-and-CAE-Annual-Confirmation-of-Internal-Audit-Control-Adequacy.pdf">https://www.sminvestments.com/wp-content/uploads/2026/05/2025-CEO-and-CAE-Annual-Confirmation-of-Internal-Audit-Control-Adequacy.pdf</a></p>	
<p>5. The company discloses in the Annual Report the key risks to which the company is materially exposed to (i.e. financial, operational including IT, environmental, social, economic).</p>	<p><b>COMPLIANT</b></p>	<p>The Company discloses the key risks to which the Company is materially exposed, identified through its enterprise-wide risk assessment. These include exposures across ESG and sustainability, geopolitical and country risk, macroeconomic and inflationary pressures, human capital and talent management, technology and cybersecurity, strategic execution, and financial and capital allocation domains. Each risk is assessed within established risk appetite thresholds, with consideration not only of potential adverse impacts but also of the strategic opportunities they may present.</p> <p>These disclosures are presented in the Company's Integrated Report and likewise posted on its official website ensuring these are accessible the stakeholders.</p> <p>2025 IR – Enterprise Risk Management (pp. 41 - 43)  <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p> <p>2025 Sustainability Report (pp. 16 - 18)  <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-SR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-SR-2025-WEB.pdf</a></p> <p>ERM (Corporate Website)  <a href="https://www.sminvestments.com/erm/">https://www.sminvestments.com/erm/</a></p>	

**Principle 9:** The company should establish standards for the appropriate selection of an external auditor, and exercise effective oversight of the same to strengthen the external auditor's independence and enhance audit quality.

**Recommendation 9.1**

<p>1. Audit Committee has a robust process for approving and recommending the appointment, reappointment, removal, and fees of the external auditors.</p>	<p><b>COMPLIANT</b></p>	<p>The Company, through its Manual on Corporate Governance (MCG) and Audit Committee Charter, has established standards and procedures for the appointment, reappointment, removal, and determination of fees of the external auditor. In accordance with these provisions, the Audit Committee recommended the reappointment of the external auditor to the Board, as disclosed in the Annual Report. The Board subsequently approved this recommendation, which was thereafter ratified by the shareholders during the most recent Annual Stockholders' Meeting (ASM) held.</p>	
<p>2. The appointment, reappointment, removal, and fees of the external auditor is recommended by the Audit Committee, approved by the Board and ratified by the shareholders.</p>	<p><b>COMPLIANT</b></p>	<p>The Company ensures full transparency by disclosing to the public any removal of the external auditor together with the reasons for such removal. Since the Company's initial listing in 2005, the external auditor has not been removed, underscoring the continuity and stability of the Company's audit engagement. These disclosures are presented in the Annual Report and posted on the Company's official website.</p>	
<p>3. For removal of the external auditor, the reasons for removal or change are disclosed to the regulators and the public through the company website and required disclosures.</p>	<p><b>COMPLIANT</b></p>	<p>MCG – 1.8.C Audit Committee and 1.13 External Auditor (pp. 12-13, 19-20)  <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>Audit Committee Charter  <a href="https://www.sminvestments.com/wp-content/uploads/2024/11/SMIC-Revised-Audit-">https://www.sminvestments.com/wp-content/uploads/2024/11/SMIC-Revised-Audit-</a></p>	

		<p><a href="#">Committee-Charter Approved-by-the-Board w-13Nov.2024.pdf</a></p> <p>2025 IR – Report of the Audit Committee (pp. 49 - 51) <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p> <p>2026 Results of the ASM and Board Organizational Meeting <a href="https://www.sminvestments.com/publication/smic-results-of-annual-stockholders-meeting-april-29-2026/">https://www.sminvestments.com/publication/smic-results-of-annual-stockholders-meeting-april-29-2026/</a></p>	
<b>Supplement to Recommendation 9.1</b>			
<p>1. Company has a policy of rotating the lead audit partner every five years.</p>	<p><b>COMPLIANT</b></p>	<p>The Company, pursuant to its Manual on Corporate Governance (MCG), requires that the external auditor be rotated or that the handling partner be changed in compliance with the provisions prescribed under the Code of Ethics for Professional Accountants adopted by the Board of Accountancy (BOA) and the Professional Regulation Commission (PRC), and subsequently adopted by the Securities and Exchange Commission (SEC). This ensures adherence to professional standards and reinforces the independence of the external audit function.</p> <p>In addition, the Audit Committee Charter provides that such compliance may include the rotation of the lead audit partner every five (5) years. This practice strengthens audit quality, safeguards auditor independence, and aligns the Company's oversight mechanisms with global governance standards.</p> <p>MCG – 1.13 External Auditor, 1.13.4 (page 19) <a href="https://www.sminvestments.com/wp-">https://www.sminvestments.com/wp-</a></p>	

		<p><a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>Audit Committee Charter, Item 5.4.3 (page 3) <a href="https://www.sminvestments.com/wp-content/uploads/2024/11/SMIC-Revised-Audit-Committee-Charter-Approved-by-the-Board-w-13Nov.2024.pdf">https://www.sminvestments.com/wp-content/uploads/2024/11/SMIC-Revised-Audit-Committee-Charter-Approved-by-the-Board-w-13Nov.2024.pdf</a></p>	
<b>Recommendation 9.2</b>			
<p>1. Audit Committee Charter includes the Audit Committee's responsibility on:</p> <ul style="list-style-type: none"> <li>i. assessing the integrity and independence of external auditors;</li> <li>ii. exercising effective oversight to review and monitor the external auditor's independence and objectivity; and</li> <li>iii. exercising effective oversight to review and monitor the effectiveness of the audit process, taking into consideration relevant Philippine professional and regulatory requirements.</li> </ul>	<p><b>COMPLIANT</b></p>	<p>The Company discloses through its Manual on Corporate Governance (MCG) and Audit Committee Charter, that it has established clear provisions for assessing the integrity and independence of the external auditor. The Audit Committee is tasked with exercising oversight to review and monitor the external auditor's independence and objectivity, as well as overseeing the effectiveness of the audit process. These measures ensure that the external auditor remains free from conflicts of interest and that audit quality is consistently maintained in accordance with regulatory standards and governance best practices.</p> <p>The Audit Committee Charter further reinforces these responsibilities by requiring regular evaluations of the external auditor's performance and independence.</p> <p>MCG – 1.8.C Audit Committee (pp. 12-13) <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>SMIC Audit Committee Charter <a href="https://www.sminvestments.com/wp-content/uploads/2024/11/SMIC-Revised-Audit-Committee-Charter-Approved-by-the-Board-w-13Nov.2024.pdf">https://www.sminvestments.com/wp-content/uploads/2024/11/SMIC-Revised-Audit-Committee-Charter-Approved-by-the-Board-w-13Nov.2024.pdf</a></p>	

		<p>2025 IR – Report of the Audit Committee (pp. 49 - 51)  <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p>	
<p>2. Audit Committee Charter contains the Committee's responsibility on reviewing and monitoring the external auditor's suitability and effectiveness on an annual basis.</p>	<p><b>COMPLIANT</b></p>	<p>The Company discloses through its Manual on Corporate Governance (MCG) and Audit Committee Charter that it has assigned to the Audit Committee the responsibility to review and monitor, on an annual basis, the suitability, independence, and effectiveness of the external auditor. This annual assessment ensures that the external auditor continues to meet the Company's standards of competence, objectivity, and audit quality, while remaining aligned with regulatory requirements and governance best practices.</p> <p>MCG – 1.8.C Audit Committee (pp. 12-13)  <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>Audit Committee Charter  <a href="https://www.sminvestments.com/wp-content/uploads/2024/11/SMIC-Revised-Audit-Committee-Charter_Approved-by-the-Board_w-13Nov.2024.pdf">https://www.sminvestments.com/wp-content/uploads/2024/11/SMIC-Revised-Audit-Committee-Charter_Approved-by-the-Board_w-13Nov.2024.pdf</a></p> <p>2025 IR – Report of the Audit Committee (pp. 49 - 51)  <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p>	
<p><b>Supplement to Recommendations 9.2</b></p>			
<p>1. Audit Committee ensures that the external auditor is credible, competent and has the ability to understand complex related</p>	<p><b>COMPLIANT</b></p>	<p>The Company discloses through its Manual on Corporate Governance (MCG) and Audit Committee Charter that it requires the Audit Committee to ensure that the external auditor is</p>	

<p>party transactions, its counterparties, and valuations of such transactions.</p>		<p>credible, competent, and capable of understanding complex related party transactions (RPTs), their counterparties, and the valuation methodologies applied to such transactions. This responsibility underscores the Committee's role in safeguarding audit quality and ensuring that the external auditor possesses the technical expertise necessary to address the Company's material exposures.</p> <p>Further, the Audit Committee reviews and approves the external auditor's audit plan, which is formally presented to the Committee prior to implementation. This process provides assurance that the audit scope, methodology, and focus areas are aligned with the Company's risk profile and governance standards.</p> <p>2025 IR – Report of the Audit Committee (pp. 49 - 51)  <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p> <p>MCG – 1.8.C Audit Committee (pp. 12-13)  <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>Audit Committee Charter  <a href="https://www.sminvestments.com/wp-content/uploads/2024/11/SMIC-Revised-Audit-Committee-Charter-Approved-by-the-Board-w-13Nov.2024.pdf">https://www.sminvestments.com/wp-content/uploads/2024/11/SMIC-Revised-Audit-Committee-Charter-Approved-by-the-Board-w-13Nov.2024.pdf</a></p>	
<p>2. Audit Committee ensures that the external auditor has adequate quality control procedures.</p>	<p><b>COMPLIANT</b></p>	<p>The Company, through its Manual on Corporate Governance (MCG) and Audit Committee Charter, requires the Audit Committee to ensure that the external auditor maintains adequate quality control procedures. This responsibility underscores the Committee's role in safeguarding</p>	

		<p>audit integrity and ensuring that the external auditor adheres to professional standards and best practices in the conduct of its engagements.</p> <p>The Company's external auditor presents to the Audit Committee its audit methodology and quality control procedures for review. This process provides assurance that the audit approach is robust, systematic, and aligned with the Company's risk profile and governance requirements.</p> <p>2025 IR – Report of the Audit Committee (pp. 49 - 51)  <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p> <p>MCG – 1.8.C Audit Committee (pp. 12-13)  <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>Audit Committee Charter  <a href="https://www.sminvestments.com/wp-content/uploads/2024/11/SMIC-Revised-Audit-Committee-Charter_Approved-by-the-Board_w-13Nov.2024.pdf">https://www.sminvestments.com/wp-content/uploads/2024/11/SMIC-Revised-Audit-Committee-Charter_Approved-by-the-Board_w-13Nov.2024.pdf</a></p>	
<b>Recommendation 9.3</b>			
<p>1. Company discloses the nature of non-audit services performed by its external auditor in the Annual Report to deal with the potential conflict of interest.</p>	<p><b>COMPLIANT</b></p>	<p>The Company discloses in its Definitive Information Statement (DIS) the nature of non-audit services performed by its external auditor to address potential conflicts of interest and to ensure that such services do not impair the auditor's independence or objectivity. Non-audit fees include other assurance services such as the review of financial statements, issuance of comfort letters in relation to debt issuances and updates of debt facilities as required by regulators and underwriters, and limited assurance engagements</p>	

		<p>for integrated reports. This disclosure practice provides transparency to shareholders and stakeholders, while reinforcing the Company's adherence to regulatory requirements and good corporate governance standards.</p> <p>DIS 2026 – ITEM 7. Independent Public Accountants, External Audit Fees and Services (PDF pp. 40 - 41)  <a href="https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/">https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/</a></p> <p>2025 IR – Report of the Audit Committee (pp. 49 - 51)  <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p>	
<p>2. Audit Committee stays alert for any potential conflict of interest situations, given the guidelines or policies on non-audit services, which could be viewed as impairing the external auditor's objectivity.</p>	<p><b>COMPLIANT</b></p>	<p>The Company, in accordance with its Manual on Corporate Governance (MCG) and Audit Committee Charter, ensures that the external auditor shall not, at the same time, provide the services of an internal auditor, and that any non-audit work shall not conflict with the functions of the external auditor. This safeguard reinforces the independence of the external audit function and protects against impairments to objectivity.</p> <p>The Audit Committee reviews the nature of non-audit services disclosed in the Company's Definitive Information Statement (DIS) and Annual Report, which include assurance services such as the review of financial statements, issuance of comfort letters for debt issuances and facility updates, and limited assurance engagements for integrated reports.</p> <p>MCG – 1.8.C Audit Committee, 1.8.C.7 and 1.13 External Auditor (pp. 12-13, 19-20)</p>	

		<p><a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>2025 IR – Report of the Audit Committee (pp. 49 - 51) <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p> <p>Audit Committee Charter <a href="https://www.sminvestments.com/wp-content/uploads/2024/11/SMIC-Revised-Audit-Committee-Charter_Aproved-by-the-Board_w-13Nov.2024.pdf">https://www.sminvestments.com/wp-content/uploads/2024/11/SMIC-Revised-Audit-Committee-Charter_Aproved-by-the-Board_w-13Nov.2024.pdf</a></p>	
<b>Supplement to Recommendation 9.3</b>			
<p>1. Fees paid for non-audit services do not outweigh the fees paid for audit services.</p>	<p><b>COMPLIANT</b></p>	<p>The Company discloses the nature of non-audit services performed by its external auditor in its Definitive Information Statement (DIS) and Annual Report. Fees paid to the external auditor for non-audit services rendered in 2025 did not exceed the fees paid for audit services in the same year.</p> <p>DIS 2026 – ITEM 7. Independent Public Accountants, External Audit Fees and Services (PDF pp. 40 - 41) <a href="https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/">https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/</a></p> <p>SEC Form 17-A Item 8. Independent Public Accountants, External Audit Fees and Services (PDF pp. 38 – 40) <a href="https://www.sminvestments.com/publication/smic-annual-report-sec-form-17-a-as-of-31-december-2025/">https://www.sminvestments.com/publication/smic-annual-report-sec-form-17-a-as-of-31-december-2025/</a></p> <p>2025 IR – Report of the Audit Committee (pp. 49 - 51)</p>	

		<a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a>	
<b>Additional Recommendation to Principle 9</b>			
1. Company's external auditor is duly accredited by the SEC under Group A category.	<b>COMPLIANT</b>	The Company's external auditor, SGV & Co., is duly accredited by the Securities and Exchange Commission (SEC) under the Group A category, affirming its competence and eligibility to serve publicly listed companies. SGV & Co. likewise agreed to be subjected to the SEC Oversight Assurance Review (SOAR) Inspection Program conducted by the SEC's Office of the General Accountant (OGA) in August 2022. As part of this inspection, the names of the members of the engagement team were formally provided to the SEC, ensuring transparency and accountability in the audit process.  DIS 2026 – Independent Auditor's Report (PDF pp. 96 - 103) <a href="https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/">https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/</a>	
2. Company's external auditor agreed to be subjected to the SEC Oversight Assurance Review (SOAR) Inspection Program conducted by the SEC's Office of the General Accountant (OGA).	<b>COMPLIANT</b>		
<b>Principle 10:</b> The company should ensure that the material and reportable non-financial and sustainability issues are disclosed.			
<b>Recommendation 10.1</b>			
1. Board has a clear and focused policy on the disclosure of non-financial information, with emphasis on the management of economic, environmental, social and governance (EESG) issues of its business, which underpin sustainability.	<b>COMPLIANT</b>	The Company discloses in its Integrated Report (IR) and Sustainability Report (SR) timely and accurate information on non-financial aspects of its business, reflecting the Board's clear and focused policy on transparency in the management of economic, environmental, social, and governance (EESG) issues. These reports highlight the Company's environmental and social policies, programs, and initiatives, demonstrating how the Company creates meaningful value by building a network of sustainable businesses, responsibly managing resources, and strengthening its reporting process.	

		<p>The Company adopted a Sustainability Management System, publicly accessible through its website, which consolidates key sustainability policies, philosophies, and practices to promote responsible socio-economic and environmental performance.</p> <p>2025 IR (pp. 22 - 23)  <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p> <p>2025 Sustainability Report  <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-SR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-SR-2025-WEB.pdf</a></p> <p>2025 Sustainability Notes and Indices  <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-SR-2025-NOTES-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-SR-2025-NOTES-WEB.pdf</a></p> <p>SMIC Sustainability Management System  <a href="https://www.sminvestments.com/2025smicintegratedreport/sustainability%20management%20system%202025/">https://www.sminvestments.com/2025smicintegratedreport/sustainability management system 2025 /</a></p>	
<p>2. Company adopts a globally recognized standard/framework in reporting sustainability and non-financial issues.</p>	<p><b>COMPLIANT</b></p>	<p>The Company discloses in its Sustainability Report, including Notes and Indices, that it adopts globally recognized standards and frameworks in reporting sustainability and non-financial information. The Company's Integrated Report (IR) aligns with the Integrated Reporting Framework originally developed by the International Integrated Reporting Council (IIRC), now part of the Value Reporting Foundation (VRF).</p> <p>The Company also subscribes to indices reflecting the double materiality approach and alignment with IFRS S1 and S2, the Global Reporting Initiative</p>	

	<p>(GRI), industry-specific Sustainability Accounting Standards Board (SASB), and European Sustainability Reporting Standards (ESRS). In addition, the Sustainability Notes confirm adoption of the Task Force on Climate-Related Financial Disclosures (TCFD) framework to comprehensively address climate change impacts. Through these globally recognized frameworks, The Company demonstrates the Board's clear and focused policy on transparent disclosure of sustainability and non-financial issues, reinforcing accountability and long-term value creation.</p> <p>2025 IR (page 62)  <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p> <p>2025 Sustainability Notes and Indices  <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-SR-2025-NOTES-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-SR-2025-NOTES-WEB.pdf</a></p> <p>2025 Sustainability Report  <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-SR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-SR-2025-WEB.pdf</a></p>	
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**Principle 11:** The company should maintain a comprehensive and cost-efficient communication channel for disseminating relevant information. This channel is crucial for informed decision-making by investors, stakeholders and other interested users.

**Recommendation 11.1**

<p>1. Company has media and analysts' briefings as channels of communication to ensure the timely and accurate dissemination of public, material and relevant information to its shareholders and other investors.</p>	<p><b>COMPLIANT</b></p>	<p>The Company discloses in its Integrated Report and on its official website that it holds media and analysts' briefings through the Investor Relations Department. The Department actively participates in local investor fora and conducts regular briefings with analysts and members of the press. These communication channels ensure the timely and accurate dissemination of public, material, and relevant information to shareholders and other investors.</p> <p>2025 IR (pp. 44)  <a href="https://www.sminvestments.com/2025micintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025micintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p> <p>Investor Relations (Company website)  <a href="https://www.sminvestments.com/investors/">https://www.sminvestments.com/investors/</a></p>	
<b>Supplemental to Principle 11</b>			
<p>1. Company has a website disclosing up-to-date information on the following:</p>		<p>The Company discloses on its official website up-to-date information including its latest financial statements and reports, materials provided in briefings to analysts and media, downloadable annual reports, notices and minutes of Annual and Special Stockholders' Meetings (ASM/SSM), as well as the Company's Articles of Incorporation and By-Laws. The Company ensures transparency by providing shareholders and investors with timely and accurate access to material and relevant information.</p> <p>SMIC Website  <a href="https://www.sminvestments.com/">https://www.sminvestments.com/</a></p>	
<p>a. Financial statements/reports (latest quarterly)</p>	<p><b>COMPLIANT</b></p>	<p><a href="https://www.sminvestments.com/financial-reports/">https://www.sminvestments.com/financial-reports/</a></p>	
<p>b. Materials provided in briefings to analysts and media</p>	<p><b>COMPLIANT</b></p>	<p><a href="https://www.sminvestments.com/investor-presentations/">https://www.sminvestments.com/investor-presentations/</a></p>	

c. Downloadable annual report	<b>COMPLIANT</b>	<a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a>	
d. Notice of ASM and/or SSM	<b>COMPLIANT</b>	<a href="https://www.sminvestments.com/financial-reports/">https://www.sminvestments.com/financial-reports/</a> <a href="https://www.sminvestments.com/asm/">https://www.sminvestments.com/asm/</a>	
e. Minutes of ASM and/or SSM	<b>COMPLIANT</b>	<a href="https://www.sminvestments.com/corporate-governance/">https://www.sminvestments.com/corporate-governance/</a>	
f. Company's Articles of Incorporation and By-Laws	<b>COMPLIANT</b>	<a href="https://www.sminvestments.com/corporate-disclosures/">https://www.sminvestments.com/corporate-disclosures/</a> <a href="https://www.sminvestments.com/wp-content/uploads/2025/05/SMIC-Articles-of-Incorporation-AOI-as-of-30-April-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/05/SMIC-Articles-of-Incorporation-AOI-as-of-30-April-2025.pdf</a> <a href="https://www.sminvestments.com/wp-content/uploads/2023/04/PDEX-Disclosure-Amended-By-Laws-July-2016_0.pdf">https://www.sminvestments.com/wp-content/uploads/2023/04/PDEX-Disclosure-Amended-By-Laws-July-2016_0.pdf</a>	
<b>Additional Recommendation to Principle 11</b>			
1. Company complies with SEC-prescribed website template.	<b>COMPLIANT</b>	<p>The Company fully complies with the Securities and Exchange Commission (SEC)-prescribed website template for publicly listed companies. In 2025, the Company's website was aligned with the SEC-mandated format specifically for the Corporate Governance section, ensuring structured, transparent, and up-to-date access to material information.</p> <p>SMIC Website <a href="http://www.sminvestments.com">www.sminvestments.com</a></p> <p>The Company's website also contains other pertinent disclosures, as follows:</p> <p>SMIC Website – About <a href="https://www.sminvestments.com/about/">https://www.sminvestments.com/about/</a></p> <p>SMIC Website – Corporate Governance</p>	

		<p><a href="https://www.sminvestments.com/corporate-governance/">https://www.sminvestments.com/corporate-governance/</a></p> <p>SMIC Website – Investor Relations <a href="https://www.sminvestments.com/investors/">https://www.sminvestments.com/investors/</a></p> <p>SMIC Website – Sustainability <a href="https://www.sminvestments.com/sustainability/">https://www.sminvestments.com/sustainability/</a></p> <p>SMIC Website – Media Room <a href="https://www.sminvestments.com/media/">https://www.sminvestments.com/media/</a></p>	
<b>Internal Control System and Risk Management Framework</b>			
<p><b>Principle 12:</b> To ensure the integrity, transparency and proper governance in the conduct of its affairs, the company should have a strong and effective internal control system and enterprise risk management framework.</p>			
<b>Recommendation 12.1</b>			
<p>1. Company has an adequate and effective internal control system in the conduct of its business.</p>	<p><b>COMPLIANT</b></p>	<p>The Company confirms that it has an adequate and effective internal control system in the conduct of its business, anchored on the globally recognized Committee of Sponsoring Organizations of the Treadway Commission (COSO) framework. The Company discloses in its Audit Committee Charter that the internal controls are continuously reviewed throughout the year by the Internal Audit Function. Audit reports are submitted to the Audit Committee upon completion, and significant findings are deliberated during quarterly Audit Committee meetings.</p> <p>MCG – 1.8.C. Audit Committee and 1.14 Internal Auditor (pp. 12-13, 20) <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>2025 IR – Report of the Audit Committee (pp. 49 - 51)</p>	

		<p><a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p> <p>Internal Audit Charter <a href="https://www.sminvestments.com/wp-content/uploads/2024/11/SMIC-Revised-Internal-Audit-Charter_Approved-by-the-Board_w-13Nov.2024.pdf">https://www.sminvestments.com/wp-content/uploads/2024/11/SMIC-Revised-Internal-Audit-Charter_Approved-by-the-Board_w-13Nov.2024.pdf</a></p> <p>Audit Committee Charter <a href="https://www.sminvestments.com/wp-content/uploads/2024/11/SMIC-Revised-Audit-Committee-Charter_Approved-by-the-Board_w-13Nov.2024.pdf">https://www.sminvestments.com/wp-content/uploads/2024/11/SMIC-Revised-Audit-Committee-Charter_Approved-by-the-Board_w-13Nov.2024.pdf</a></p> <p>2025 Attestation of Internal Control and Compliance Systems Adequacy <a href="https://www.sminvestments.com/wp-content/uploads/2026/05/2025-CEO-and-CAE-Annual-Confirmation-of-Internal-Audit-Control-Adequacy.pdf">https://www.sminvestments.com/wp-content/uploads/2026/05/2025-CEO-and-CAE-Annual-Confirmation-of-Internal-Audit-Control-Adequacy.pdf</a></p>	
<p>2. Company has an adequate and effective enterprise risk management framework in the conduct of its business.</p>	<p><b>COMPLIANT</b></p>	<p>The Company discloses that it has an adequate and effective Enterprise Risk Management (ERM) program anchored on a structured process that systematically identifies, assesses, manages, and monitors risks within a defined risk appetite. This program enables the Company to identify, analyze, and take control of risk categories that may significantly impact the Company's ability to pursue its approved strategy. The Board of Directors, through the Risk Management Committee, reviews the Company's risk management system and has concluded that it remains effective and adequate in addressing the organization's risk profile. The Company's ERM approach begins with the identification and prioritization of risks, followed by the assessment of risk interrelationships and sources. Risk</p>	

		<p>management strategies and action plans are then developed, with monitoring and continuous improvement ensuring resilience and adaptability.</p> <p>Discussion of SMIC's ERM framework is disclosed in the Integrated Report and posted on the Company's official website, reinforcing transparency and accountability in risk governance.</p> <p>Enterprise Risk Management (Company website) <a href="https://www.sminvestments.com/erm/">https://www.sminvestments.com/erm/</a></p> <p>MCG – Specific Duties and Functions of the Board, 1.4.7 and 1.8.D Risk Management Committee (pp. 4, 13-14) <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>2025 IR (pp. 41 – 43) <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p> <p>Risk Management Committee Charter <a href="https://www.sminvestments.com/wp-content/uploads/2023/04/Risk_Management_Committee_Charter_JAN-2022.pdf">https://www.sminvestments.com/wp-content/uploads/2023/04/Risk_Management_Committee_Charter_JAN-2022.pdf</a></p>	
<b>Supplement to Recommendations 12.1</b>			
<p>1. Company has a formal comprehensive enterprise-wide compliance program covering compliance with laws and relevant regulations that is annually reviewed. The program includes appropriate training and awareness initiatives to facilitate understanding, acceptance and compliance with the said issuances.</p>	<p><b>COMPLIANT</b></p>	<p>The Company has a formal, comprehensive, enterprise-wide compliance program aligned with corporate governance principles, best practices, and applicable laws and regulations. This program is embedded in the Manual on Corporate Governance (MCG), the Code of Ethics, and Company policies, ensuring consistency and accountability across all levels of the organization.</p>	

		<p>The Compliance Officer, in coordination with the Chief Audit Officer, regularly reviews the compliance program to confirm its adequacy and effectiveness. The program is subject to annual review and includes structured training and awareness initiatives designed to facilitate understanding, acceptance, and compliance with relevant issuances among directors, officers, and employees.</p> <p>MCG (pp. 2-3, 12-13, 18-19)  <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>Code of Ethics  <a href="https://www.sminvestments.com/wp-content/uploads/2023/03/Code-of-Ethics-v4.1.pdf">https://www.sminvestments.com/wp-content/uploads/2023/03/Code-of-Ethics-v4.1.pdf</a></p> <p>Audit Committee Charter  <a href="https://www.sminvestments.com/wp-content/uploads/2024/11/SMIC-Revised-Audit-Committee-Charter-Approved-by-the-Board-w-13Nov.2024.pdf">https://www.sminvestments.com/wp-content/uploads/2024/11/SMIC-Revised-Audit-Committee-Charter-Approved-by-the-Board-w-13Nov.2024.pdf</a></p>	
<b>Optional: Recommendation 12.1</b>			
<p>1. Company has a governance process on IT issues including disruption, cyber security, and disaster recovery, to ensure that all key risks are identified, managed and reported to the board.</p>	<p><b>COMPLIANT</b></p>	<p>The Company has a governance process covering IT issues, including disruption, cybersecurity, disaster recovery, and business continuity planning as part of its mitigating plans. The Company's IT Shared Services Team has established governance bodies such as the IT Council, AI Council, and Information Security Council that foster collaboration, establish best practices, and oversee the implementation of a comprehensive cybersecurity control framework. Regular vulnerability assessments, penetration testing through third-party engagements, and tabletop exercises form part of the Group's Business Continuity Plan (BCP) and Disaster Recovery Plan (DRP) program. These mitigating measures ensure</p>	

		<p>that key IT risks are systematically identified, managed, and reported to the Board of Directors through the Risk Management Committee.</p> <p>2025 IR – Key Risks and Opportunities (pp.43, 45)  <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p> <p>SMIC Enterprise Risk Management (Corporate Website)  <a href="https://www.sminvestments.com/erm/">https://www.sminvestments.com/erm/</a></p>	
<b>Recommendation 12.2</b>			
<p>1. Company has in place an independent internal audit function that provides an independent and objective assurance, and consulting services designed to add value and improve the company's operations.</p>	<p><b>COMPLIANT</b></p>	<p>The Company has in place an independent Internal Audit function which provides objective assurance and advisory services designed to add value and improve operations. The Company's Internal Audit team operates under a Board-approved Internal Audit Charter and reports functionally to the Audit Committee, consistent with the provisions of the Manual on Corporate Governance.</p> <p>The Audit Committee exercises oversight over the Internal Audit function in accordance with the Audit Committee Charter, ensuring independence, accountability, and alignment with governance standards. Internal Audit's responsibilities include evaluating the adequacy and effectiveness of internal controls, risk management, and governance processes, and recommending improvements where necessary. As disclosed in the Company's ERM website, the Internal Audit function forms part of the Company's three lines of defense structure.</p> <p>MCG – 1.8.C Audit Committee and 1.14 Internal Auditor (pp. 12-13, 20)</p>	

		<p><a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>Audit Committee Charter <a href="https://www.sminvestments.com/wp-content/uploads/2024/11/SMIC-Revised-Audit-Committee-Charter_Approved-by-the-Board_w-13Nov.2024.pdf">https://www.sminvestments.com/wp-content/uploads/2024/11/SMIC-Revised-Audit-Committee-Charter_Approved-by-the-Board_w-13Nov.2024.pdf</a></p> <p>Internal Audit Charter <a href="https://www.sminvestments.com/wp-content/uploads/2024/11/SMIC-Revised-Internal-Audit-Charter_Approved-by-the-Board_w-13Nov.2024.pdf">https://www.sminvestments.com/wp-content/uploads/2024/11/SMIC-Revised-Internal-Audit-Charter_Approved-by-the-Board_w-13Nov.2024.pdf</a></p> <p>ERM Website (Roles and Responsibilities) <a href="https://www.sminvestments.com/erm/">https://www.sminvestments.com/erm/</a></p>	
<b>Recommendation 12.3</b>			
1. Company has a qualified Chief Audit Executive (CAE) appointed by the Board.	<b>COMPLIANT</b>	As disclosed in the Company's Annual Report and Definitive Information Statement (DIS), Ms. Shiela P. Alarcio serves as SMIC's Chief Audit Executive. Ms. Alarcio is a Certified Public Accountant, Certified Internal Auditor, Certified Fraud Examiner, and a Certified External Quality Assessor of Internal Audit Activity. She brings over 23 years of extensive experience in financial audit, internal audit, financial and control risk assessment, risk management, review of operations and financial controls, regulatory compliance, and fraud investigations.	
2. CAE oversees and is responsible for the internal audit activity of the organization, including that portion that is outsourced to a third-party service provider.	<b>COMPLIANT</b>	As disclosed in the Company's Annual Report and Definitive Information Statement (DIS), Ms. Shiela P. Alarcio serves as SMIC's Chief Audit Executive. Ms. Alarcio is a Certified Public Accountant, Certified Internal Auditor, Certified Fraud Examiner, and a Certified External Quality Assessor of Internal Audit Activity. She brings over 23 years of extensive experience in financial audit, internal audit, financial and control risk assessment, risk management, review of operations and financial controls, regulatory compliance, and fraud investigations.	
3. In case of a fully outsourced internal audit activity, a qualified independent executive or senior management personnel is assigned the responsibility for managing the fully outsourced internal audit activity.	<b>COMPLIANT</b>	In accordance with the Company's Manual on Corporate Governance, the Chief Audit Executive oversees and is responsible for the internal audit activities of the organization. The Company's Internal Audit function is in-house and operates under a Board-approved Internal Audit Charter,	

		<p>with functional reporting to the Audit Committee as provided in the Audit Committee Charter.</p> <p>MCG – 1.8.C Audit Committee and 1.14 Internal Auditor (pp. 12-13, 20)  <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>2025 IR (page 37, 49 - 51)  <a href="https://www.sminvestments.com/2024smicintegratedreport/wp-content/uploads/2025/04/SMIC-IR-2024-042325-HQ.pdf">https://www.sminvestments.com/2024smicintegratedreport/wp-content/uploads/2025/04/SMIC-IR-2024-042325-HQ.pdf</a></p> <p>Audit Committee Charter  <a href="https://www.sminvestments.com/wp-content/uploads/2024/11/SMIC-Revised-Audit-Committee-Charter-Approved-by-the-Board-w-13Nov.2024.pdf">https://www.sminvestments.com/wp-content/uploads/2024/11/SMIC-Revised-Audit-Committee-Charter-Approved-by-the-Board-w-13Nov.2024.pdf</a></p> <p>Internal Audit Charter  <a href="https://www.sminvestments.com/wp-content/uploads/2024/11/SMIC-Revised-Internal-Audit-Charter-Approved-by-the-Board-w-13Nov.2024.pdf">https://www.sminvestments.com/wp-content/uploads/2024/11/SMIC-Revised-Internal-Audit-Charter-Approved-by-the-Board-w-13Nov.2024.pdf</a></p> <p>DIS for 2026 (PDF page 33)  <a href="https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/">https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/</a></p> <p>2026 Results of the Organizational Meeting of the Board of Directors  <a href="https://www.sminvestments.com/publication/smic-results-of-organizational-board-meeting-april-29-2026/">https://www.sminvestments.com/publication/smic-results-of-organizational-board-meeting-april-29-2026/</a></p>	
<b>Recommendation 12.4</b>			
<p>1. Company has a separate risk management function to identify, assess and monitor key risk exposures.</p>	<p><b>COMPLIANT</b></p>	<p>The Company maintains a separate risk management function to identify, assess, and monitor key risk exposures. In accordance with the</p>	

	<p>Manual on Corporate Governance, the Board of Directors is tasked to identify and monitor key risk areas and key performance indicators, and to ensure that a sound Enterprise Risk Management framework is in place. The Risk Management Committee, operating under a Board-approved Charter, exercises oversight over the Company's ERM system and ensures its functionality and effectiveness.</p> <p>This separate risk management function is carried out by the Chief Risk Officer (CRO) under the Governance, Risk and Compliance (GRC) Office. As disclosed in the Company's Integrated Report (IR) and ERM website, this governance structure demonstrates that the Company maintains an adequate and effective risk management function that operates independently, reinforces accountability, and strengthens resilience in the conduct of its business.</p> <p>ERM Website <a href="https://www.sminvestments.com/erm/">https://www.sminvestments.com/erm/</a></p> <p>MCG – Specific Duties and Functions of the Board, 1.4.7 and 1.8.D Risk Management Committee (pp. 4, 13-14) <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>2025 IR (page 42) <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p> <p>Risk Management Committee Charter</p>	
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<b>Supplement to Recommendation 12.4</b>			
<p>1. Company seeks external technical support in risk management when such competence is not available internally.</p>	<p><b>COMPLIANT</b></p>	<p>The Company confirms that at present, it is able to manage the Enterprise Risk Management (ERM) process internally through its designated Chief Risk Officer (CRO). This structure ensures that risk identification, assessment, and monitoring are systematically carried out across the organization. In line with the Company's Manual on Corporate Governance and the Risk Management Committee Charter, one of the Board's responsibilities is to oversee the Chief Risk and Compliance Officer (CRO), who serves as the champion of the organization's Enterprise Risk Management (ERM) system.</p> <p>MCG – Specific Duties and Functions of the Board, 1.4.7 and 1.8.D Risk Management Committee (pp. 4, 13-14) <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>2025 IR (page 42) <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p> <p>Risk Management Committee Charter</p>	

		<a href="https://www.sminvestments.com/wp-content/uploads/2023/04/Risk_Management_Committee_Charter_JAN-2022.pdf">https://www.sminvestments.com/wp-content/uploads/2023/04/Risk_Management_Committee_Charter_JAN-2022.pdf</a>	
<b>Recommendation 12.5</b>			
1. In managing the company's Risk Management System, the company has a Chief Risk Officer (CRO), who is the ultimate champion of Enterprise Risk Management (ERM).	<b>COMPLIANT</b>	The Company discloses that its Chief Risk Officer (CRO) serves as the ultimate champion of the Enterprise Risk Management (ERM) system. The CRO holds the position of Senior Vice President and possesses the necessary authority, stature, resources, and organizational support to effectively fulfill his/her responsibilities.	
2. CRO has adequate authority, stature, resources and support to fulfill his/her responsibilities.	<b>COMPLIANT</b>	<p>In line with the Company's Manual on Corporate Governance and the Risk Management Committee Charter, the CRO is tasked with leading the ERM process, ensuring that risk identification, assessment, and monitoring are systematically carried out, and that key risk exposures are reported to the Board through the Risk Management Committee. This governance structure demonstrates that SMIC maintains a qualified and empowered CRO, consistent with best practices, thereby reinforcing accountability, resilience, and effectiveness in the management of its risk management system.</p> <p>Relevant disclosures are formally published on the Company's ERM website and included in the Integrated Report.</p> <p>MCG – 1.8.D Risk Management Committee (page 4) <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>Risk Management Committee Charter <a href="https://www.sminvestments.com/wp-content/uploads/2023/04/Risk_Management_Committee_Charter_JAN-2022.pdf">https://www.sminvestments.com/wp-content/uploads/2023/04/Risk_Management_Committee_Charter_JAN-2022.pdf</a></p>	

		<p>2026 Results of the Organizational Meeting of the Board of Directors  <a href="https://www.sminvestments.com/publication/smic-results-of-organizational-board-meeting-april-29-2026/">https://www.sminvestments.com/publication/smic-results-of-organizational-board-meeting-april-29-2026/</a></p> <p>ERM (Company Website)  <a href="https://www.sminvestments.com/erm/">https://www.sminvestments.com/erm/</a></p> <p>2025 IR ERM (pp. 41 - 43)  <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p>	
<b>Additional Recommendation to Principle 12</b>			
<p>1. Company's Chief Executive Officer and Chief Audit Executive attest in writing, at least annually, that a sound internal audit, control and compliance system is in place and working effectively.</p>	<p><b>COMPLIANT</b></p>	<p>The Company discloses, through its 2025 Attestation of Internal Control and Compliance Systems Adequacy, that a sound internal audit, control, and compliance system is in place and working effectively. The Company's President and Chief Executive Officer, Mr. Frederic C. DyBuncio, and Chief Audit Executive, Ms. Shiela P. Alarcio, attest in writing to this adequacy and effectiveness, as further discussed in the Report of the Audit Committee and the annual attestation process uploaded in the Company's website.</p> <p>2025 IR (pp. 49 - 51)  <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p> <p>2025 Attestation of Internal Control and Compliance Systems Adequacy  <a href="https://www.sminvestments.com/wp-content/uploads/2026/05/2025-CEO-and-CAE-Annual-Confirmation-of-Internal-Audit-Control-Adequacy.pdf">https://www.sminvestments.com/wp-content/uploads/2026/05/2025-CEO-and-CAE-Annual-Confirmation-of-Internal-Audit-Control-Adequacy.pdf</a></p>	

**Cultivating a Synergic Relationship with Shareholders**

**Principle 13:** The company should treat all shareholders fairly and equitably, and also recognize, protect and facilitate the exercise of their rights.

**Recommendation 13.1**

<p>1. Board ensures that basic shareholder rights are disclosed in the Manual on Corporate Governance.</p>	<p><b>COMPLIANT</b></p>	<p>The Company discloses, through its Manual on Corporate Governance, that the rights and protection of all stakeholders, including minority shareholders, are clearly set out and safeguarded. The Company's Board ensures that basic shareholder rights are formally documented in the MCG, covering areas such as participation in stockholders' meetings, voting rights, fair treatment, access to information, and receipt of dividends.</p> <p>MCG – 2. Shareholders' Benefits and Rights (pp. 20-23)  <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p>	
<p>2. Board ensures that basic shareholder rights are disclosed on the company's website.</p>	<p><b>COMPLIANT</b></p>	<p>The Company discloses, through its <a href="#">website</a>, that basic shareholder rights are clearly set out and accessible to all stakeholders, including minority shareholders. These rights, consistent with the Manual on Corporate Governance, covering participation in stockholders' meetings, voting rights, access to timely and accurate information, entitlement to dividends, and equitable treatment. In addition, the Company's website also provides access to other Corporate Governance policies and disclosures that reinforce shareholder protection and transparency, including the Code of Ethics, the Whistleblowing Policy, the Related Party Transactions Policy, and the Insider Trading Policy. The site also discloses Annual Stockholders' Meeting (ASM) link, including the Definitive Information Statement, Integrated Report, and other shareholder communications, ensuring that stakeholders are fully informed and able to exercise their rights effectively.</p>	

		<p>MCG – 2. Shareholders' Benefits and Rights (pp. 20-23)  <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>Corporate Governance Policies and Disclosure and Transparency (Company website)  <a href="https://www.sminvestments.com/corporate-governance/">https://www.sminvestments.com/corporate-governance/</a></p> <p>Annual Stockholders' Meeting website  <a href="https://www.sminvestments.com/asm/">https://www.sminvestments.com/asm/</a></p> <p>2025 IR  <a href="https://www.sminvestments.com/2025smicintegratedreport/">https://www.sminvestments.com/2025smicintegratedreport/</a></p>	
<b>Supplement to Recommendation 13.1</b>			
<p>1. Company's common share has one vote for one share.</p>	<p><b>COMPLIANT</b></p>	<p>The Company discloses that each stockholder is entitled to one vote for every common share held, as expressly provided in its By-Laws. This confirms that the Company's common shares carry equal voting rights, thereby ensuring fairness and equitable treatment among all shareholders. As further disclosed in the Definitive Information Statement, the Company reiterates that voting rights are proportionate to shareholdings, consistent with the principle of "one share, one vote."</p> <p>SMIC By-Laws – Article III, Section 8. Voting  <a href="https://www.sminvestments.com/wp-content/uploads/2023/04/PDEX-Disclosure-Amended-By-Laws-July-2016_0.pdf">https://www.sminvestments.com/wp-content/uploads/2023/04/PDEX-Disclosure-Amended-By-Laws-July-2016_0.pdf</a></p> <p>DIS 2026 – (C) Voting Rights (PDF pp. 21)  <a href="https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/">https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/</a></p>	

<p>2. Board ensures that all shareholders of the same class are treated equally with respect to voting rights, subscription rights and transfer rights.</p>	<p><b>COMPLIANT</b></p>	<p>The Company discloses that, under its By-Laws and the Manual on Corporate Governance, the Board ensures all shareholders of the same class are treated equally with respect to voting rights, subscription rights, and transfer rights. The Company has only one class of common shares, and each share carries one vote, ensuring fairness and proportional representation.</p> <p>As further disclosed in the Definitive Information Statement, the Company ensures that shareholder rights are applied uniformly across all holders of common shares. This governance practice demonstrates compliance with the principle that the Board ensures equal treatment of shareholders of the same class, thereby reinforcing transparency, accountability, and equitable protection for minority shareholders.</p> <p>SMIC By-Laws – Article III, Section 8. Voting <a href="https://www.sminvestments.com/wp-content/uploads/2023/04/PDEX-Disclosure-Amended-By-Laws-July-2016_0.pdf">https://www.sminvestments.com/wp-content/uploads/2023/04/PDEX-Disclosure-Amended-By-Laws-July-2016_0.pdf</a></p> <p>MCG – 2. Shareholders' Benefits and Rights (pp. 20-23) <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>DIS 2026 – (C) Voting Rights and ITEM 19. Voting Procedures (PDF pp. 21, 45 - 46) <a href="https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/">https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/</a></p>	
<p>3. Board has an effective, secure, and efficient voting system.</p>	<p><b>COMPLIANT</b></p>	<p>The Company discloses that its Board has an effective, secure, and efficient voting system in place, as set out in its By-Laws, MCG, and Definitive Information Statement. This system ensures that all shareholders are able to exercise</p>	
<p>4. Board has an effective shareholder voting mechanisms such as supermajority or "majority of minority" requirements to</p>	<p><b>COMPLIANT</b></p>		

<p>protect minority shareholders against actions of controlling shareholders.</p>		<p>their rights in a transparent and orderly manner. Further, shareholders are entitled to employ cumulative voting, which allows minority shareholders to concentrate their votes and thereby strengthen their representation in the election of directors.</p> <p>DIS 2026 – (C) Voting Rights and ITEM 19. Voting Procedures (PDF pp. 21, 45 - 46)  <a href="https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/">https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/</a></p> <p>SMIC By-Laws – Article III, Section 8. Voting  <a href="https://www.sminvestments.com/wp-content/uploads/2023/04/PDEX-Disclosure-Amended-By-Laws-July-2016_0.pdf">https://www.sminvestments.com/wp-content/uploads/2023/04/PDEX-Disclosure-Amended-By-Laws-July-2016_0.pdf</a></p> <p>MCG – 2. Shareholders' Benefits and Rights (pp. 20-23)  <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>2025 IR (page 44)  <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p>	
<p>5. Board allows shareholders to call a special shareholders' meeting and submit a proposal for consideration or agenda item at the AGM or special meeting.</p>	<p><b>COMPLIANT</b></p>	<p>The Company discloses, through its Manual on Corporate Governance, that Board allows minority shareholders the right to propose the holding of a special meeting and to submit items for inclusion in the agenda of the Annual Stockholders' Meeting (ASM) or any special meeting. Such proposals must be for legitimate business purposes and in accordance with law, jurisprudence, and best governance practice.</p> <p>MCG – 2. Shareholders' Benefits and Rights (pp. 20-23)</p>	

		<p><a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>2025 IR (page 44) <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p>	
6. Board clearly articulates and enforces policies with respect to treatment of minority shareholders.	<b>COMPLIANT</b>	<p>The Company discloses, through its Manual on Corporate Governance, that the rights and protection of stakeholders, particularly minority shareholders, are clearly articulated and enforced. The Company's Board ensures that all shareholders of the same class are treated equally and that minority shareholders are safeguarded against abusive actions by controlling shareholders. This includes policies on fair treatment, access to timely and accurate information, participation in meetings, voting rights, and dividend entitlements</p> <p>MCG – 2. Shareholders' Benefits and Rights (pp. 20-23) <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p>	
7. Company has a transparent and specific dividend policy.	<b>COMPLIANT</b>	<p>The Company discloses that it maintains a transparent and specific dividend policy, as set out in the Manual on Corporate Governance and reiterated in the Integrated Report as well as in the Company's published financial reports. Dividends are declared by the Board and paid within thirty (30) days from the date of declaration, ensuring timely distribution to shareholders.</p> <p>MCG – 2. Shareholders' Benefits and Rights – 2.1.5 Right to Dividend (page 22) <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p>	

		<p>2025 IR – Dividend Policy (page 44)  <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p> <p>Financial Reports  <a href="https://www.sminvestments.com/financial-reports/">https://www.sminvestments.com/financial-reports/</a></p> <p>2026 Press Release – Corporate Disclosures  <a href="https://www.sminvestments.com/publication/press-release-sm-investments-increases-dividends-by-31/">https://www.sminvestments.com/publication/press-release-sm-investments-increases-dividends-by-31/</a></p>	
<b>Optional: Recommendation 13.1</b>			
<p>1. Company appoints an independent party to count and/or validate the votes at the Annual Shareholders' Meeting.</p>	<p><b>COMPLIANT</b></p>	<p>The Company discloses that it engaged its external auditor, SGV &amp; Co., as an independent party to monitor and validate the tally of votes cast during the 2026 Annual Stockholders' Meeting (ASM), as reflected in the ASM Minutes. This practice ensures that the voting process is conducted in a transparent, secure, and credible manner, reinforcing shareholder confidence in the integrity of the results.</p> <p>DIS 2026 – ITEM 19. Voting Procedures (PDF pp. 45 - 46)  <a href="https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/">https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/</a></p> <p>2026 ASM Minutes (page 2)  <a href="https://www.sminvestments.com/publication/smic-draft-minutes-of-the-2026-annual-stockholders-meeting/">https://www.sminvestments.com/publication/smic-draft-minutes-of-the-2026-annual-stockholders-meeting/</a></p> <p>2025 IR (page 44)  <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p>	

Recommendation 13.2			
<p>1. Board encourages active shareholder participation by sending the Notice of Annual and Special Shareholders' Meeting with sufficient and relevant information at least 28 days before the meeting.</p>	<b>COMPLIANT</b>	<p>The Company discloses that the Board ensures the Notice and agenda are released at least twenty-eight (28) days before the meeting. For the 2026 ASM scheduled on April 29, 2026, the initial Notice was publicly released and posted through the Philippine Stock Exchange (PSE) and the Company's official website on January 12, 2026. Further, the Definitive Information Statement (DIS) containing the agenda, rationale for each item, and other relevant ASM materials was uploaded via PSE and posted on the Company's ASM disclosures page on March 24, 2026.</p> <p>Corporate Disclosures <a href="https://www.sminvestments.com/corporate-disclosures/">https://www.sminvestments.com/corporate-disclosures/</a></p> <p>Notice of the 2026 ASM <a href="https://www.sminvestments.com/publication/smic-notice-of-annual-stockholders-meeting-on-april-29-2026/">https://www.sminvestments.com/publication/smic-notice-of-annual-stockholders-meeting-on-april-29-2026/</a></p> <p>2025 IR (page 44) <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p> <p>2026 ASM Disclosures <a href="https://www.sminvestments.com/asm/">https://www.sminvestments.com/asm/</a></p>	
Supplemental to Recommendation 13.2			
<p>1. Company's Notice of Annual Stockholders' Meeting contains the following information:</p>		<p>The Company discloses that its Notice of Annual Stockholders' Meeting (ASM) contains comprehensive and relevant information to enable shareholders to make informed decisions. As reflected in the Definitive Information Statement 2026 and Notice of ASM, it includes the full profiles</p>	
<p>a. The profiles of directors (i.e., age, academic qualifications, date of first</p>	<b>COMPLIANT</b>		

appointment, experience, and directorships in other listed companies)		of directors — covering age, academic qualifications, date of first appointment, professional experience, and directorships in other listed companies, together with details of the external auditors seeking re-appointment and the proxy documents required for representation.	
b. Auditors seeking appointment/re-appointment	<b>COMPLIANT</b>		
c. Proxy documents	<b>COMPLIANT</b>	2025 IR (page 44) <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a>  DIS and Notice of ASM 2026 <a href="https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/">https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/</a>	
<b>Optional : Recommendation 13.2</b>			
1. Company provides rationale for the agenda items for the annual stockholders meeting	<b>COMPLIANT</b>	The Company discloses that its Notice of Annual Stockholders' Meeting (ASM) and the accompanying Definitive Information Statement provide shareholders with the rationale and explanations for each agenda item requiring approval. These disclosures ensure that shareholders are fully informed of the purpose, context, and implications of each proposal, thereby enabling them to exercise their voting rights knowledgeably and responsibly.  2025 IR (page 44) <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a>  DIS and Notice of ASM 2026 <a href="https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/">https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/</a>	
<b>Recommendation 13.3</b>			
1. Board encourages active shareholder participation by making the result of the votes taken during the most recent	<b>COMPLIANT</b>	The Company discloses, in line with the Manual on Corporate Governance, that the results of the votes taken at the Annual Stockholders' Meeting	

<p>Annual or Special Shareholders' Meeting publicly available the next working day.</p>		<p>(ASM) are made publicly available by the next working day. In 2026 ASM, the Company released the results of the votes immediately after the meeting, as reflected in the official Voting Results disclosure in the Company's website. This reinforces transparency and encourages active shareholder participation by ensuring stakeholders are promptly informed of the outcome of resolutions.</p>	
<p>2. Minutes of the Annual and Special Shareholders' Meetings were available on the company website within five business days from the end of the meeting.</p>	<p><b>COMPLIANT</b></p>	<p>The Minutes of the 2026 ASM were also made available on the Company's website within five business days from the end of the meeting, as disclosed in the ASM Minutes.</p> <p>MCG – Shareholders' Benefits and Rights, 2.6 (page 23)  <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>2026 Voting Results at the ASM  <a href="https://www.sminvestments.com/publication/smic-results-of-annual-stockholders-meeting-april-29-2026/">https://www.sminvestments.com/publication/smic-results-of-annual-stockholders-meeting-april-29-2026/</a></p> <p>2026 ASM Minutes  <a href="https://www.sminvestments.com/publication/smic-draft-minutes-of-the-2026-annual-stockholders-meeting/">https://www.sminvestments.com/publication/smic-draft-minutes-of-the-2026-annual-stockholders-meeting/</a></p>	
<p><b>Supplement to Recommendation 13.3</b></p>			
<p>1. Board ensures the attendance of the external auditor and other relevant individuals to answer shareholders questions during the ASM and SSM.</p>	<p><b>COMPLIANT</b></p>	<p>The Company discloses that the Board ensures the presence of the external auditor and other relevant officers during the Annual Stockholders' Meeting (ASM) to address shareholder questions and concerns. In 2026 ASM, SGV &amp; Co., the Company's external auditor, together with its key officers, were in attendance, as reflected in the 2026 ASM Minutes. Their participation reinforced</p>	

		<p>transparency and accountability in the conduct of the meeting.</p> <p>2026 ASM Minutes <a href="https://www.sminvestments.com/publication/smic-approved-minutes-of-the-2025-annual-stockholders-meeting/">https://www.sminvestments.com/publication/smic-approved-minutes-of-the-2025-annual-stockholders-meeting/</a></p> <p>2025 IR (page 44) <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p>	
<b>Recommendation 13.4</b>			
1. Board makes available, at the option of a shareholder, an alternative dispute mechanism to resolve intra-corporate disputes in an amicable and effective manner.	<b>COMPLIANT</b>	<p>The Company discloses, in its Manual on Corporate Governance, that it makes available, at the option of a shareholder, a neutral third party to assist in the resolution of intra-corporate disputes involving the Company, stockholders, third parties, and regulatory authorities. The alternative dispute resolution mechanism may include arbitration, mediation, conciliation, early neutral evaluation, mini-trial, or any combination thereof, depending on the circumstances and the agreement of the parties.</p> <p>MCG – Specific Duties and Functions of the Board, 1.4.15 (page 5) <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>Other Corporate Governance Policies (Company website) <a href="https://www.sminvestments.com/corporate-governance/">https://www.sminvestments.com/corporate-governance/</a></p>	
2. The alternative dispute mechanism is included in the company's Manual on Corporate Governance.	<b>COMPLIANT</b>		
<b>Recommendation 13.5</b>			
1. Board establishes an Investor Relations Office (IRO) to ensure constant engagement with its shareholders.	<b>COMPLIANT</b>	<p>The Company discloses in its Manual on Corporate Governance, that the Board has established an Investor Relations Office (IRO) to ensure constant</p>	

<p>2. IRO is present at every shareholder's meeting.</p>	<p><b>COMPLIANT</b></p>	<p>engagement with shareholders. The IRO serves as a dedicated channel for communication, providing timely and accurate information, facilitating shareholder inquiries, and strengthening transparency in governance practices.</p> <p>As disclosed in Integrated Report, the Investor Relations Department is consistently present at every shareholder's meeting, including the Annual Stockholders' Meeting (ASM). The IRO supports shareholder participation by assisting with registration, disseminating disclosures, and addressing shareholder concerns during the proceedings.</p> <p>2025 IR – The Investor Relations Department (pp. 44)  <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p> <p>MCG – Shareholders' Benefits and Rights, 2.6 (page 23)  <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p>	
<b>Supplemental Recommendations to Principle 13</b>			
<p>1. Board avoids anti-takeover measures or similar devices that may entrench ineffective management or the existing controlling shareholder group</p>	<p><b>COMPLIANT</b></p>	<p>The Company does not adopt measures or devices that may entrench ineffective management or the existing controlling shareholder group in accordance with its internal governance policies and the Manual on Corporate Governance. The Company ensures equal treatment of all shareholders and stakeholders, and complies with applicable laws to safeguard their interests and rights.</p> <p>As disclosed in the Company's By-Laws and the Definitive Information Statement, shareholders are entitled to employ cumulative voting in the</p>	

		<p>election of directors. This mechanism strengthens minority representation and reinforces the Company's commitment to transparency, accountability, and equitable governance.</p> <p>DIS 2026 – (C) Voting Rights and ITEM 19. Voting Procedures (PDF pp. 21, 45 - 46)  <a href="https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/">https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/</a></p> <p>SMIC By-Laws – Article III, Section 8. Voting  <a href="https://www.sminvestments.com/wp-content/uploads/2023/04/PDEX-Disclosure-Amended-By-Laws-July-2016_0.pdf">https://www.sminvestments.com/wp-content/uploads/2023/04/PDEX-Disclosure-Amended-By-Laws-July-2016_0.pdf</a></p> <p>MCG – 2. Shareholders' Benefits and Rights (pp. 20-23)  <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>2025 IR (page 44)  <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p>	
<p>2. Company has at least thirty percent (30%) public float to increase liquidity in the market.</p>	<p><b>COMPLIANT</b></p>	<p>The Company's public float level is 46.89% as of May 20, 2026, well above the 30% minimum requirement set by the Philippine Stock Exchange (PSE). This confirms compliance with the principle of maintaining sufficient public float to ensure market liquidity.</p> <p>PSE Edge Website  <a href="https://edge.pse.com.ph/companyPage/stockData.do?cmpy_id=599">https://edge.pse.com.ph/companyPage/stockData.do?cmpy_id=599</a></p>	
<p><b>Optional: Principle 13</b></p>			
<p>1. Company has policies and practices to encourage shareholders to engage with</p>	<p><b>COMPLIANT</b></p>	<p>The Company discloses that its Investor Relations Office (IRO) is established to ensure constant</p>	

<p>the company beyond the Annual Stockholders' Meeting</p>		<p>engagement with shareholders beyond the Annual Stockholders' Meeting (ASM). As reflected in the Integrated Report and the Company's Investor Presentations website, the IRO is present at every stockholders' meeting and actively arranges regular teleconferences, site visits for investors, and annual roadshows with stops in various global locations.</p> <p>2025 IR (pp. 44)  <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p> <p>Investors (Company Website)  <a href="https://www.sminvestments.com/investors/">https://www.sminvestments.com/investors/</a></p>	
<p>2. Company practices secure electronic voting in absentia at the Annual Shareholders' Meeting.</p>	<p><b>COMPLIANT</b></p>	<p>The Company discloses that it practices secure electronic voting in absentia for its Annual Stockholders' Meetings (ASM). As provided in the Definitive Information Statement, shareholders are given the option to participate remotely and cast their votes electronically through a secure platform.</p> <p>DIS 2026 – Guidelines for Remote Participation and Voting <i>in Absentia</i>, (C) Voting Rights and ITEM 19. Voting Procedures (PDF pp. 21, 45 - 46)  <a href="https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/">https://www.sminvestments.com/publication/smic-definitive-information-statement-2026/</a></p>	

**Duties to Stakeholders**

**Principle 14:** The rights of stakeholders established by law, by contractual relations and through voluntary commitments must be respected. Where stakeholders' rights and/or interests are at stake, stakeholders should have the opportunity to obtain prompt effective redress for the violation of their rights.

**Recommendation 14.1**

<p>1. Board identifies the company's various stakeholders and promotes cooperation between them and the company in creating wealth, growth and sustainability.</p>	<p><b>COMPLIANT</b></p>	<p>The Company discloses in its Manual on Corporate Governance that the Board recognizes and protects the rights and interests of its key stakeholders, namely shareholders, employees, customers, business partners, creditors,</p>	
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		<p>communities where it operates, and the environment. In line with the Company's Code of Ethics and other relevant laws and regulations, the Company promotes cooperation among these stakeholders to create wealth, growth, and sustainability.</p> <p>As further reflected in the Integrated Report and the Stakeholder Engagement Policy, the Company implements structured engagement programs that foster collaboration, transparency, and accountability for its stakeholders.</p> <p>MCG – 2. Shareholders' Benefits and Rights &amp; 1.4 Specific Duties and Functions of the Board – 1.4.5 (pp. 20-23)  <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>SMIC Code of Ethics  <a href="https://www.sminvestments.com/wp-content/uploads/2023/03/Code-of-Ethics-v4.1.pdf">https://www.sminvestments.com/wp-content/uploads/2023/03/Code-of-Ethics-v4.1.pdf</a></p> <p>2025 IR (pp. 44 - 45)  <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p> <p>SMIC Stakeholder Engagement Policy  <a href="https://www.sminvestments.com/2024smicintegratedreport/wp-content/uploads/2025/04/SUS-GRC-005-STAKEHOLDER-ENGAGEMENT-POLICY_2024.pdf">https://www.sminvestments.com/2024smicintegratedreport/wp-content/uploads/2025/04/SUS-GRC-005-STAKEHOLDER-ENGAGEMENT-POLICY_2024.pdf</a></p>	
<b>Recommendation 14.2</b>			
<p>1. Board establishes clear policies and programs to provide a mechanism on the fair treatment and protection of stakeholders.</p>	<p><b>COMPLIANT</b></p>	<p>The Company discloses in its Manual on Corporate Governance and Code of Ethics that the Board recognizes and protects the rights and interests of its key stakeholders — namely shareholders, employees, customers, business partners, creditors,</p>	

		<p>the communities where it operates, and the environment.</p> <p>This commitment is further reinforced by the Company's Human Rights Policy, which solidifies the Company's dedication to treating all individuals respectfully and fairly. As also disclosed in the Integrated Report, the Company implements structured programs and engagement mechanisms to ensure equitable treatment, safeguard stakeholder rights, and promote cooperation in creating long-term value and sustainability.</p> <p>MCG – 2. Shareholders' Benefits and Rights &amp; 1.4 Specific Duties and Functions of the Board – 1.4.5 (pp. 20-23)  <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>SMIC Code of Ethics  <a href="https://www.sminvestments.com/wp-content/uploads/2023/03/Code-of-Ethics-v4.1.pdf">https://www.sminvestments.com/wp-content/uploads/2023/03/Code-of-Ethics-v4.1.pdf</a></p> <p>2025 IR (pp. 44 - 45)  <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p> <p>SMIC Human Rights Policy  <a href="https://www.sminvestments.com/2024smicintegratedreport/wp-content/uploads/2025/04/S.1-Human-Rights-Policy.pdf">https://www.sminvestments.com/2024smicintegratedreport/wp-content/uploads/2025/04/S.1-Human-Rights-Policy.pdf</a></p>	
<b>Recommendation 14.3</b>			
<p>1. Board adopts a transparent framework and process that allow stakeholders to communicate with the company and to obtain redress for the violation of their rights.</p>	<p><b>COMPLIANT</b></p>	<p>The Company has adopted a transparent framework for stakeholder redress through its Code of Ethics and Whistleblowing policy to formally report violations of their rights. In addition, the Stakeholder Engagement Policy strengthens the</p>	

		<p>Company's commitment to honor feedback mechanisms from both internal and external stakeholders, ensuring that concerns are addressed fairly and effectively.</p> <p>2025 IR (pp. 44 - 45)  <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p> <p>SMIC Code of Ethics  <a href="https://www.sminvestments.com/wp-content/uploads/2023/03/Code-of-Ethics-v4.1.pdf">https://www.sminvestments.com/wp-content/uploads/2023/03/Code-of-Ethics-v4.1.pdf</a></p> <p>Whistleblowing Policy  <a href="https://www.sminvestments.com/policy-on-accountability-integrity-and-vigilance-paiv/">https://www.sminvestments.com/policy-on-accountability-integrity-and-vigilance-paiv/</a></p> <p>SMIC Stakeholder Engagement Policy  <a href="https://www.sminvestments.com/2024smicintegratedreport/wp-content/uploads/2025/04/SUS-GRC-005-STAKEHOLDER-ENGAGEMENT-POLICY_2024.pdf">https://www.sminvestments.com/2024smicintegratedreport/wp-content/uploads/2025/04/SUS-GRC-005-STAKEHOLDER-ENGAGEMENT-POLICY_2024.pdf</a></p>	
<b>Supplement to Recommendation 14.3</b>			
<p>1. Company establishes an alternative dispute resolution system so that conflicts and differences with key stakeholders is settled in a fair and expeditious manner.</p>	<p><b>COMPLIANT</b></p>	<p>The Company discloses in its Manual on Corporate Governance that it establishes an alternative dispute resolution (ADR) system to settle conflicts between the Company and its shareholders, third parties, and regulatory authorities in a fair and expeditious manner. Mechanisms are available for shareholders through the Shareholders' Benefits and Rights provisions in the MCG, while for stakeholders, the Company provides an independent third-party whistleblowing mechanism where they can confidentially report violations, concerns, or issues for impartial review and resolution.</p> <p>Alternative Dispute Resolution System (Company Website)</p>	

		<p><a href="https://www.sminvestments.com/alternative-dispute-resolution-system/">https://www.sminvestments.com/alternative-dispute-resolution-system/</a></p> <p>MCG – Specific Duties and Functions of the Board, 1.4.15 (page 5) <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>MCG – 2. Shareholders' Benefits and Rights &amp; 1.4 Specific Duties and Functions of the Board – 1.4.5 (pp. 20-23) <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>2025 IR (page 40) <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p> <p>Other Corporate Governance Policies (Company website) <a href="https://www.sminvestments.com/corporate-governance/">https://www.sminvestments.com/corporate-governance/</a></p>	
<b>Additional Recommendations to Principle 14</b>			
<p>1. Company does not seek any exemption from the application of a law, rule or regulation especially when it refers to a corporate governance issue. If an exemption was sought, the company discloses the reason for such action, as well as presents the specific steps being taken to finally comply with the applicable law, rule or regulation.</p>	<p><b>COMPLIANT</b></p>	<p>The Company discloses in its Manual on Corporate Governance that the Board ensures compliance with all relevant laws, rules, and regulations, and does not seek exemptions, particularly on matters concerning corporate governance. In line with this, the Company has not sought any exemption from the application of any law, rule, or regulation.</p> <p>Further, the Company's Code of Ethics reinforces this commitment by requiring directors, officers, and employees to adhere strictly to applicable laws and governance standards. This framework ensures that the Company operates with integrity, transparency, and accountability, while</p>	

		<p>safeguarding the rights and interests of shareholders and stakeholders.</p> <p>MCG – Specific Duties and Functions of the Board, 1.4.4 (page 4)  <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>SMIC Code of Ethics – II. Compliance with Laws (pp. 1-2)  <a href="https://www.sminvestments.com/wp-content/uploads/2023/03/Code-of-Ethics-v4.1.pdf">https://www.sminvestments.com/wp-content/uploads/2023/03/Code-of-Ethics-v4.1.pdf</a></p>	
2. Company respects intellectual property rights.	<b>COMPLIANT</b>	<p>The Company discloses in its Manual on Corporate Governance and Code of Ethics that the Board ensures that the Company complies with all relevant laws, regulations, and codes of best business practices, including those related to intellectual property rights.</p> <p>MCG – Specific Duties and Functions of the Board, 1.4.4 (page 4)  <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>SMIC Code of Ethics – II. Compliance with Laws (pp. 1-2)  <a href="https://www.sminvestments.com/wp-content/uploads/2023/03/Code-of-Ethics-v4.1.pdf">https://www.sminvestments.com/wp-content/uploads/2023/03/Code-of-Ethics-v4.1.pdf</a></p>	
<b>Optional: Principle 14</b>			
1. Company discloses its policies and practices that address customers' welfare	<b>COMPLIANT</b>	<p>The Company discloses, pursuant to its Code of Ethics, that directors, officers, and employees are guided by fairness, professionalism, courtesy, and respect when dealing with customers, and are expected to provide excellent and diligent service at all times.</p> <p>As reflected in the Integrated Report, the Company discloses its customer-focused programs</p>	

		<p>and initiatives, including service quality standards, customer engagement mechanisms, and sustainability-driven practices that enhance customer welfare.</p> <p>2025 IR (pp. 2, 5, 7, 16 – 29, 44 - 45)  <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p> <p>SMIC Code of Ethics  <a href="https://www.sminvestments.com/wp-content/uploads/2023/03/Code-of-Ethics-v4.1.pdf">https://www.sminvestments.com/wp-content/uploads/2023/03/Code-of-Ethics-v4.1.pdf</a></p>	
<p>2. Company discloses its policies and practices that address supplier/contractor selection procedures</p>	<p><b>COMPLIANT</b></p>	<p>The Company discloses in its Policy for Vendor Selection and Purchase of Goods and Services and the Sustainable Supply Chain Policy that establish structured procedures for supplier and contractor engagement. These policies ensure that procurement decisions are based on objective criteria, sustainability considerations, and compliance with best practices.</p> <p>SMIC Code of Ethics  <a href="https://www.sminvestments.com/wp-content/uploads/2023/03/Code-of-Ethics-v4.1.pdf">https://www.sminvestments.com/wp-content/uploads/2023/03/Code-of-Ethics-v4.1.pdf</a></p> <p>SMIC Policy for Vendor Selection and Purchase of Goods and Services  <a href="https://www.sminvestments.com/corporate-governance/">https://www.sminvestments.com/corporate-governance/</a></p> <p>SMIC Sustainable Supply Chain Policy  <a href="https://www.sminvestments.com/2024smicintegratedreport/wp-content/uploads/2025/04/SUS-GRC-004-SUSTAINABLE-SUPPLY-CHAIN-POLICY_2024.pdf">https://www.sminvestments.com/2024smicintegratedreport/wp-content/uploads/2025/04/SUS-GRC-004-SUSTAINABLE-SUPPLY-CHAIN-POLICY_2024.pdf</a></p> <p>2025 IR (page 41)  <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p>	

**Principle 15:** A mechanism for employee participation should be developed to create a symbiotic environment, realize the company's goals and participate in its corporate governance processes.

**Recommendation 15.1**

<p>1. Board establishes policies, programs and procedures that encourage employees to actively participate in the realization of the company's goals and in its governance.</p>	<p><b>COMPLIANT</b></p>	<p>The Company discloses that the Board establishes clear policies, programs, and procedures that encourage employees to actively participate in achieving the Company's goals and in its governance. As stated in the Company's Code of Ethics, employees are guided to act with integrity, professionalism, and accountability, while contributing to organizational objectives. As reflected in the Integrated Report and the Company's Corporate Governance policies available in the Company's website, the Company implements employee engagement initiatives, training programs, and sustainability participation mechanisms that align employee contributions with governance and long-term growth. These practices demonstrate compliance with the principle by ensuring employees are empowered as active partners in both business success and governance.</p> <p>SMIC Code of Ethics (pp. 3-4)  <a href="https://www.sminvestments.com/wp-content/uploads/2023/03/Code-of-Ethics-v4.1.pdf">https://www.sminvestments.com/wp-content/uploads/2023/03/Code-of-Ethics-v4.1.pdf</a></p> <p>2025 IR (pp. 44 - 45)  <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p> <p>SMIC Corporate Governance Policies  <a href="https://www.sminvestments.com/corporate-governance/">https://www.sminvestments.com/corporate-governance/</a></p>	
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**Supplement to Recommendation 15.1**

<p>1. Company has a reward/compensation policy that accounts for the performance of the company beyond short-term financial measures.</p>	<p><b>COMPLIANT</b></p>	<p>The Company discloses that, pursuant to its Code of Ethics, officers and employees are selected, engaged, and compensated based on qualifications and performance, with annual merit-based assessments directly linked to compensation. Further, as approved by the Company's Board of Directors in its April 26, 2023 meeting, the Company adopted the Management Stock Incentive Program, which provides benefits beyond short-term financial measures and aligns employee rewards with long-term company performance and sustainability.</p> <p>Disclosure on the Results of the Board Meeting held on April 26, 2023  <a href="https://www.sminvestments.com/wp-content/uploads/2023/04/SMIC-Results-of-Board-Meeting-April-26-2023.pdf">https://www.sminvestments.com/wp-content/uploads/2023/04/SMIC-Results-of-Board-Meeting-April-26-2023.pdf</a></p> <p>SMIC Code of Ethics (pp. 3-4)  <a href="https://www.sminvestments.com/wp-content/uploads/2023/03/Code-of-Ethics-v4.1.pdf">https://www.sminvestments.com/wp-content/uploads/2023/03/Code-of-Ethics-v4.1.pdf</a></p>	
<p>2. Company has policies and practices on health, safety and welfare of its employees.</p>	<p><b>COMPLIANT</b></p>	<p>The Company discloses that the Board has established clear policies and practices on the health, safety, and welfare of employees. Pursuant to the Company's Operational Health and Safety Policy, employees are provided with a safe and secure working environment, while the Anti-Discrimination and Anti-Harassment Policy ensures fairness, dignity, and equal opportunity in the workplace.</p> <p>As reflected in the Integrated Report and the Sustainability Report, these commitments are further operationalized through structured programs under the Sustainability Management System and the Company's Corporate Governance policies, which include employee</p>	

		<p>welfare mechanisms disclosed on the Company's website.</p> <p>SMIC Operational Health and Safety Policy <a href="https://www.sminvestments.com/wp-content/uploads/2023/03/Operational-Health-and-Safety-Policy.pdf">https://www.sminvestments.com/wp-content/uploads/2023/03/Operational-Health-and-Safety-Policy.pdf</a></p> <p>SMIC Anti-Discrimination and Anti-Harassment Policy <a href="https://www.sminvestments.com/2024smicintegratedreport/wp-content/uploads/2025/04/S.3-Anti-Discrimination-and-Anti-Harassment-Policy.pdf">https://www.sminvestments.com/2024smicintegratedreport/wp-content/uploads/2025/04/S.3-Anti-Discrimination-and-Anti-Harassment-Policy.pdf</a></p> <p>SMIC Code of Ethics (pp. 3-4) <a href="https://www.sminvestments.com/wp-content/uploads/2023/03/Code-of-Ethics-v4.1.pdf">https://www.sminvestments.com/wp-content/uploads/2023/03/Code-of-Ethics-v4.1.pdf</a></p> <p>2025 IR (pp. 45) <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p> <p>2025 Sustainability Report <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-SR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-SR-2025-WEB.pdf</a></p> <p>Corporate Governance Policies <a href="https://www.sminvestments.com/corporate-governance/">https://www.sminvestments.com/corporate-governance/</a></p> <p>Sustainability Management System <a href="https://www.sminvestments.com/2025smicintegratedreport/sustainability_management_system_2025/">https://www.sminvestments.com/2025smicintegratedreport/sustainability_management_system_2025/</a></p>	
<p>3. Company has policies and practices on training and development of its employees.</p>	<p><b>COMPLIANT</b></p>	<p>The Company discloses that the Board has established clear policies and practices on employee training and development. Pursuant to the Company's Code of Ethics employees are</p>	

		<p>expected to continuously improve their skills and competencies to contribute to the Company's long-term success.</p> <p>As reflected in the Integrated Report and the Company's Orientation and Training Policy disclosed on its website, the Company provides structured learning initiatives, succession planning, and professional development opportunities.</p> <p>SMIC Code of Ethics (pp. 3-4)  <a href="https://www.sminvestments.com/wp-content/uploads/2023/03/Code-of-Ethics-v4.1.pdf">https://www.sminvestments.com/wp-content/uploads/2023/03/Code-of-Ethics-v4.1.pdf</a></p> <p>2025 IR (pp. 45)  <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p> <p>Orientation and Trainings (Company website)  <a href="https://www.sminvestments.com/succession-planning-policy/">https://www.sminvestments.com/succession-planning-policy/</a></p>	
<b>Recommendation 15.2</b>			
<p>1. Board sets the tone and makes a stand against corrupt practices by adopting an anti-corruption policy and program in its Code of Conduct.</p>	<p><b>COMPLIANT</b></p>	<p>The Company discloses that the Board sets the tone and makes a stand against corrupt practices by adopting and enforcing an Anti-Bribery and Anti-Corruption Policy as part of its governance framework. Pursuant to its Manual on Corporate Governance, directors, officers, and employees are required to uphold integrity, transparency, and accountability in all business dealings. Company's anti-corruption program is embedded in its Code of Conduct and operationalized through clear procedures, training, and monitoring mechanisms. The relevant disclosures are consistently reflected in its Integrated Report and formally posted on the Corporate Governance website</p> <p>SMIC Anti-Bribery and Anti-Corruption Policy</p>	

		<p><a href="https://www.sminvestments.com/2024smicintegratedreport/wp-content/uploads/2025/04/S.2-Anti-Bribery-and-Anti-Corruption-Policy.pdf">https://www.sminvestments.com/2024smicintegratedreport/wp-content/uploads/2025/04/S.2-Anti-Bribery-and-Anti-Corruption-Policy.pdf</a></p> <p>SMIC Code of Ethics (pp. 3-4) <a href="https://www.sminvestments.com/wp-content/uploads/2023/03/Code-of-Ethics-v4.1.pdf">https://www.sminvestments.com/wp-content/uploads/2023/03/Code-of-Ethics-v4.1.pdf</a></p> <p>MCG – 1.4. Specific Duties and Functions of the Board (pp. 4-5) <a href="https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf">https://www.sminvestments.com/wp-content/uploads/2025/03/Manual-on-Corporate-Governance-2025.pdf</a></p> <p>SMIC Corporate Governance Policies <a href="https://www.sminvestments.com/corporate-governance/">https://www.sminvestments.com/corporate-governance/</a></p> <p>2025 IR (pp. 40 - 41) <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p>	
<p>2. Board disseminates the policy and program to employees across the organization through trainings to embed them in the company's culture.</p>	<p><b>COMPLIANT</b></p>	<p>The Company discloses that the Board disseminates its corporate governance policies and programs to employees across the organization through structured trainings to embed them in the Company's culture. Through the Orientation for New Employees of SM (ONE SM), new hires are introduced to the Company's governance framework, Code of Ethics, core values, and the role each individual plays in strengthening the governance culture. The Governance, Risk and Compliance Team collaborates with HR and other units to drive governance awareness campaigns and training programs throughout the organization.</p> <p>SMIC Code of Ethics (pp. 3-4) <a href="https://www.sminvestments.com/wp-content/uploads/2023/03/Code-of-Ethics-v4.1.pdf">https://www.sminvestments.com/wp-content/uploads/2023/03/Code-of-Ethics-v4.1.pdf</a></p>	

		<p>2025 IR (pp. 45) <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p> <p>2025 Sustainability Report <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-SR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-SR-2025-WEB.pdf</a></p> <p>2025 Sustainability Notes and Indices <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-SR-2025-NOTES-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-SR-2025-NOTES-WEB.pdf</a></p>	
<b>Supplement to Recommendation 15.2</b>			
<p>1. Company has clear and stringent policies and procedures on curbing and penalizing employee involvement in offering, paying and receiving bribes.</p>	<p><b>COMPLIANT</b></p>	<p>The Company discloses that it has clear and stringent policies and procedures to curb and penalize employee involvement in offering, paying, or receiving bribes. Pursuant to the Company's Code of Ethics and the Anti-Bribery and Anti-Corruption Policy, all directors, officers, and employees are required to adhere to the highest ethical standards in dealings with stakeholders, immediately disclose conflicts of interest, and strictly observe rules on solicitation and acceptance of gifts, hospitality, or travel. The Company has also a Whistleblowing Policy that provides mechanism for an independent channel for reporting violations. These policies are disclosed in the Company website and reflected in the Integrated Report.</p> <p>SMIC Corporate Governance Policies <a href="https://www.sminvestments.com/corporate-governance/">https://www.sminvestments.com/corporate-governance/</a></p> <p>SMIC Code of Ethics <a href="https://www.sminvestments.com/wp-content/uploads/2023/03/Code-of-Ethics-v4.1.pdf">https://www.sminvestments.com/wp-content/uploads/2023/03/Code-of-Ethics-v4.1.pdf</a></p>	

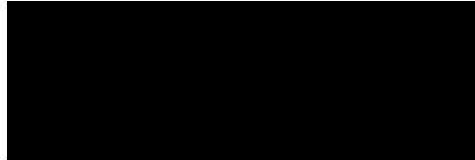
		2025 IR (pp. 40 - 41) <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a>	
<b>Recommendation 15.3</b>			
1. Board establishes a suitable framework for whistleblowing that allows employees to freely communicate their concerns about illegal or unethical practices, without fear of retaliation	<b>COMPLIANT</b>	The Company discloses that the Board has established a suitable whistleblowing framework through the Whistleblowing Policy and the Company's Code of Ethics. This framework allows employees to freely communicate concerns about illegal or unethical practices without fear of retaliation, ensuring protection and confidentiality.	
2. Board establishes a suitable framework for whistleblowing that allows employees to have direct access to an independent member of the Board or a unit created to handle whistleblowing concerns.	<b>COMPLIANT</b>	Employees also have direct access to an independent unit created to handle whistleblowing concerns, as provided under the Whistleblowing Policy, which reinforces impartiality and accountability. As disclosed in the policy and the Annual Report, the Board supervises and ensures the enforcement of the whistleblowing framework, embedding it into the Company's governance culture.	
3. Board supervises and ensures the enforcement of the whistleblowing framework.	<b>COMPLIANT</b>	Whistleblowing Policy <a href="https://www.sminvestments.com/policy-on-accountability-integrity-and-vigilance-paiv/">https://www.sminvestments.com/policy-on-accountability-integrity-and-vigilance-paiv/</a>  SMIC Code of Ethics (pp. 5-6) <a href="https://www.sminvestments.com/wp-content/uploads/2023/03/Code-of-Ethics-v4.1.pdf">https://www.sminvestments.com/wp-content/uploads/2023/03/Code-of-Ethics-v4.1.pdf</a>  2025 IR (page 40) <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a>	
<b>Principle 16:</b> The company should be socially responsible in all its dealings with the communities where it operates. It should ensure that its interactions serve its environment and stakeholders in a positive and progressive manner that is fully supportive of its comprehensive and balanced development.			

Recommendation 16.1			
<p>1. Company recognizes and places importance on the interdependence between business and society, and promotes a mutually beneficial relationship that allows the company to grow its business, while contributing to the advancement of the society where it operates.</p>	<p><b>COMPLIANT</b></p>	<p>The Company discloses that it recognizes and places importance on the interdependence between business and society, promoting a mutually beneficial relationship that enables sustainable business growth while contributing to social advancement. As disclosed in the Integrated Report and Sustainability Report, the Company integrates community development, environmental stewardship, and inclusive growth into its operations, ensuring that business success directly supports the welfare of the society where it operates.</p> <p>2025 IR (pp. 24, 26 - 29)  <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p> <p>2025 Sustainability Report  <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-SR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-SR-2025-WEB.pdf</a></p>	
Optional: Principle 16			
<p>1. Company ensures that its value chain is environmentally friendly or is consistent with promoting sustainable development</p>	<p><b>COMPLIANT</b></p>	<p>The Company discloses that it ensures its value chain is environmentally friendly and consistent with promoting sustainable development. With the Company's Sustainable Supply Chain policy, it continually improves its environmental performance by adopting technologies, developmental practices, and programs that encourage an environmentally conscious value chain.</p> <p>The Company is committed to protecting the environment and complies with all applicable environmental laws and regulations. It assesses and addresses foreseeable environmental, health, and safety risks associated with its operations,</p>	

		<p>striving to avoid or mitigate them when unavoidable. All of this information is disclosed in the Company's Integrated Report and Sustainability Report.</p> <p>SMIC Sustainability Management System <a href="https://www.sminvestments.com/2025smicintegratedreport/sustainability_management_system_2025/">https://www.sminvestments.com/2025smicintegratedreport/sustainability_management_system_2025/</a></p> <p>SMIC Sustainable Supply Chain Policy <a href="https://www.sminvestments.com/2024smicintegratedreport/wp-content/uploads/2025/04/SUS-GRC-004-SUSTAINABLE-SUPPLY-CHAIN-POLICY_2024.pdf">https://www.sminvestments.com/2024smicintegratedreport/wp-content/uploads/2025/04/SUS-GRC-004-SUSTAINABLE-SUPPLY-CHAIN-POLICY_2024.pdf</a></p> <p>2025 IR (pp. 26 - 29, 40) <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p> <p>2025 Sustainability Report <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-SR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-SR-2025-WEB.pdf</a></p>	
<p>2. Company exerts effort to interact positively with the communities in which it operates</p>	<p><b>COMPLIANT</b></p>	<p>The Company discloses that it exerts effort to interact positively with the communities in which it operates. As disclosed in the Company's Integrated and Sustainability Reports, it has implemented community engagement programs and sustainability initiatives that strengthen its relationship with society. The Company's efforts have been recognized through awards such as the ICD's 5 Golden Arrow Award under the ASEAN Corporate Governance Scorecard (ACGS)</p> <p>2025 IR (pp. 15 - 29) <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-IR-2025-WEB.pdf</a></p>	

		<p>2025 Sustainability Report <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-SR-2025-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-SR-2025-WEB.pdf</a></p> <p>2025 Sustainability Notes and Indices <a href="https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-SR-2025-NOTES-WEB.pdf">https://www.sminvestments.com/2025smicintegratedreport/wp-content/uploads/2026/04/SMIC-SR-2025-NOTES-WEB.pdf</a></p> <p>SMIC Sustainability Management System <a href="https://www.sminvestments.com/2025smicintegratedreport/sustainability_management_system_2025/">https://www.sminvestments.com/2025smicintegratedreport/sustainability_management_system_2025/</a></p> <p>SMIC Corporate Governance Policies <a href="https://www.sminvestments.com/corporate-governance/">https://www.sminvestments.com/corporate-governance/</a></p> <p>SMIC Awards and Recognition (Company website) <a href="https://www.sminvestments.com/awards/">https://www.sminvestments.com/awards/</a></p> <p>Sustainability (Company website) <a href="https://www.sminvestments.com/sustainability/">https://www.sminvestments.com/sustainability/</a></p>	
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Pursuant to the requirements of the Securities and Exchange Commission and The Philippine Stock Exchange, Inc., this Integrated Annual Corporate Governance Report (I-ACGR) is signed on behalf of SM Investments Corporation, thereunto duly authorized, in TAGUIG CITY on MAY 25 2026.

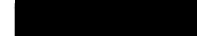


**AMANDO M. TETANGCO, JR.**  
CHAIRMAN OF THE BOARD AND INDEPENDENT DIRECTOR

**SUBSCRIBED AND SWORN** to before me this MAY 25 2026 in TAGUIG CITY affiant exhibited to me his competent evidence of identity, as follows:

**NAME**  
Amando M. Tetangco, Jr.

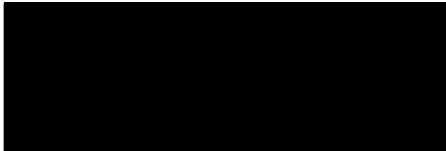
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Doc. No. 38;  
Page No. 8;  
Book No. I;  
Series of 2026.

**GAEL PAULINE R. MORALES**  
Appointment No. 99 (2026-2027)  
Notary Public for Taguig City  
Until December 31, 2027  
Roll of Attorneys No. 91057  
IBP No. 583379 – 01/02/2026 – Makati Chapter  
PTR Receipt No. A-6800372 – 01/05/2026 – Taguig City  
MCLE Compliance No. VIII-015394 – 11/06/2024  
1105 Tower 2 High Street South Corporate Plaza  
26th Street, Bonifacio Global City, Taguig City

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**TAGUIG CITY**



**RAMON M. LÓPEZ**  
INDEPENDENT DIRECTOR

**SUBSCRIBED AND SWORN** to before me this MAY 25 2026 in TAGUIG CITY, affiant exhibited to me his competent evidence of identity, as follows:

**NAME**  
Ramon M. Lopez

**TAX IDENTIFICATION NO.**



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Page No. 8;  
Book No. I;  
Series of 2026.

**GAEL PAULINE R. MORALES**  
Appointment No. 99 (2026-2027)  
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**ROBERT G. VERGARA**  
INDEPENDENT DIRECTOR

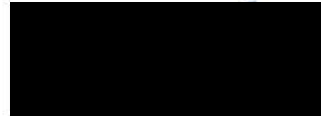
**SUBSCRIBED AND SWORN** to before me this MAY 25 2026 in TAGUIG CITY affiant exhibited to me his competent evidence of identity, as follows:

**NAME**  
Robert G. Vergara

**TAX IDENTIFICATION NO.**



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Page No. 8;  
Book No. +;  
Series of 2026.



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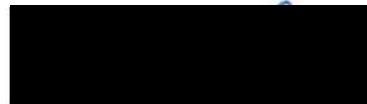


LILY K. GRUBA  
INDEPENDENT DIRECTOR

SUBSCRIBED AND SWORN to before me this MAY 25 2026 in TAGUIG CITY, affiant exhibited to me her competent evidence of identity, as follows:

**NAME**  
Lily K. Gruba

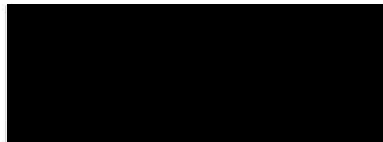
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Appointment No. 99 (2026-2027)  
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**MARIFE B. ZAMORA**  
INDEPENDENT DIRECTOR

**SUBSCRIBED AND SWORN** to before me this \_\_\_\_\_ in \_\_\_\_\_, affiant exhibited to me her competent evidence of identity, as follows:

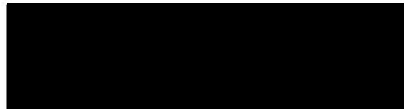
**NAME**  
Marife B. Zamora

**TAX IDENTIFICATION NO.**



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Page No. \_\_\_\_;  
Book No. \_\_\_\_;  
Series of 2026.

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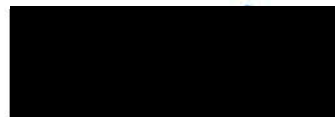


**VICKY L. SALAS**  
CHIEF RISK AND COMPLIANCE OFFICER

**SUBSCRIBED AND SWORN** to before me this MAY 25 2026 in TAGUIG CITY, affiant exhibited to me her competent evidence of identity, as follows:

**NAME**  
Vicky L. Salas

**TAX IDENTIFICATION NO.**



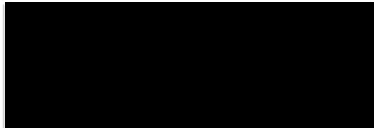
**GAEL PAULINE R. MORALES**  
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~~FREDERIC C. DYBUNCIO~~  
PRESIDENT AND CHIEF EXECUTIVE OFFICER

SUBSCRIBED AND SWORN to before me this \_\_\_\_\_ in \_\_\_\_\_, affiant exhibited to me his competent evidence of identity, as follows:

NAME	TAX IDENTIFICATION NO.
Frederic C. DyBuncio	

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Page No. \_\_\_\_;  
Book No. \_\_\_\_;  
Series of 2026.