February 27, 2026

The Philippine Stock Exchange, Inc.
6/F Philippine Stock Exchange Tower
28th Street corner 5th Avenue
Bonifacio Global City, Taguig City

Attention: Atty. Johanne Daniel M. Negre
Officer-in-Charge – Disclosure Department

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

Attention: Atty. Oliver O. Leonardo
Director – Markets and Securities Regulation Department

Dear All:

In accordance with Section 17.1 (b) of the Securities Regulation Code ("SRC") and SRC Rule 17.3, we submit herewith SEC Form 17-A, with Management's Discussion and Analysis, accompanying audited consolidated financial statements as at and for the year ended December 31, 2025, and Sustainability Report.

This submission shall also serve as our compliance with Section 17.1 of the Securities Regulation Code regarding the filing of reports on significant developments.

Very truly yours,

Mark David P. Martinez
Assistant Corporate Secretary

COVER SHEET

SEC Registration Number

P	W	-	5	5						

Company Name

PLDT INC.

Principal Office (No./Street/Barangay/City/Town/Province)

RAMON COJUANGCO BUILDING

MAKATI AVENUE MAKATI CITY

Form Type	Department requiring the report	Secondary License Type, If Applicable
17-A	**MSRD**	

COMPANY INFORMATION

Company's Email Address	Company's Telephone Number/s	Mobile Number
gdgarcia@pldt.com.ph	**(632) 8816-8056**	

No. of Stockholders	Annual Meeting Month/Day	Fiscal Year Month/Day
11,330 as at December 31, 2025	**Every 2nd Tuesday in June**	**December 31**

CONTACT PERSON INFORMATION

The designated contact person ***MUST*** be an Officer of the Corporation

Name of Contact Person	Email Address	Telephone Number/s	Mobile Number
Gil Samson D. Garcia	**gdgarcia@pldt.com.ph**	**(632) 8816-8056**	

Contact Person's Address

5/F MGO Building, Dela Rosa corner Legaspi Sts., Makati City

Note: In case of death, resignation or cessation of office of the officer designated as contact person, such incident shall be reported to the Commission within thirty (30) calendar days from the occurrence thereof with information and complete contact details of the new contact person designated.

SEC Number **PW-55**
File Number

PLDT INC.

(Company's Full Name)

Ramon Cojuangco Building
Makati Avenue, Makati City

(Company's Address)

(632) 82500254

(Telephone Number)

December 31st
(Fiscal Year Ending)
(month & day)

SEC Form 17-A
(Annual Report)

Form Type

Not Applicable

Amendment Designation (if applicable)

December 31, 2025
Period Ended Date

Not Applicable

(Secondary License Type and File Number)

SECURITIES AND EXCHANGE COMMSSION

SEC FORM 17-A

ANNUAL REPORT PURSUANT TO SECTION 17 OF THE SECURITIES REGULATION CODE AND SECTION 141 OF THE CORPORATION CODE OF THE PHILIPPINES

1. For the fiscal year ended December 31, 2025

2. SEC Identification Number PW-55

3. BIR Tax Identification No. 000-488-793-000

4. Exact name of registrant as specified in its charter PLDT Inc.

5. Republic of the Philippines
Province, country or other jurisdiction of incorporation or organization

6. (SEC Use Only)
Industry Classification Code:

7. Ramon Cojuangco Building, Makati Avenue, Makati City
Address of principal office

1200
Postal Code

8. (632) 8250-0254
Registrant's telephone number, including area code

9. Not Applicable
Former name, former address, and former fiscal year, if changed since last report

10. Securities registered pursuant to Sections 8 and 12 of the Securities Regulation Code, or Sections 4 and 8 of the then Revised Securities Act.

Title of Each Class	Number of Shares of Common Stock Outstanding
Common Capital Stock, Php5 par value	216,055,775 shares as at December 31, 2025

11. Are any or all of these securities listed on the Philippine Stock Exchange?

Yes [X] No [ ]

12. Check whether the registrant

(a) has filed all reports required to be filed by Section 17 of the Securities Regulation Code and paragraph (2)(a) Rule 17 thereunder and Sections 26 and 141 of the Corporation Code of the Philippines during the preceding 12 months (or for such shorter period that the registrant was required to file such reports):

Yes [X] No [ ]

(b) has been subject to such filing requirements for the past 90 days.

Yes [X] No [ ]

13. Aggregate market value of the voting stock held by non-affiliates:

Php114,547,030,920 (90,910,342 shares @ Php1,260 per share as at December 31, 2025)

TABLE OF CONTENTS

		Page
CERTAIN CONVENTIONS AND TERMS USED IN THIS ANNUAL REPORT		ii
PART I - BUSINESS AND GENERAL INFORMATION		1
Item 1.	Description of Business	1
	Overview	1
	Business Groups	1
	Historical Background	2
	Recent Developments	2
	Strategy	3
	Subsidiaries	3
	Products and Services, Rates and Revenues	5
	Infrastructure	12
	Wireless Network Infrastructure	12
	Fixed Line Network Infrastructure	12
	Interconnection Agreements	14
	Franchises, Licenses and Regulations	14
	Competition	16
	Competitive Strengths	17
	Intellectual Property Rights	18
	Major Suppliers	18
	Governmental Regulations	18
	Compliance with Environmental Laws	18
	Employees and Labor Relations	21
Item 2.	Description of Property	21
Item 3.	Legal Proceedings	22
Item 4.	Submission of Matters to a Vote of Security Holders	24
PART II - OPERATIONAL AND FINANCIAL INFORMATION		25
Item 5.	Market for Registrant's Common Equity and Related Stockholder Matters	25
	Market Information	25
	Holders	26
	Dividends	26
Item 6.	Management's Discussion and Analysis of Financial Condition and Results of Operations	27
	Years Ended December 31, 2025 and 2024	32
	Years ended December 31, 2024 and 2023	41
	Capital Expenditure Plans	51
	Liquidity and Capital Resources	52
	Contractual Obligations and Commercial Commitments	57
	Quantitative and Qualitative Disclosures about Market Risks	58
	Impact of Inflation and Changing Prices	58
	Risks and Uncertainties	58
RISKS RELATING TO THE PHILIPPINES		69
Item 7.	Financial Statements	71
Item 8.	Information on Independent Auditors and Other Related Matters	71
	Independent Auditors' Fees and Services	71
	Changes in and Disagreements with Independent Auditors on Accounting and Financial Disclosure	71
PART III - CONTROL AND COMPENSATION INFORMATION		72
Item 9.	Directors and Officers	72
	Legal Proceedings	79
Item 10.	Executive Compensation and Stock Option Plan	83
	Executive Compensation	83
Item 11.	Security Ownership of Certain Beneficial Owners, Directors and Executive Officers	85
	Security Ownership of Certain Record and Beneficial Owners	85
	Change in Control	89
Item 12.	Certain Relationships and Related Party Transactions	89
	Related Party Transactions	89
PART IV - CORPORATE GOVERNANCE		90
Item 13.	Corporate Governance: Structure, Policies and Processes	90
PART V - EXHIBITS AND SCHEDULES		100
Item 14.	Exhibits and Reports on SEC Form 17-C	100
	Exhibits	100
	Reports on SEC Form 17-C (Current Reports)	100

CERTAIN CONVENTIONS AND TERMS USED IN THIS ANNUAL REPORT

Unless the context indicates or otherwise requires, references to "we," "us," "our" or "PLDT Group" in this annual report mean PLDT Inc. (formerly Philippine Long Distance Telephone Company) and its consolidated subsidiaries, and references to "PLDT" or "the Company" mean PLDT Inc., excluding its consolidated subsidiaries (see *Note 2 – Summary of Material Accounting Policies* to the accompanying audited consolidated financial statements in Item 7. "Financial Statements" for a list of these subsidiaries, including a description of their respective principal business activities).

Unless the context indicates or otherwise requires, "Board of Directors" or the "Board" refer to the board of directors of PLDT.

Any discrepancies in any table between totals and the sums of the amounts listed are due to rounding.

In this annual report, each reference to:

- ARPU means average revenue per user;
- BIR means Bureau of Internal Revenue;
- BSP means Bangko Sentral ng Pilipinas;
- CMTS means cellular mobile telephone system;
- CPCN means Certificate of Public Convenience and Necessity;
- DFON means domestic fiber optic network;
- DICT means Department of Information and Communications Technology;
- Digitel means Digital Telecommunications Phils., Inc.;
- DMPI means Digitel Mobile Philippines, Inc.;
- First Pacific means First Pacific Company Limited;
- First Pacific Group means First Pacific and its Philippine affiliates;
- FP Parties means First Pacific and certain Philippine affiliates and wholly-owned non-Philippine subsidiary;
- FTTH means Fiber-to-the-HOME;
- GAAP means Generally Accepted Accounting Principles;
- GSM means global system for mobile communications;
- ICT means Information and Communication Technology
- IGF means international gateway facility;
- IT means information technology;
- KP Act means Konektadong Pinoy Act;
- LEC means local exchange carrier;
- LTE means long-term evolution;
- NTC means the National Telecommunications Commission of the Philippines;
- NTT means Nippon Telegraph and Telephone Corporation;
- NTT Communications means NTT Communications Corporation, a wholly-owned subsidiary of NTT;
- NTT DOCOMO means NTT DOCOMO, Inc., a majority-owned and publicly traded subsidiary of NTT;
- NYSE means New York Stock Exchange;
- OTT means over-the-top;
- PAPTELCO means Philippine Association of Private Telephone Companies, Inc.;
- PAS means Philippine Accounting Standards;
- PCEV means PLDT Communications and Energy Ventures, Inc.;

- PFRS means Philippine Financial Reporting Standards;
- PDRs means Philippine Depositary Receipts;
- Philippine SEC means the Philippine Securities and Exchange Commission;
- PLDT Beneficial Trust Fund means the beneficial trust fund created by PLDT to pay the benefits under the PLDT Employees' Benefit Plan;
- PSE means the Philippine Stock Exchange, Inc.;
- R.A. means Republic Act;
- SBI means Smart Broadband, Inc.;
- SIM means Subscriber Identification Module;
- Smart means Smart Communications, Inc.;
- U.S. SEC means the United States Securities and Exchange Commission;
- VAS means Value-Added Service;
- VoIP means Voice over Internet Protocol;
- VPN means virtual private network; and
- WiFi means a wireless network technology that uses radio waves to provide high-speed internet and network connections.

PART I – BUSINESS AND GENERAL INFORMATION

Item 1. Description of Business

Overview

We are one of the leading telecommunications and digital services providers in the Philippines, serving the fixed line, wireless and broadband markets. Through our three principal business segments, Wireless, Fixed Line and Others, we offer a wide range of telecommunications and digital services across our extensive fiber optic backbone and wireless and fixed line networks.

As at December 31, 2025, we served 67.8 million users through the provision of mobile, fixed line and data services.

Our common shares are listed and traded on the PSE and our ADSs are listed and traded on the NYSE in the United States.

Our three business units are as follows:

Wireless. Our Wireless business segment focuses on driving the growth of our data services while managing our legacy business of voice and short messaging services (SMS). We generate data revenues across all segments of our wireless business, whether through the access of mobile internet via smartphones, mobile broadband using pocket WiFi or home WiFi using fixed wireless broadband devices. We provide the following mobile telecommunications services through our wireless business: (i) mobile services, (ii) fixed wireless broadband services, and (iii) other services.

Fixed Line. We are the leading provider of fixed line telecommunications services throughout the Philippines, servicing retail, corporate and small and medium-sized enterprises (SME) clients. Our Fixed Line business segment offers data, voice, and miscellaneous services. We also offer secure data center, multi-cloud, cyber security, data and artificial intelligence (AI) solutions through ePLDT Inc. and Vitro Inc. ("Vitro"), our ICT subsidiaries.

Others. Our other business consists primarily of our interests in digital platforms and other technologies, including our interests in Maya Innovations Holdings, Pte. Ltd. (MIH) and Kayana Solutions, Inc. (Kayana).

We had a market capitalization of approximately Php272,230 million as at December 31, 2025. We had total revenues of Php218,388 million and net income attributable to equity holders of PLDT of Php30,011 million for the year ended December 31, 2025.

We operate under the jurisdiction of the NTC, which jurisdiction extends, among other things, to approving major services that we offer and rates that we can charge.

Our principal executive offices are located at the Ramon Cojuangco Building, Makati Avenue, Makati City, Philippines and our telephone number is +(632) 8250-0254. Our website address is *www.pldt.com*. The contents of our website are not a part of this annual report.

Business Groups

As at December 31, 2025, our business activities were categorized into three business units: Wireless, Fixed Line and Others.

We monitor the operating results of each business unit separately for purposes of making decisions about resource allocation and performance assessment. *See Note 4 – Operating Segment Information* to the accompanying audited consolidated financial statements in Item 7. "Financial Statements".

Wireless

Our wireless business focuses on driving growth in our data services while managing our legacy business of voice and SMS. We generate data revenues across all segments of our wireless business, whether through the access of mobile internet using smartphones, mobile broadband using pocket WiFi or home WiFi using fixed wireless broadband devices.

We provide (i) mobile services, (ii) fixed wireless broadband services, and (iii) other services, through our wireless business, with mobile services contributing 98% of our 2025 wireless service revenues, and fixed wireless broadband and other services contributing the remaining 2% of our 2025 wireless service revenues. Mobile data usage has surged in the past several years and now accounts for 83% of our mobile service revenues. Wireless revenues, gross of intersegment transactions, contributed 47% of our consolidated revenues for the year ended December 31, 2025 as compared to 49% in 2024 and 2023.

Our mobile services, which accounted for 98% of our wireless service revenues for the year ended December 31, 2025, are provided through Smart and DMPI with 59,891,520 total subscribers as at December 31, 2025 as compared to 58,989,807 total subscribers as at December 31, 2024, and 57,827,126 total subscribers as at December 31, 2023. Based on corporate public disclosures, our estimated mobile subscriber market share stood at 42%, 45% and 47% as at December 31, 2025, 2024 and 2023, respectively.

As at December 31, 2025, approximately 96% of our mobile subscribers were prepaid service subscribers. The predominance of prepaid service reflects one of the distinguishing characteristics of the Philippine mobile market, allowing us to reduce billing and administrative costs, as well as to control credit risk.

Our mobile internet revenues, which primarily consist of our mobile data service revenues, increased by Php1,283 million, or 2%, to Php76,344 million in 2025 from Php75,061 million in 2024 primarily due to the increase in video streaming, gaming and social media data usage by our subscribers driven by the enhanced product offerings, marketing promotions and content partnerships. Migration initiatives also resulted in higher numbers of LTE and 5G device and data users. Our mobile internet revenues contributed 96% and 95% of our mobile data service revenues in 2025 and 2024, respectively.

Mobile data traffic on Smart's network increased from 4,898 petabytes in 2023 to 5,359 petabytes in 2024 and 5,550 petabytes in 2025, 13% higher compared to 2023.

Fixed Line

We believe we are the leading provider of fixed line telecommunications services throughout the Philippines, servicing retail, corporate and small and medium-sized (SME) clients. Our fixed line business group offers (i) data services; (ii) voice services; and (iii) miscellaneous services.

We had 3,689,997 fixed line voice subscribers as at December 31, 2025, a decrease of 21,374, or 1%, from 3,711,371 fixed line subscribers as at December 31, 2024, while our fixed line broadband subscribers increased by 362,142, or 11%, to 3,793,927 as at December 31, 2025 from 3,431,785 as at December 31, 2024. Revenues, gross of intersegment transactions, from our fixed line business were 60%, 58% and 57% of our consolidated revenues for the years ended December 31, 2025, 2024 and 2023, respectively. Domestic voice revenues have been declining largely due to a drop in call volumes as a result of the availability of alternative calling options and over-the-top (OTT) services, as well as subscribers' shift to mobile services. An increase in our data service revenues in recent years has mitigated such decline to a certain extent. Recognizing the growth potential of data services, we have put considerable emphasis on the development of new data-capable and IP-based networks.

Our fixed line network reaches all of the major cities and municipalities in the Philippines, with a concentration in the greater Metro Manila area. We believe our network offers the country's most extensive connections to our customers with the FTTH and fiber to the building (FTTB) installations. Our nationwide fiber backbone DFON extends to underground inland and submarine cables. It is a fully resilient network spanning the whole archipelago. Our international network is comprised of various regional and transoceanic submarine cable systems in which we have economic interests.

We offer postpaid and prepaid fixed line services. Our prepaid fixed line services are intended to be an affordable alternative telephone service for consumers under difficult economic conditions.

See Item 1. "Description of Business – Infrastructure – Fixed Line Network Infrastructure" for further information on our fixed line infrastructure.

Others

Our other business consists primarily of our interests in digital platforms and other technologies, including our interests in MIH and Kayana.

Historical Background

PLDT was incorporated in the Philippines under the old Corporation Law of the Philippines (Act 1459, as amended) on November 28, 1928 as Philippine Long Distance Telephone Company, following the merger of four telephone companies under common U.S. ownership. Pursuant to Section 11 of the Revised Corporation Code, which states that corporations shall have perpetual existence unless the corporation elects to retain the specific corporate term indicated in its Articles of Incorporation, PLDT has a perpetual corporate term.

PLDT's original franchise was granted in 1928 and was last amended in 1991, extending its term until 2028 and broadening its franchise to permit it to provide virtually every type of telecommunications service. PLDT's franchise covers the business of providing basic and enhanced telecommunications services in and between the provinces, cities and municipalities in the Philippines and between the Philippines and other countries and territories including mobile, wired or wireless telecommunications systems, fiber optics, multi-channel transmission distribution systems, VAS (including, but not limited to, the transmission of voice, data, audio and video), information services bureau and all other telecommunications systems technologies available. Our subsidiaries, including Smart, SBI and DMPI, also maintain their own franchises with a different range of services and periods of legal effectiveness for their licenses.

Recent Developments

Sale of AppCard Inc. ("AppCard") Shares

On October 13, 2025, PLDT Digital sold all of its AppCard Series B preferred shares for an aggregate amount of US$3 million, or Php175 million, resulting in the full divestment of the investment in AppCard.

Investment in Kayana Solutions Inc. ("Kayana")

On September 1, 2025, Kayana entered into another share subscription agreement with its shareholders, wherein PLDT subscribed to additional common shares equivalent to Php594 million. PLDT's equity ownership in Kayana remained at 45%. As at December 31, 2025, the carrying value of PLDT's investment in Kayana amounted to Php1,355 million.

Acquisition of Additional Interest in Multisys

On April 2, 2025, PGIH entered into a Share Purchase Agreement for the purchase of 228 common shares of Multisys, representing a 5.01% interest, for a total consideration of Php257.5 million. The transaction was completed on April 5, 2025. Following this acquisition, PGIH owns 2,308 common shares representing 50.74% equity interest in Multisys.

Other Matters

For updates on matters relating to the (1) Sale and Leaseback of Telecom Towers, see *Note 9 – Property and Equipment and Note 10 –Leases* to the accompanying audited consolidated financial statements in Item 7. "Financial Statements"; (2) DITO, PCC and NTC Complaints, see

Note 26 – Provisions and Contingencies; (3) DOLE Compliance Order Issued Against PLDT , see *Note 26 – Provisions and Contingencies*; (4) Petition against the Philippine Competition Commission, see *Note 11 – Investment in Associates and Joint Ventures* to the accompanying audited consolidated financial statements in Item 7. "Financial Statements"; and (6) Petition against the PCC, see Item 3. Legal Proceedings and *Note 11 – Investment in Associates and Joint Ventures*, to the accompanying audited consolidated financial statements in Item 7. "Financial Statements".

Strategy

The key elements of our business strategy are:

- *Focus on the customer and improving customer experience.* One of the key pillars of PLDT's strategy is a greater focus on customer-centricity through the delivery of an improved customer experience. The critical enabler of this is a network that serves our customers' data and communication needs. In addition to investments in our network, we have also invested in platforms that support after-sales customer support, including call center capability, and data analytics. Our capabilities in the latter also allow us to better understand our customers and design products and plans that are tailored to their specific preferences.

- *Build on Our Strong Positions in the Fixed Line and Wireless Businesses.* We continue to leverage on our strong brand equity in the market to help grow and expand our fixed and wireless businesses. In addition, having an expanded on-ground distribution network of retailers, complemented by our store presence nationwide, allows us to reach existing and potential customers. With the growing adoption of e-commerce, we are expanding our distribution network to include digital channels. We will continue to leverage our unique position of being an integrated network operator to further extract operational efficiencies and economies of scale.

- *Capitalize on Our Strength as a Fully Integrated Telecommunications Service Provider.* We are committed to investing in our integrated fixed and wireless networks in the Philippines as we believe this is key to our ability to continue providing a differentiated experience and value proposition to our customers. We will primarily focus on improving our network capacity, coverage and reliability, areas in which we are market leaders, based on third party surveys. We intend to further enhance our leading position through strategic and synergetic investments in the network and IT platforms.

  We offer a broad range of telecommunications and ICT services. We plan to capitalize on this position to maximize revenue opportunities by cross-selling our products and services, and by developing convergent products that feature the combined benefits of voice and data, broadband, wireless, data center, cloud, managed services, and other products and services, such as our content portfolio which includes videos, streaming services, entertainment, music, shopping channels, and games.

  In line with the KP Act and its Implementing Rules and Regulations, we will comply with applicable open access and Reference Access Offer requirements as may be prescribed by regulators, while continuing to focus our commercial strategy on differentiated, VAS delivered through service quality, innovation, and customer experience.

- *Maintain a Strong Financial Position.* We are focused on growing profitability by complementing revenue growth with more effective cost management and operating efficiencies. As at December 31, 2025, we have a well spread out debt maturity profile, with 78% of debt maturing after 2028. We are focused on sequentially reducing our capital expenditure investments and capital intensity as we aim to maintain positive free cash flow and a leverage ratio of 2.0x net debt to EBITDA. We also have in place a dividend payout policy of 60% of core telecommunications income and regularly assess the return of capital to investors vis-à-vis the need to invest to grow the business.

- *Identifying new areas for growth.* As the digital space continues to evolve, PLDT continues to identify trends and evaluate business opportunities as possible sources of new growth, whether in the existing telco space or in adjacent businesses such as fintech, data centers, and AI, among others.

- *Commitment to sustainability.* PLDT recognizes that in order to ensure long-term profitability, it must do business responsibly. As such, PLDT is committed to embedding sustainability in the business, and aims to be a leading ESG telecommunications operator in the region. Its ESG ratings have progressively improved, including its inclusion in the S&P Global Sustainability Yearbook for a second straight year. It recognizes its responsibility to identify risks and opportunities in the environmental, social and governance space, including the impact of climate change to the business, and implements the appropriate strategies in response. Part of PLDT's sustainability roadmap is a decarbonization roadmap that aims to reduce Scope 1 and 2 greenhouse gas emissions by 40% by 2030 against a 2019 baseline. It has also included sustainability targets in the organizational scorecard, including that of the CEO.

Subsidiaries

As part of our competitive and overall development strategy, we have made strategic acquisitions and investments to further enhance our ability to provide not only basic telephony but also a wide range of value-added and enhanced services, as well as advanced and bundled services.

Wireless

Smart

Smart was incorporated in the Philippines in 1991 and was granted a legislative franchise under R.A. No. 7294, which took effect on April 15, 1992 to establish, install, maintain, lease and operate integrated telecommunications, computer, electronic services, and stations throughout the Philippines for public domestic and international telecommunications, and for other purposes.

In March 2000, PLDT acquired Smart in an all-stock transaction to further strengthen the PLDT Group's market leadership in the telecommunications sector. Combined with PLDT's existing fixed line business, the investment resulted in revenue-generating enhancements as well as cost efficiencies for the PLDT Group.

On April 21, 2017, R.A. 10926, which effectively extends Smart's franchise until 2042, was signed into law by the President.

The following are the major subsidiaries of Smart:

Smart Broadband, Inc. or SBI

SBI was incorporated and registered with the Philippine SEC on July 11, 1996 and was granted a 25-year legislative franchise under R.A. No. 8337 to construct, install, establish, maintain, lease and operate wire and/or wireless telecommunications systems throughout the Philippines. On April 8, 2022, the Philippine president approved R.A. 11678, an act renewing for another 25 years the franchise granted to SBI from November 11, 2022 to November 11, 2047.

PLDT Communications and Energy Ventures, Inc., or PCEV (formerly Pilipino Telephone Corporation)

PCEV was incorporated on July 18, 1968. In April 2018, PCEV acquired 100% of MIH but subsequently lost control in November 2018. PCEV owns 37.66% of MIH as at December 31, 2025.

DMPI

On September 18, 2001, Digitel established its wholly-owned subsidiary, DMPI, to provide wireless telecommunications services in the country. It offered GSM technology, provisioning voice services (local, national, international calling), messaging services (short text or multi-messaging), outbound and inbound international roaming, and VAS. On December 11, 2002, R.A. No. 9180 was signed into law, and it granted DMPI a franchise to construct, install, establish, operate and maintain wired and/or wireless telecommunications systems throughout the Philippines.

Fixed Line

PLDT Clark Telecom, Inc., or ClarkTel

ClarkTel was incorporated on January 28, 1997. It was previously a joint venture between PLDT, owning 60%, and Clark Development Corporation, or CDC, holding the remaining 40%. In August 1999, CDC ceded its 40% ownership interest in ClarkTel to PLDT, thus, making ClarkTel a wholly-owned subsidiary of PLDT. ClarkTel provides basic and enhanced telecommunications services within the Clark Special Economic Zone, or CSEZ, in Clark Field, Pampanga, and between the CSEZ and other cities and municipalities in the country as well as other countries and territories worldwide.

ClarkTel's franchise expired on July 1, 2024. Prior to the expiration, ClarkTel's Board of Directors applied for a national franchise. The franchise application has been filed and for evaluation of Congress as at report date. Considering the timeline for the national franchise grant, the Company also applied for VAS license with the NTC to ensure continued services to subscribers. The license was approved on November 20, 2024 with a validity period of up to November 19, 2029.

Bonifacio Communications Corporation, or BCC

In 2002 and 2003, PLDT entered into a separate Deed of Assignment of Subscription with Smart and Fort Bonifacio Development Corporation, or FBDC, respectively, where Smart and FBDC assigned, transferred and conveyed in favor of PLDT their total subscription to 750,000 common shares and 750,000 preferred shares of BCC and all their interest and rights therein for a total consideration of Php93 million. The assignment included a subscription payable of Php68 million. The shares represent 75% of the subscribed capital stock of BCC.

BCC was incorporated primarily to own, construct, establish, maintain, lease and otherwise operate, to the extent allowed by law, communication infrastructure and to provide related services, including but not limited to, VAS, within the Fort Bonifacio Global City and Villamor Air Base.

PLDT Global Corporation, or PLDT Global

PLDT Global, a wholly-owned subsidiary, was incorporated on December 15, 2000 in the British Virgin Islands to position PLDT as a full service global telecommunications player through a strategy of establishing presence in key countries with substantial Overseas Filipino Professionals or Workers. The following are the subsidiaries of PLDT Global:

- *PLDT (HK) Limited* is a Unified Carrier License and Service-Based Operator License holder that offers wholesale termination, enterprise solutions and retail business. PLDT (HK) Limited has four wholly-owned subsidiaries in 2025, namely, *PLDT 1528 Limited, PLDT Japan GK, PLDT Global Middle East FZ LLC* and *PLDT Middle East Limited. PLDT 1528 Limited,* which conducts telecommunications and other related services in Hong Kong, is in the process of dissolution as at 2025. *PLDT Japan GK* offers mobile data services and other telecommunication-related businesses in Japan. *PLDT Global Middle East FZ LLC*, which was set up to offer management services and marketing of telecommunication and related products in the United Arab Emirates, is in the process of dissolution and was replaced by *PLDT Middle East Limited*, a company incorporated in the Kingdom of Saudi Arabia in February 2025;

- *PLDT (SG) Pte Ltd.* is a holding company and provides enterprise solutions and general wholesale trade of telecommunication products & services in Singapore. Its wholly-owned subsidiary, *PLDT (SG) Retail Service Pte Ltd.,* conducts telecommunication and other related services in Singapore;

- *PLDT (US) LTD* is a licensed international common carrier that provides a range of Private Line solutions and related services to its enterprise customers;

- *PLDT Online, Inc.* is incorporated in the British Virgin Islands and registered in Hong Kong, specializes in selling telecommunication products and services through an online portal; and

- *PLDT (UK) Limited* is a company incorporated under the laws of the United Kingdom which conducts telecommunication and other related services.

ePLDT

ePLDT, as the ICT subsidiary of PLDT, provides cloud, cybersecurity, data, and artificial intelligence (AI) solutions to Philippine enterprises and public sector institutions. Its offerings are designed to address regulatory requirements, data security considerations, and varying business needs.

ePLDT operates a multi-cloud portfolio which includes the country's first sovereign cloud, a locally hosted cloud infrastructure designed to ensure that sensitive data remains within Philippine jurisdiction. The portfolio also covers public, private, and hybrid cloud services, Infrastructure-as-a-Service (IaaS), Software-as-a-Service (SaaS), and Contact-Center-as-a-Service (CCaaS), as well as AI-enabled platforms.

VITRO

VITRO, the PLDT Group's data center subsidiary, marked its 25th year of operations in 2025. Since establishing the Philippines' first commercial data center, VITRO has developed a nationwide network of carrier-neutral facilities, allowing multiple telecommunications providers to interconnect within the same data center, improving redundancy and customer choice.

A key milestone during the year was the launch of VITRO Santa Rosa, the Philippines' first AI-ready hyperscale data center. Hyperscale facilities are designed to support large computing loads, including AI-based and data-intensive workloads. VITRO Santa Rosa currently hosts ePLDT's Pilipinas AI platform and supports enterprise and hyperscaler requirements.

Others

Our other business consisted primarily of investments in digital platforms and other technologies, made through our investment companies, PCEV, PGIH and PLDT Digital and its subsidiaries.

See *Note 2 – Summary of Material Accounting Policies, Note 3 – Management's Use of Accounting Judgments, Estimates and Assumptions* and *Note 11 – Investments in Associates and Joint Ventures* to the accompanying audited consolidated financial statements in Item 7. "Financial Statements" for further discussion of our subsidiaries.

Products and Services, Rates and Revenues

Wireless

We provide mobile, fixed wireless broadband, and other services, through our Wireless business segment.

The following table summarizes key measures of our wireless business as at and for the years ended December 31, 2025, 2024 and 2023:

	December 31,		
	2025	**2024**	**2023**
Systemwide mobile subscriber base	59,891,520	58,989,807	57,827,126
Prepaid	57,534,812	56,731,489	55,667,880
Postpaid	2,356,708	2,258,318	2,159,246
Fixed Wireless Broadband subscriber base	457,290	446,082	439,815
Growth rate of mobile subscribers			
Prepaid	1%	2%	(13)%
Postpaid	4%	5%	7%
Growth rate of Fixed Wireless Broadband subscribers	3%	1%	(41)%
Wireless service revenues (in millions)	Php97,568	Php97,779	Php95,677
Mobile	95,619	96,246	94,007
Fixed Wireless Broadband	1,896	1,481	1,629
Other services	53	52	41
Percentage to wireless service revenues			
Mobile	98%	98%	98%
Fixed Wireless Broadband	2%	2%	2%
Other services	—	—	—
Percentage of wireless service revenues to total service revenues	46%	47%	47%

Mobile Services

We offer prepaid and postpaid mobile communications services all over the country under the brand names Smart and TNT, each of which focuses on the needs of specific market segments. With a continuous and in-depth consumer understanding program, each of our brands commits to providing relevant products that will cater to the communications, entertainment and services requirements of its respective target market segments.

- Prepaid

Smart launched new products and network capabilities in 2025. Smart upgraded its core network and provisioned the 4G base for Voice over LTE (VoLTE) and enabled Video over LTE (ViLTE). This also enabled Smart to shut down its 3G network to focus on LTE and 5G. Moreover, in the fourth quarter of 2025, Smart launched hyper-personalized offers via Customer Value Management and social media channels to upsell users. Other innovations in 2025 were the launch of the multi-eSIM which converts any smartphone into an eSIM-capable device and Smart Travel eSIM which provides Smart subscribers the ability to enjoy eSIMs while abroad. The Smart Prepaid brands also made a big push to promote 5G with the 5G Max launch.

Smart introduced new variants of Power All and Saya All data-packed promos for Smart Prepaid and TNT, respectively, in 2024. Power All and Saya All are now the flagship product families for Smart Prepaid and TNT, respectively.

Smart introduced the first prepaid e-SIM in the country in July 2023 and introduced digital delivery of eSIMs in September 2023. For 2024, Smart expanded eSIMs for TNT and opened eSIM upgrade with current subscribers.

- Postpaid

Smart Postpaid offers Signature plans with data priority. Smart Signature subscribers receive real-time billing and usage alerts on Smart app and has access to exclusive rewards and events, and the latest smartphones. Smart also offers enhanced postpaid *Signature Plans+*, a postpaid line that features unlimited access for 12 months. In 2025, Smart Postpaid added Plan 799 as part of its portfolio of postpaid plans. Moreover, Smart Postpaid launched the Junior Plan which catered to the youth market as their first postpaid plan. Other innovations for Smart Postpaid is the introduction of call forking for Samsung devices which was also launched in 2025.

Fixed Wireless Broadband Services

Prepaid Home WiFi

PHW is a wireless internet service introduced to address the growing demand for affordable home broadband in the Philippines. It is a plug-and-play device powered by Smart's network that can simultaneously connect multiple WiFi-capable devices. In mid-2025, PHW launched Big Data which offered large data allocations for sharing with the family at home.

In 2025, Smart launched its first postpaid plans for Fixed Wireless.

Wireless revenues are driven and influenced by the following key metrics:

(i) Growing data users and usages

Our active data users reached 43.2 million as at December 31, 2025, while mobile data traffic as at December 31, 2025 increased to 5,550 petabytes, higher by 4% from 2024. Data traffic on Smart's 5G network grew in 2025, increasing by 88% as compared to 2024. This growth was driven by aggressive 5G network roll-outs and 5G product offerings. As part of its program to sustain the growing data usages of subscribers and maintain network quality, Smart continues to roll-out new sites in various locations throughout the Philippines.

(ii) Strategic brand building campaigns and product innovations

Our strategic brand building campaigns and product innovations include aggressive 5G handset usage offers, and applications. To further stimulate and maximize the customer experience on 5G network, Smart offers various plans bundled with 5G capable handsets. Smart also offers device financing for prepaid devices including Apple devices for Smart Prepaid and TNT.

Brand building and customer engagement hit new strides with Smart App, Smart's mobile app which enables Smart subscribers to manage their accounts and enjoy exclusive offers and special promotions. Other features and integrations also enhance further the customers' digital lifestyle.

Rates for wireless services

Smart Prepaid data, call and text cards are sold in denominations of Php100, Php300 and Php500, while TNT Prepaid cards are sold in denominations of Php50, Php100 and Php300. Our eLoad's over-the-air reloads, which ranges from Php10 to Php1,000 are available through the Smart app, Smart and PLDT online stores, e-wallet providers such as Maya, e-commerce platforms such as Lazada and Shopee and via Smart eLoad retailers nationwide. The stored value of a prepaid card and eLoads remain valid for 365 days regardless of the denomination, pursuant to the MC No. 05-12-2017 issued by the NTC and the DICT.

Smart also provides open-access data offers with its Giga Power, Magic Data, All Data and Power All services. These data packages provide access to any app or website and are priced from Php50 to Php499.

In view of the SIM Registration Act, we recognize a prepaid mobile subscriber as active upon registration of the SIM card. Beginning in the fourth quarter of 2023, we consider a prepaid mobile subscriber as churned if the subscriber does not reload within 180 days after the full usage or expiry of the last reload and does not latch to the network within 180 days.

Smart postpaid "Signature" plans were further enhanced to provide higher data allocations with Unli 5G promo for 12 months, unlimited texts and calls to all networks including landline in the form of small, medium, large and extra-large plans, ranging from Php999 to Php2,499. Plans ranging from Php499 to Php599 were also introduced with unlimited texts and calls to all networks including landline. These fixed monthly plans alleviate concerns of unwanted charges.

"Smart Infinity" is our premium mobile postpaid brand with plans ranging from Php3,500 to Php8,000. With "Smart Infinity", customers can enjoy local non-stop surf and uninterrupted local mobile services with the "Smart Infinity Limitless Plan". This plan comes with a premium mobile device bundled with exclusive lifestyle perks and privileges accessible through a dedicated concierge.

Smart Enterprise Postpaid is a mobile plan comprised of data, voice, and short message services, with a built-in data bill-cap feature that automatically protects the subscriber from unwanted excess charges up to Php2,500. Postpaid plans may be availed with or without a device bundle at a fixed monthly subscription, defined by a standard contract period.

For international roaming, we offer various data roaming packages such as GigaRoam with up to 100GB for 10 days on popular travel destinations like Japan, South Korea, Thailand, Saudi Arabia, USA and many more. Data roaming plans ranges from Php150 to Php9,999, and are open to both prepaid and postpaid subscribers.

Our SmartBro Home WiFi 4G devices start at Php599 with free unlimited WiFi valid for 30 days and connectivity of up to five devices, while Smart Bro Home WiFi 5G is offered at Php7,995 with 20GB open access data valid for seven days and connectivity of up to 10 devices.

Fixed Line

We provide data, voice services, including LEC, international and domestic services, and miscellaneous services under our fixed line business.

The following table summarizes key measures of our fixed line services as at and for the years ended December 31, 2025, 2024 and 2023:

	December 31,		
	2025	**2024**	**2023**
Systemwide fixed line voice subscriber base	3,689,997	3,711,371	3,766,105
Growth rate of fixed line subscribers	—	(1)%	(2)%
Number of LEC employees	9,264	9,543	10,035
Number of LEC subscribers per employee	398	389	375
Systemwide broadband subscriber base	3,794,136	3,432,149	3,269,726
Fixed Line broadband	3,793,927	3,431,785	3,268,996
Fixed Wireless broadband	209	364	730
Growth rate of broadband subscribers	11%	5%	1%
Fixed Line broadband	11%	5%	1%
Fixed Wireless broadband	(43)%	(50)%	(67)%
Fixed line service revenues (in millions)	Php130,355	Php125,994	Php120,336
Data	99,068	96,269	93,597
Voice	31,226	29,660	26,686
Miscellaneous	61	65	53
Percentage to fixed line service revenues			
Data	76%	76%	78%
Voice	24%	24%	22%
Miscellaneous	—	—	—
Percentage of fixed line service revenues to total service revenues	61%	60%	60%

Data Services

Our data service revenues include charges for broadband, leased lines, Ethernet-based and IP-based services. These services are used for broadband internet and domestic and international private data networking communications. We also offer secure data center, multi-cloud, cyber security, data and AI solutions.

Recognizing the growth potential of data services, and in light of their importance to our business strategy, we have placed considerable emphasis on these service segments. Our data services segments registered the highest percentage growth in revenues among our fixed line services from 2023 to 2025.

Home Broadband Services

We believe that PLDT Home is the country's leading and fastest home broadband service provider, serving 3.76 million Fiber subscribers nationwide as at December 31, 2025.

We believe that PLDT Home is the Philippines' fastest fixed network providing broadband data services. PLDT's FTTH fixed line network has the most extensive transmission and distribution network infrastructure, providing broadband availability to 19.4 million homes passed in 74% of the country's towns and 91% of total provinces as at December 31, 2025. The number of homes passed refers to the approximate potential number of residences that could avail of broadband connectivity services provided through PLDT facilities.

PLDT's robust FTTH infrastructure enables customers to enjoy symmetrical internet speeds of up to 10 Gbps, supporting bandwidth-intensive digital activities at home with various broadband solutions. In 2025, PLDT Home expanded into a new growth segment with the launch of Fiber Prepaid, addressing strong demand for flexible, prepaid connectivity solutions. PLDT Home also strengthened its postpaid offerings with the introduction of the Fiber Netflix plan, combining unlimited fiber internet, calls and entertainment in a single subscription. Further enhancing its broadband portfolio, PLDT Home integrated premium entertainment content, including Netflix, HBO Max and Cignal, into its high-speed plans. These value-added bundles continue to support PLDT Home's ARPU.

PLDT Home also elevated customer experience with the Speed Add-On, allowing subscribers to boost their existing plans to up to 1 Gbps for an additional Php500 per month. In parallel, all PLDT Home Fiber plan speeds were boosted to deliver up to twice the previous speeds, providing customers with enhanced value and enriched digital experiences.

To further expand Filipinos' access to reliable connectivity, PLDT Home rolled out its biggest Fiber Fest program in 2025, offering same-day fiber installations and exclusive digital experiences across Luzon, Visayas and Mindanao.

Aligned with the PLDT Group's long-standing commitment to advancing the United Nations Sustainable Development Goals (UN SDG), particularly UN SDG No. 9: Industry, Innovation, and Infrastructure, PLDT Home continues to accelerate fiber rollout in underserved communities. In 2025, the company expanded its fiber network to previously unfiberized barangays in provinces such as Abra, Aklan, Northern Samar and Southern Leyte, helping bring reliable connectivity to more Filipino households.

PLDT Home Life

PLDT Home Life marked a pivotal shift in 2025, transforming PLDT Home Fiber into a more complete "household experience." Built around three everyday needs, entertainment, security and smart home living, all powered by reliable connectivity, PLDT Home Life allowed customers to layer upgrades onto their Fiber plans. These upgrades enhanced performance and continuity, expanded content choices, and enabled a safer, smarter, more modern home. More importantly, this direction laid the foundation for VAS to evolve beyond standalone bolt-ons into a curated ecosystem, one that is easier to discover, understand and adopt, supported by a unified customer journey and consolidated billing.

Throughout 2025, PLDT Home Life scaled awareness and adoption by anchoring its offers in clear, practical use-cases. Reliability was strengthened with PLDT Home Always On, which keeps households connected even when fiber service is disrupted. Entertainment expanded through IPTV and OTT add-ons, giving access to blockbuster films, award-winning series, premium HD/4K streaming quality, and faster access to titles following theatrical release windows, hundreds of AAA gaming titles through IGV Game Pass, and Fiber plans bundled with top-tier content streaming partners Netflix and HBO Max. Home security was strengthened through the Eufy portfolio, while smart living initiatives, such as the Smart Home Starter Kit, accelerated connected home adoption.

Collectively, these initiatives reinforced PLDT Home's promise of enriching everyday moments at home, with the VAS portfolio as a key driver of customer value, differentiation, and long-term loyalty.

Home Rewards

PLDT Home Rewards remained a key driver of customer value in 2025, providing a simple and benefits-led way for subscribers to earn and redeem Crystals for treats, promos and discounts from partner brands. The program continued to be positioned as "bigger and better," reinforcing its role in giving back to loyal PLDT Home customers while they enjoy their broadband services.

Members earned Crystals by paying their PLDT Home bills on time and in full, as well as through plan upgrades and add-ons. Under the program's clear earn structure, every Php50 paid was equivalent to one Crystal, an approach that helped sustain engagement and encouraged consistent on-time payments across the subscriber base.

Redemption remained straightforward and relevant to households, with customers using Crystals to access exclusive deals and discounts from participating partners. This ensured that Home Rewards continued to deliver practical, day-to-day savings aligned with the needs of PLDT Home families.

The program's value proposition was strengthened by PLDT Home's fiber-fast and reliable network, ensuring that rewards engagement, whether through billing, upgrades or add-ons, was anchored on a consistently strong at-home experience. This connectivity foundation supported the steady growth of the Home Rewards program and positioned it for continued expansion of partnerships and offers beyond 2025.

Rates for home broadband services

Monthly charges for our home fixed broadband services vary depending on bandwidth, speed, market demand and the competitive landscape.

Corporate Data and ICT

PLDT Enterprise is the corporate business arm of the PLDT Group. It provides integrated digital, connectivity, and ICT solutions to enterprises and government institutions in the Philippines and overseas.

Combining PLDT and Smart's network leadership with the specialized capabilities of its operating subsidiaries, ePLDT, VITRO, PLDT Global, and Multisys, PLDT Enterprise offers fixed line and wireless connectivity, data center services, cloud and cybersecurity solutions, and digital platforms that support operational efficiency, service delivery, and digital transformation across multiple industries and sectors.

ICT, Cloud, and Data Center Capabilities

ePLDT, as the ICT subsidiary of PLDT, provides cloud, cybersecurity, data, and AI solutions to Philippine enterprises and public sector institutions. Its offerings are designed to address regulatory requirements, data security considerations, and varying business needs.

ePLDT operates a multi-cloud portfolio which includes the country's first sovereign cloud, a locally hosted cloud infrastructure designed to ensure that sensitive data remains within Philippine jurisdiction. The portfolio also covers public, private, and hybrid cloud services, IaaS, SaaS, and CCaaS, as well as AI-enabled platforms.

These solutions are supported by professional and managed services. Professional services include cloud assessment, migration, optimization, and cybersecurity enhancement. Managed services involve the ongoing operation, monitoring, and maintenance of customer IT environments, allowing clients to focus on their core business activities.

ePLDT's service capabilities are reinforced by strategic partnerships with global technology providers across cloud computing, cybersecurity, and AI. These commitments earned ePLDT industry awards such as Microsoft's Solutions Partner for Security recognition and Elite Partner status from leading global technology partners. These partnerships enable ePLDT to support a broad range of enterprise and government requirements while maintaining alignment with international technology standards.

In addition, ePLDT launched Pilipinas AI, described as the country's first sovereign AI solutions stack. This allows organizations to develop and deploy AI applications using locally hosted infrastructure, addressing data residency, security, and regulatory compliance requirements.

VITRO the PLDT Group's data center subsidiary, marked its 25th year of operations in 2025. Since establishing the Philippines' first commercial data center, VITRO has developed a nationwide network of carrier-neutral facilities, allowing multiple telecommunications providers to interconnect within the same data center, improving redundancy and customer choice.

A key milestone during the year was the launch of VITRO Santa Rosa, the Philippines' first AI-ready hyperscale data center. Hyperscale facilities are designed to support large computing loads, including AI-based and data-intensive workloads. VITRO Santa Rosa currently hosts ePLDT's Pilipinas AI platform and supports enterprise and hyperscaler requirements.

As demand for large-scale and AI-driven computing continues to grow, VITRO continues to invest in data center design, operational resilience, and energy-efficient infrastructure to support long-term digital and economic development.

Beyond physical infrastructure, the Group continued to invest in workforce development through the VITRO Academy. Since its launch, the program has trained more than 400 students across three progressive levels focused on data center operations and related skills. From the inaugural graduating cohort, the majority advanced to paid internships, and selected top performers were offered full-time employment at VITRO Inc. This initiative supports the development of local technical talent in a rapidly growing industry.

Core Services: Fixed, Wireless, Satellite, and International Connectivity

By integrating ICT, cloud, and data center capabilities with its core connectivity solutions, PLDT Enterprise delivers end-to-end fixed-line and wireless services to enterprises of all sizes across the Philippines.

Wireless offerings include A2P messaging, which refers to business-generated messages sent to individual users; IoT connectivity for connected devices; enterprise postpaid mobile services; and network application programming interfaces (APIs) that allow enterprises to integrate telecommunications functions into their digital platforms.

To strengthen mobile security, PLDT Enterprise introduced SmartSafe SilentAccess, a silent authentication solution that verifies user identity in the background without requiring one-time passwords (OTPs). The service aligns with regulatory guidance from the BSP on enhancing digital security in financial transactions. During the year, PLDT Enterprise became the first Philippine telecommunications provider to receive Open Gateway API certification from the GSMA, a global mobile industry association.

Network coverage was further expanded through 5G Fixed Wireless Access, an enterprise-grade solution that delivers high-speed internet to locations where fiber infrastructure is limited or unavailable.

Beyond its wireless services, PLDT Enterprise also introduced satellite-enabled enterprise connectivity through Starlink, becoming the first telecommunications provider in the Philippines authorized to resell the service for enterprise use. This offering extends high-speed internet access to remote and underserved areas.

International connectivity was strengthened through investments in subsea cable systems, including the Asia Direct Cable (ADC), which reached operational and commercial readiness in the first quarter of 2025. ADC enhances regional connectivity and provides low-latency access to our leading VITRO data centers, including VITRO Santa Rosa. As a result of these investments, PLDT's total international capacity reached approximately 100 terabits per second (Tbps).

Domestically, PLDT operates an extensive fiber optic network which supports enterprise and broadband services for small and medium enterprises, enabling business expansion and digital adoption nationwide.

PLDT Enterprise also provides managed network services that integrate connectivity, monitoring, and operational management into a single service model. These services cover network design, deployment, ongoing optimization, and performance monitoring across multiple locations.

In recognition of its managed services capabilities, PLDT Enterprise received multiple industry awards during the year, including Managed Service Provider of the Year and Managed Security Services Provider of the Year from global technology partners.

Digital Inclusion Across Enterprise Markets and Public Sector Support

To support digital inclusion, PLDT Enterprise partnered with the DICT, with support from the Private Sector Advisory Council (PSAC), to launch the Bayanihan SIM initiative. The program provides connectivity to students, teachers, and households in geographically isolated and disadvantaged areas (GIDAs), enabling access to digital education and essential online services.

During the 2025 national elections, PLDT Enterprise supported the command center of the Parish Pastoral Council for Responsible Voting. The support included nationwide connectivity and technology services that enabled real-time coordination, monitoring, and data transmission for the organization's parallel vote count.

In support of government modernization and public safety initiatives, ePLDT led the rollout of Unified e911, a nationwide emergency response system developed in coordination with national government agencies. The platform integrates telecommunications infrastructure with a world class emergency services platform to improve response coordination and coverage.

PLDT Enterprise also serves customers across sectors including SMEs, large enterprises, financial institutions, retail organizations, and government agencies. In 2025, the Group conducted Tech Week PH, a multi-city technology event held in Davao and Cebu, complemented by MSME-focused roadshows in several regional locations to support broader digital adoption.

Internationally, PLDT Global continued to support carriers and multinational enterprises with digital and connectivity solutions, while Multisys delivered nationwide systems integration and software-as-a-service platforms supporting both public and private sector clients.

With its integrated portfolio of digital infrastructure, connectivity, and ICT services, PLDT Enterprise remains focused on supporting enterprise resilience, regulatory compliance, and sustainable growth. Through continued investment in infrastructure, partnerships, and talent, the Group is positioned to support the evolving digital requirements of businesses and government institutions in the Philippines and selected international markets.

Rates for Corporate Data and ICT Services

Charges for our corporate data service vary by customer.

Voice Services

Our voice services are delivered through our (i) local exchange service; (ii) international service; and (iii) domestic service.

Local Exchange Service

Our local exchange service, which consists of the basic voice telephony business, is provided primarily through PLDT. We also provide local exchange services through our subsidiaries.

Rates for local exchange service

Basic monthly charges for the local exchange service varies according to the type of customer (business or residential) and location, with charges for urban customers generally being higher than those for rural/provincial customers.

International Service

We have been pursuing a number of initiatives to sustain our international service business, including: (i) rationalizing our inbound voice termination rates; (ii) managing unauthorized voice traffic terminating to our network; (iii) partnering with Saudi Telecom Company for inbound international long distance (ILD) traffic management; and (iv) growing international data sales by leveraging PLDT's sub-sea cable ownership and PLDT Global's reach.

In addition, PLDT Global is enhancing the presence of PLDT in other international markets by providing high quality communications infrastructure and innovative platforms to global carriers, corporate customers and distribution partners, enabling it to achieve its desired connectivity, reach and business relevance. With offices in key markets abroad, PLDT Global also delivers a full range of digital consumer and enterprise solutions that serve the evolving needs of Filipinos overseas and global enterprises.

Rates for international service

Our rates for outbound international calls are quoted in U.S. dollars and are billed in Philippine pesos. The Philippine peso amounts are determined at the time of billing. We charge a flat rate per minute to retail customers at any time on any day of the week.

Domestic Service

Our domestic services are provided primarily through PLDT. This service consists of voice services for calls made by our fixed line customers outside of their local service areas within the Philippines and the domestic interconnect access charges by other telecommunications carriers for wireless and fixed line calls carried through PLDT's backbone network and/or terminating to our fixed line customers.

Mobile substitution, OTT voice call alternatives and the widespread availability of free non-voice communications, such as e-mails, SMS, video conferencing applications and social networking sites, have negatively affected our domestic call volumes.

Rates for domestic service

Rates for domestic calls traditionally were based on the type of service provided, such as whether the call is operator-assisted or direct-dialed. However, PLDT simplified these rates in recent years for calls originating from and terminating to the PLDT fixed line network and for calls terminating to fixed line networks of other local exchange carriers. PLDT also simplified its rates for calls terminating to mobile subscribers.

In addition, PLDT bundles the free PLDT-to-PLDT calls in some promotions and product/service launches to stimulate fixed line usage.

Miscellaneous

Miscellaneous services include the provision of facilities management, rental fees and other services.

We sell and distribute our products and services through the following channels:

Distributors and Key Account Partners

We sell our fixed line and mobile services primarily through our regional and key account partners who generally have their own direct sales forces and retail networks. We have field sales distribution partners and key account partners for fixed line services, and exclusive regional and provincial distributors and key account partners for wireless services. A number of our trade partners are likewise major distributors of smartphones and devices that are retailed in their owned telecommunications outlets. Account managers from our sales force manage the distribution network and regularly update these business partners on upcoming marketing strategies, promotional campaigns and new products. Our distribution network encompasses approximately over one million retailers, a combination of directly served outlets and retailers using e-wallets and loading apps to sell *SmartLoad*. With the prepaid reloading distribution network extended to corner store and individual retailer levels, Smart's prepaid service has become even more affordable and accessible to subscribers.

Retail Stores

Our frontlines enable unique digital experiences through daily customer interaction. We offer enticing products and services based on the customer needs. We also cater to customers' after-sales requests and inquiries. Our stores also accept payment for bills, postpaid and prepaid sales.

Satellite branches are partner-owned Smart branded stores operating as auxiliary touchpoints for converged wired and wireless sales, aftersales and bills payment.

Enterprise Business

PLDT Enterprise, together with its operating subsidiaries, ePLDT, VITRO, PLDT Global, and Multisys, is responsible for the sales and marketing of fixed line, wireless, corporate data, and ICT products and services to corporate partners including large domestic enterprises, SMEs, the public sector, and international customers.

Telesales

As part of our telesales, we reach out to our subscribers to offer the latest services, solutions and promotions. Our telesales agents, in partnership with different contact center providers, enable new connect application and existing subscribers to avail value-added solutions, upgrade and migrate their fixed line and wireless accounts, as well as recontract their expiring accounts over the phone. All orders are delivered directly to customer's address for devices and handsets.

Online sales

Customers can conveniently access our services through our PLDT Home website and Smart Online Store, an end-to-end portal, where they can conduct various online transactions, including selecting fiber broadband or mobile subscription plans, avail of a wide array of the latest 5G and 4G mobile handsets, renewing or upgrading an existing plan, purchasing prepaid SIMs, network devices, Smart Home devices, or subscribing for e-load and various add-on promotions. All orders are delivered directly to the customers' addresses, while fiber broadband is installed to their respective homes.

Smart App is a mobile application which allows users to link and manage multiple prepaid and postpaid accounts. With the Smart App, users can buy load, pay bills, subscribe to promotions, and earn Gigapoints. By offering various marketing promotions and events within the app, the Smart App has gained a lot of traction. Other online channels include My Smart website, Smart Chatbot, and Paywall which allow our mobile subscribers to avail of add-on promotions.

For e-Commerce, the PLDT and Smart flagship stores are now available in Lazada, Shopee, Tiktok and NextUpgrade. Our presence in these e-commerce platforms will further enhance the accessibility of our products to customers.

Others

Our other business consists primarily of our interests in digital platforms and other technologies, including our interests in MIH and Kayana.

MIH, Maya Philippines, and Maya Bank

MIH is the ultimate parent holding company of Maya Philippines, Inc. (formerly PayMaya Philippines, Inc.). In addition, MIH holds investment in Maya Bank.

Maya Philippines is registered with the BSP as an electronic money issuer, remittance and transfer company, operator of payments system, and virtual asset services provider. Maya Bank is one of only six digital banks in the Philippines licensed by the BSP.

Together, Maya Philippines and Maya Bank power the platforms under the Maya group, providing the next generation of integrated financial products to both consumers and businesses in the Philippines.

Maya continues to scale its consumer and business platforms to grow its ecosystem, expanding its portfolio of fully integrated financial services for its customers. As digital payments and banking adoption accelerate in the country, Maya's approach enables it to drive financial penetration and reinforce its position as a leading player in the Philippines' digital financial landscape.

In 2025, the Maya group achieved profitability, driven by topline growth, high-engagement savings activity, and disciplined cost management.

Infrastructure

Wireless Network Infrastructure

Mobile

Our mobile network supports 5G, 4G and other technologies. We continue to expand our LTE capacity, increase our 5G coverage, and roll out more physical sites to widen our coverage in order to sustain the growing demand for our services. We believe our mobile network covers 97% of the population and is present in 97% of the country's cities and municipalities, as at December 31, 2025.

Fixed wireless services are also offered to residential and corporate clients through our high capacity mobile network. This complements our fibered fixed network as our fixed wireless services are able to reach areas that are not currently serviced through wired connections.

Fixed Line Network Infrastructure

Our fixed line network reaches all of the major cities and municipalities in the Philippines, with a concentration in the greater Metro Manila area. We believe our network offers the country's most extensive connections to our customers with the FTTH and fiber to the building (FTTB) installations. Our nationwide fiber backbone DFON extends to underground inland and submarine cables. It is a fully resilient network spanning the whole archipelago. Our international network is comprised of various regional and transoceanic submarine cable systems in which we have economic interests.

Domestic

PLDT's fixed line infrastructure is comprised of the latest technologies, delivering voice, broadband and ICT services to home and corporate customers. We deliver voice and high-speed broadband to each home through our all-fiber network, FTTH, an IP-based platform. At present, FTTH is capable of delivering 2.5 Gbps and up to 10 Gbps, and we have deployed FTTH in all cities and in the majority of municipalities in the Philippines. This network provides broadband availability to approximately 19.4 million homes passed, as at December 31, 2025.

PLDT provides enterprise and ICT services through its Carrier Ethernet network (CEN). PLDT's CEN is based on Metro Ethernet Forum (MEF) 3.0, the latest standardized, carrier-class service and network. This highly reliable and resilient system provides high capacity and high-speed VPN services for all corporate customers. It supports enterprise requirements such as data storage, headquarter to branch connectivity, headquarter to disaster recovery site connectivity, cloud services and backhaul for mobile/LTE services. PLDT also uses the "Software Defined Wide Area Network" to deliver such enterprise services across different service providers and over the internet in a secured manner.

We likewise have an IP backbone (IPBB) network, composed of high-capacity, high-performance core and edge routers, with capacities of up to 100Gbps per port in key exchanges that provide IP connectivity to the different network elements built for PLDT, Smart and other subsidiaries and affiliates. It serves as a common and highly resilient IP transport platform for all of our IP-based services. In 2020, the IPBB underwent a transformation project called the "Transport Network Transformation Project" (TNT Project), which significantly increased the network's capacity and upgraded its routing technology to the latest technology, including segment routing and software defined network (SDN) technology.

All our networks are connected nationwide through PLDT's nationwide fiber backbone, the DFON. DFON is comprised of transport nodes connected by terrestrial and submarine cable links configured in loops and appendages. The DFON loops provide self-healing and alternative segment route protection for added resiliency against single and multiple fiber breaks along the different segments. The DFON network also connects three of PLDT's international cable landing stations. Following the implementation of the TNT Project, the DFON network gained added resiliency and network reliability as we implemented an automatic fail capability into the DFON network to

automatically transfer traffic to other redundancy links in the event the DFON experiences downtime. The DFON is complemented by a terrestrial microwave backbone network to deliver services to remote areas unreachable by the fixed terrestrial transport network.

International

PLDT's international network was designed and built to support IP-based international services, including voice, messaging, international enterprise solutions, and the biggest use of international network resources today, the Internet services of the PLDT Group. The international network also supports in part requirements of the international retail business run by PLDT Global in various locations in Asia, Europe and the United States.

For voice services, PLDT operates two IP voice gateways. PLDT's facilities allow the exchange of traffic with foreign carriers and can reach foreign destinations (including fixed and wireless network destination "breakouts", or specific areas within a country) worldwide.

The Company has international internet gateways to fortify PLDT Group's infrastructure for internet and IP-based services, as well as connections of our fixed and wireless networks to content and internet services available from, and businesses connected to, the global internet. All these gateways employ high-capacity and high-performance routers. Together with ancillary facilities (such as security against network/service attacks), they provide premium and differentiated internet and/or IP services to all types of customers ranging from ordinary broadband to high bandwidth internet requirements of corporate customers, knowledge processing solution providers, internet service providers (ISPs) and even other service providers. PLDT also operates offshore/ forward gateway routers in Hong Kong, Singapore, United States, and Japan to support optimized and direct access to content providers and businesses connected to the internet in Asia, as well as the continental U.S., which we expect to result in faster internet speed. All gateway routers utilize high capacity interface and transmission facilities.

To localize international internet content, PLDT employs local transparent caching network, and additionally, a network of content provider/distributor-supplied local caching servers at key locations. With these facilities, high demand contents from popular content and content delivery network providers are available locally and are delivered to PLDT customers.

PLDT operates the Philippines' most extensive international submarine cable network. As at December 31, 2025, PLDT maintains and operates three international cable landing stations in La Union and Batangas for international cables coming from the West Philippine Sea, and in Daet in the east for international cables coming from the Pacific Ocean. In May 2023, the NTC issued provisional authority to build new international cable landing stations in Baler, Aurora in the Northeast, which is targeted for completion in 2026, and in Digos, Davao in the Southern coastal borders of the Philippines, which was completed in 2025. These will provide telco carriers new alternative routes which do not traverse the usual West Philippine Sea Waters.

In February 2025, ADC went into service and expected to support new fixed and mobile services requirements.

PLDT is also working closely with other Asian carriers and Hyperscalers to build the Apricot Cable. The completion of the Apricot cable in 2028 will further augment PLDT's international capacity for data traffic, particularly to the U.S. and across Asia and the Pacific.

PLDT's international automatic optical transport switching system and carrier ethernet network continues to provide effective redundancy and continuity of service to Hong Kong, Japan, Singapore, and the U.S. Mainland for premium enterprise clients. Additional dedicated submarine cable circuits were provisioned, and capacity of nodes upgraded, to support growing business requirements.

Cyber Security

The PLDT Group's Cyber Security Operations Group ("CSOG") continued to execute strategic, budgeted cyber security initiatives aligned with the NIST Cybersecurity Framework, with strong focus on network security modernization, detection and response enhancements, and identity and access management. These initiatives directly strengthened the Group's ability to prevent, detect, and respond to increasingly sophisticated cyber threats.

Key completed initiatives included Privileged Access Management Modernization, Governance, Risk, and Compliance expansion, Secure User Internet Access, Endpoint Advanced Security Modernization, and Firewall Management & Policy Analyzer. These programs enhanced privileged access governance, automated compliance and control testing, standardized endpoint protection, and centralized firewall policy management across the enterprise.

Major infrastructure and network security programs recorded substantial progress, improving network segmentation, maintain operational resiliency even during high network traffic, technical preparedness of networks, devices, software, and services to support the latest communications protocol, and protection of highly restricted environments. In parallel, the Security Information and Event Management migration advanced SOC capabilities through enhanced log visibility, analytics, automation, and incident response readiness, with successful transition to operations.

To further strengthen the PLDT Group's security posture, pre-project initiatives including Breach Attack Simulation, firewall consolidation were initiated to enhance attack surface visibility, proactively validate defensive controls, and safeguard critical Tier-2 environments. Throughout these efforts, CSOG maintained strong project governance, disciplined cost utilization, and active Risk, Issue, Decision, Action, and Change monitoring to ensure cyber security investments continue to support operational resilience, regulatory compliance, and protection of the PLDT Group's critical assets and customers.

We continue to conduct regular cyber security awareness campaigns for our employees and mandatory annual e-learning courses for all employees. While we continue to see persistent phishing attacks targeting our employees, we perform periodic phishing simulations to assess the awareness of our employees on social engineering schemes. These periodic exercises resulted in heightened awareness among employees of phishing and scamming tactics.

In further strengthening the Group's cyber security governance and risk management posture, the CSOG completed and formalized several foundational frameworks:

- The Risk Assessment Methodology establishes a consistent, enterprise-wide approach for identifying, analyzing, and prioritizing cyber risks based on PLDT Group's business impact and likelihood. This enables timely risk treatment decisions, supports management and Board oversight, and mitigates the potential operational, financial, legal, and reputational impacts arising from cyber threats.

- The Vulnerability Management Methodology defines standardized processes for vulnerability identification, risk-based prioritization, remediation, and validation across infrastructure, applications, and endpoints. This strengthens the PLDT Group's ability to proactively reduce attack surfaces, address weaknesses before exploitation, and mitigate risks associated with increasingly sophisticated and frequent cyber-attacks.

- The Third-Party Risk Assessment Framework provides a structured approach to assessing, monitoring, and managing cyber risks arising from vendors, partners, and service providers, thereby strengthening supply-chain security and mitigating risks associated with external dependencies and potential data compromise.

In recognition of the increasing use of AI by both threat actors and enterprises, CSOG also initiated the preparation of an AI Risk Management Framework to guide the responsible, secure, and compliant use of AI technologies within the organization. This framework is intended to address risks related to model misuse, data privacy, integrity, bias, and regulatory compliance, as well as the use of AI by adversaries to enhance attack sophistication. As part of the PLDT Group's forward-looking cyber security strategy, future enhancements include the controlled adoption of security-focused AI capabilities to improve threat detection, behavioral analytics, incident response, and operational efficiency, while ensuring appropriate governance, oversight, and risk controls are in place.

Interconnection Agreements

Since the issuance of Executive Order, or E.O., No. 59 in 1993, which requires the non-discriminatory interconnection of Philippine carriers' networks, PLDT had entered into bilateral interconnection arrangements with other Philippine fixed line and mobile carriers. See Item 1. "Description of Business – Licenses and Regulations – Regulatory Tariffs" for further discussion.

PLDT has direct interconnection agreements with foreign carriers. PLDT also carries international calls terminating to Smart network where it has no direct interconnections.

Franchises, Licenses and Regulations

Franchises

The table below provides the expiry dates of franchises for each company, renewal of which are subject to the provisions of the KP Act:

Company	Expiry Dates of Franchises
PLDT	November 28, 2028
Clarktel[(1)]	June 30, 2024
Smart	May 19, 2042
SBI	November 11, 2047
DMPI	April 1, 2028
CURE	May 26, 2026
PDSI	January 26, 2026

[(1)] *Clarktel applied for an extension which remains pending with the Congress as at the date of this report. On November 20, 2024, Clarktel was granted a VAS license by the NTC valid until November 2029. However, with the effectivity of the KP Act on September 14, 2025, a legislative franchise is no longer required.*

Licenses

Pursuant to RA 7925, a franchise holder is required to obtain a Certificate of Public Convenience and Necessity (CPCN) / Provisional Authority (PA) from the National Telecommunications Commission (NTC) to provide specific telecommunications services authorized under its franchise. The NTC, an attached agency of the Department of Information and Communications Technology (DICT) regulates and supervises our business under the provisions of the Public Service Act (RA 11659, as amended), Executive Order (EO) Nos. 59 and 109, and RA 7925.

Material Effects of Regulation on our Business

In addition to the KP Act, laws enacted by the Philippine Congress and issuances of certain Philippine Government Agencies regulate the manner in which we conduct our business, including:

- Executive Order No. 109, requires operators of international gateway facilities and mobile telephone operators to install a minimum number of local exchange lines. Smart and PCEV were required to install 700,000 and 400,000 rural lines, respectively, and each received a certificate of compliance from the NTC in 1999.

- Republic Act No. 11930, otherwise known as the Anti-Online Sexual Abuse or Exploitation of Children (OSAEC) and Anti-Child Sexual Abuse or Exploitation Materials (CSAEM) Act. Internet Service Providers are required to develop, establish and install mechanisms or measures designed to prevent, detect, respond or report violations of this Act.

- NTC Memorandum Circular No. 5-07-2009, issued on July 23, 2009, amends the mode of billing for voice services from per minute to per pulse billing, with a maximum of 6 seconds per pulse. On December 9, 2009, the NTC issued Show Cause and Cease and Desist Orders against Smart and other providers, alleging non-compliance with the Circular. On appeal, the CA in its

December 28, 2010 Decision, reversed and set aside the NTC Orders. This decision was later upheld by the Supreme Court on February 13, 2023, finding that the NTC failed to provide Smart and other providers due process.

- NTC Memorandum Order No. 07-07-2011, issued on July 15, 2011, prescribes a formula for computing service reliability and sets the minimum service reliability at 80% for fixed broadband/internet.

- NTC Memorandum Circular No. 07-08-2015, issued on August 13, 2015, sets the rules on the measurement of fixed broadband/internet speed.

- NTC Memorandum Order No. 10-12-2016, issued on December 13, 2016, sets out the rules for measuring mobile broadband and internet access service, including guidelines for testing mobile broadband and internet speed.

- NTC Memorandum Order No. 10-10-2017, issued on October 27, 2017, prescribes the migration of all existing seven-digit telephone numbers to eight-digit telephone numbers for local telephone service within the "02" local exchange area.

- Joint Memorandum Circular (JMC) No. 05-12-2017 jointly issued by NTC, DICT and Department of Trade and Industry, (DTI), on December 20, 2017, extends the validity of all prepaid load to one year from the date of the latest top-up. Prepaid loads purchased for promotions and bucket of services with a specific period of use duly approved by the DTI and/or NTC are excluded from the mandatory one-year validity period.

- Executive Order No. 56, issued by former President Rodrigo Duterte on May 25, 2018, institutionalized the Emergency 911 Hotline as the nationwide emergency answering point and replaced Patrol 117.

- Memorandum No. 2018-055 issued by the National Electrification Administration (NEA) on August 15, 2018, sets the standard pole rental rate of electric cooperatives at Php420 per cable position per pole per annum.

- Memorandum Order No. 04, series of 2018 issued by the DICT on December 14, 2018 and NTC Memorandum Circular No 01-05-2019, issued on May 31, 2019, directed PTEs and/or wireless service providers who offer customers mobile phones and devices, free of charge or at a subsidized cost, in exchange for an agreed fixed lock-in period to provide their customers convenient sites, facilities and processes to unlock the mobile phones and devices of customers who wish to change between compatible wireless service providers, provided that such customers must have completed the applicable lock-in periods and have no outstanding obligations under their subscription agreement.

- Republic Act No. 11202 or the Mobile Number Portability (MNP) Act and NTC Memorandum Circular No. 03-06-2019 (the IRR of MNP Act, issued on June 11, 2019), allow qualified customers to retain their mobile numbers when they move from one mobile service provider (MSP) to another, or change the type of subscription from postpaid to prepaid or vice versa. MNP is completely free of charge.

- JMC No. 2019-001, series of 2019 (the IRR of the Ease of Doing Business Act), jointly issued by the Civil Service Commission, (CSC), Anti-Red Tape Authority (ARTA), and DTI on July 17, 2019, directs all agencies which provide Government service to reduce bureaucratic red tape and processing time, and to promote efficiency and simplicity of process.

- Rules on the Accelerated Roll-Out of Common Towers, issued by the DICT on May 24, 2019, provides for the speedy roll-out of common towers and/or conversion of common towers including hard-to-access areas.

- Department Circular No. 008 issued by the DICT on May 29, 2020, provides for the policy guidelines on the co-location and sharing of passive telecommunication tower infrastructure (PTTIs) for macro cell sites.

- Executive Order No. 32 ("Streamlining the Permitting Process for the Construction of Telecommunications and Internet Infrastructure") signed by President Ferdinand Marcos, Jr. on July 4, 2023, streamlined the permitting process for the construction of telecommunications and internet infrastructure. EO 32 further extends the implementation of streamlined permitting processes and procedures under the Bayanihan to Recover as One Act (RA 11494) and the Joint Memorandum Circulars issued by the Anti Red Tape Authority, et al. which expired in September 2023. On December 1, 2023, ARTA released the signed copy of EO 32's IRR.

- RA 11659 or the Amendment to the Public Service Act took effect on April 12, 2022, limits the definition of public utilities to the distribution and transmission of electricity, petroleum and petroleum products pipeline transmission systems, water pipeline distribution and wastewater pipeline systems, seaports and public utility vehicles. This law excludes telecommunications from the definition of public utility thereby allowing full foreign ownership in companies engaged in telecommunications.

- RA 11934 or the SIM Registration Act took effect on October 28, 2022. Under this law, all end-users are required to register their SIMs with PTEs as a pre-requisite to the activation thereof. On September 18, 2023, the NTC issued Memorandum Order No. 010-09-2023 providing for guidelines for PTEs in the conduct of processes to verify submitted information and data by end-users of SIMs under the SIM Registration Act and its IRR.

- Memorandum Circular No. 2023-017 issued by the DILG on January 25, 2023, reiterated previous DILG issuance/policy enjoining local officials to exercise their powers to reclaim and clear public roads which are being used for private purposes. As a consequence, many PLDT poles, including cables and cabinets, were required to be removed or relocated.

- On September 27, 2023, the NTC issued a Memorandum ordering Public Telecommunications Entities to block or deactivate person-to-person text messages with clickable domains, Uniform Resource Locators (URLs), URL shortening services links, Smart Links and/or QR Codes.

- NTC Memorandum Circular No. 006-010-2023, issued on October 20, 2023, provides for a Zero Spectrum User Fee (SUF) for the use of radio frequency bands 2400MHz to 2483.5MHz, 5150MHz-5350MH, 5470MHz-5850MHz for wireless connectivity under: (a) Short-Range Devices; b) Wireless Data Networks (WDN); and c) Broadband Wireless Access (BWA).

See Item 6. "Management's Discussion and Analysis of Financial Condition and Results of Operations – Risk and Uncertainties – Risks Relating to Us – Our business is subject to extensive laws and regulations, including regulations in respect of our service rates, taxes and antitrust laws" for further discussion.

Regulatory Tariffs

Interconnect access charges are paid by one carrier to another for calls originating from a carrier's network and terminating to another carrier's network. Pursuant to NTC Memorandum Circular No. 05-07-2018, effective on September 1, 2018, PLDT's interconnection charges for all calls is uniformly set at Php0.50 per minute.

PLDT has continually and actively negotiated with other legitimate Philippine fixed and CMTS carriers for interconnection based on the guidelines issued by the NTC or any authorized government agency. These carriers include the major fixed and mobile players with nationwide operations, PAPTELCO and other non-PAPTELCO players, both of which usually operate in selected towns in the countryside.

By virtue of RA No. 11202 or the MNP Act, interconnection fees or charges are no longer imposed by MSPs for domestic calls and SMS made by subscribers. Thus, as at January 2, 2020, no interconnect fees are charged for mobile domestic calls and SMS. This provision does not cover interconnection fees charged by fixed-line operators.

Competition

The telecommunications market is competitive. Including us, there are five major local exchange carriers, seven major international gateway facility providers and three major mobile operators in the Philippines. Some new entrants in the Philippine telecommunications market have entered into strategic alliances with foreign telecommunications companies, which provide them with access to technological and funding support, as well as service innovations and marketing strategies. To protect our market position, we need to continually invest in our network infrastructure to comply with regulatory obligations and to ensure that our services remain competitive. We also need to be able to identify market trends and customer preferences in order for our services to remain relevant.

Mobile Services

Currently, there are three major mobile operators, namely Smart, Globe and Dito. As at December 31, 2025, mobile market penetration in the Philippines was approximately 125%, based on the number of SIM cards issued.

Competition in the mobile telecommunications industry has remained active with greater availability of offers from telecommunications operators including increased data allocations and calls and texts resulting in declining yields. Competition has also increased in the postpaid space with more promotions involving greater handset subsidies. The principal bases of competition are price, including handset prices in the case of postpaid plans, quality of service, network reliability, geographic coverage and attractiveness of packaged services, including video content.

In recent years, the prevalence of OTT services, such as social media, instant messaging and internet telephone, also known as VoIP services, has greatly affected our legacy revenues from voice and SMS services. We are also facing growing competition from providers offering services using alternative wireless technologies and IP-based networks, including efforts by the Philippine Government to roll-out its free WiFi services to various municipalities in the country.

Data Services

In recent years, the market for data services has been the fastest growing segment in the Philippine telecommunications industry. This development has been spurred by the significant growth in demand for consumer and retail broadband internet access, enterprise resource planning applications, customer relationship management, knowledge processing solutions, online gaming and other e-services that drive the need for broadband and internet-protocol based solutions both in the Philippines and abroad. Our major competitors in this area are Globe and Converge ICT Solutions, Inc. The principal bases of competition in the data services market are coverage, price, content, value for money, bundles or free gifts, user experience, and customer service. PLDT remains committed to compete in this segment by leveraging on its overall strategy to focus on customer-centricity, maintain network leadership, broaden its distribution platform and increase its ability to deliver multimedia content.

Voice Services

Local Exchange

Although the growth of the fixed line voice market has been impacted by higher demand for mobile services, we have sustained our leading position in the fixed line market on account of PLDT's extensive fixed line and transmission network nationwide. In most areas, we face one or two competitors. Our principal competitor in the local exchange market, Globe, provides local exchange service through both fixed and fixed wireless landline services.

Fixed wireless landline services are delivered using mobile technology to a fixed device in the home with a tariff structure similar to that of a fixed line service such as the charging of monthly service fees. Our major competitor, Globe, offers services in limited areas of Metro Manila such as Makati and Las Piñas, the Visayas region and selected areas of Southern Luzon, such as Cavite and Batangas.

International

Revenues from this segment of the industry have significantly declined over the years with the advent of: (i) the popularity of alternative and cheaper modes of communication such as e-mail, instant messaging, social-networking (such as Facebook, Twitter and Instagram), including "free services" over the internet (such as Viber, Telegram, Line, Facebook Messenger, Zoom and WhatsApp, and similar services); and (ii) the establishment of VPNs for several corporate entities, which have further heightened competition.

With respect to outbound calls from the Philippines the significance of which has also reduced over the years, we generate revenues through our local exchange and mobile businesses, which are the origination points of outbound international calls. We also have introduced a number of marketing initiatives to stimulate growth of outbound call volumes, including tariff reductions and volume discounts for large corporate subscribers.

The number of inbound international voice calls into the Philippines continues to be negatively impacted by the popularity of OTT services due to improved internet access and continued increase of smartphone adoption. One measure to slow down the decline in the remaining ILD traffic is PLDT's strategic partnership with Saudi Telecom Company. Joint efforts on traffic sales management and anti-fraud programs have resulted in sustained business value for the ILD business.

Domestic

Our domestic service business has been negatively affected by the widespread availability and growing popularity of alternative economical to free non-voice methods of communication, particularly OTT services, e-mail and social media, resulting in the change in the market's communications habits as evidenced by the growing number of mobile subscribers in the Philippines. In addition, VAS providers have launched voice services via the internet to their subscribers nationwide.

While domestic call volumes have been declining, we have remained the leading provider of domestic service in the Philippines due to our significant subscriber base and ownership of the Philippines' most extensive transmission network.

Principal Competitors

The table below sets out our principal competitors' market share and other relevant information for 2025.

				Market Share	
				Subscriber base	
	Asset Base	Service Revenues	Net Income (Loss)	Fixed Line[1]	Mobile
		(in millions)			
Globe[2]	656,754	121,676	17,691	20%	46%
Converge[3]	109,341	32,972	8,900	35%	—
DITO[4]	209,333	14,503	(24,934)	—	11%

[1] *Includes Fixed Line broadband.*
[1] *Based on Globe's Third Quarter 2025 Form 17-Q filed with the Philippine SEC on November 6, 2025.*
[2] *Based on Converge's Third Quarter 2025 Form 17-Q filed with the Philippine SEC on November 6, 2025.*
[3] *Based on Dito's Third Quarter 2025 Form 17-Q filed with the Philippine SEC on November 14, 2025.*

Competitive Strengths

We believe our business is characterized by the following competitive strengths:

- *Exposure to Large and Attractive Markets.* Our mobile data and home broadband services are well positioned to serve markets with continuing growth potential. As data adoption continues to grow in a market largely comprised of a young, digitally savvy population, combined with widespread smartphone ownership, the increasing utility of data for everyday activities, and with around 73% of our mobile subscribers being active data users as at December 31, 2025, we believe that demand for mobile data will continue to grow meaningfully. Meanwhile, we believe there is still room to grow in the home broadband market. After the opening of the economy and increased mobility after the pandemic lockdowns, PLDT continues to significantly serve the market demand for connectivity and home broadband services which allow our customers to work, study, conduct business and enjoy entertainment.

- *Superior Integrated Networks.* With our extensive fixed and integrated telecommunications networks in the Philippines, we are able to offer a wide array of communications services. As part of our capital expenditure program, we continue to invest in expanding the reach and capability of our transmission and FTTH network and increasing our international bandwidth capacity. We also continue to invest in capacity and coverage of our mobile network to serve the unabated growth in mobile data traffic and provide our customers with faster, more reliable services and a superior data experience. To supplement our current LTE network and to prepare our network for the future, we continue to rollout 5G base stations. Our network architecture and investments also increase the resiliency and robustness of the network to enable minimum disruption to network services. PLDT's domestic and international fiber optic networks connect to VITRO's network of data centers which enables the seamless transfer and secured hosting of massive data flowing in and out of the country.

- *Recognized Brands.* PLDT has a strong and diverse portfolio of brands, including PLDT Home, Smart, TNT, and PLDT Enterprise, among others, which are widely recognized brand names in the Philippines.

- *Diversified Revenue Sources.* We have a diverse portfolio of business lines across our wireless and fixed line business segments, serving a wide spectrum of customer segments, including individuals, households and enterprises. Revenue sources of our wireless business include mobile (mobile data, voice, SMS, and inbound roaming and other mobile services), wireless home broadband, and other services. The revenues from data services, particularly mobile data services, have increased steadily over the past several years and account for 89% of the wireless consumer segment revenues as at December 31, 2025. Our fixed line business derives service revenues from consumer data/broadband, with 92% of service revenues in 2025 attributable to fiber, voice (local exchange,

international and domestic services) and miscellaneous services. The fixed line business revenues also include contribution from our enterprise business, which mainly comprises corporate data and ICT services such as data center, cloud and cybersecurity solutions which are considered as an emerging growth driver because of the country's rapid digital adoption.

- *Innovative Products and Services.* We launched consumer products that answer the need for Connectivity, Entertainment, and e-Games such as the Smart App, our customer management app, Smart Live Stream, our video player app which houses the PBA and FIBA. To allow subscribers easy access to healthcare products and services, Smart has partnered with mWell for convenient access to online doctor consultations and other services via the mWell app, the Philippines' first fully integrated health app. Smart also partnered with Metro Pacific Tollways Corporation to introduce a simpler and easier way of reloading the Easytrip RFID using the country's first toll top-up via mobile load service. To support businesses in their journey towards digitalization and cloud, PLDT Enterprise offers a fully-managed Software-Defined Wide Area Networking (SD-WAN) solution which enables customers to securely connect their multiple offices and branches and Smart Internet of Things (IoT) and obtain full control, transparency, visibility, and self-management of their Smart IoT SIMs.

  We also create and launch platforms, services and solutions in the area of digital financial services through our associated companies MIH, Maya Philippines, Inc. and Maya Bank, which was awarded the sixth and last digital banking license in 2021.

- *Strong and Experienced Management Team and Key Strategic Relationships.* Our senior management combines decades of deep expertise in the telecommunications industry with diverse backgrounds in various industries, including banking, utilities, infrastructure and venture capital. We continue to refresh our talent pool with new hires who have either regional experience or digital expertise, among others. In addition, we have important strategic relationships with our institutional investors, namely, First Pacific, NTT DOCOMO and NTT Communications. We believe the technological support, international experience, and management expertise made available to us through these strategic relationships will enable us to enhance our market leadership and provide/cross-sell a wider range of products and services.

Intellectual Property Rights

We do not own any material intellectual property rights apart from our brand names and logos. We are not dependent on patents, licenses or other intellectual property which are material to our business or results of operations, other than licenses to use the software that accompany most of our equipment purchases and licenses for certain contents used in VAS of our wireless business. See *Note 14 – Goodwill and Intangible Assets* to the accompanying audited consolidated financial statements in Item 7. "Financial Statements".

Major Suppliers

Substantially all the telecommunications equipment thus far obtained in connection with our development programs have been purchased outside the Philippines, and we expect that a large portion of the equipment requirements of our future development programs will also be purchased from foreign sources.

The major suppliers for Smart for its LTE New Site Rollout and Expansion Program and 5G Deployments are Huawei Technologies Co. Ltd., and Ericsson Telecommunications, Inc. Core network is also being expanded and replaced with Next Generation Cloud-based Core Network obtained from Nokia Oy and Huawei Technologies, Co. Ltd.

For mobile devices, Smart's principal suppliers are Apple South Asia and Samsung Electronics Co., Ltd.

For PLDT's continued expansion of its optical transmission backbone and IP core equipment, Huawei Technologies, Co., Ltd. and Cisco Systems, Inc. are the principal suppliers of the hardware and related software components. Ciena provides optical transmission solution for Enterprise Business.

For FTTH, principal suppliers for active equipment and passive components are Huawei Technologies, Co. Ltd., Fiberhome International Technology Co., Ltd., ZTE Philippines, Inc., Nokia Oy and HXPT Philippines.

For IT, PLDT engaged the services of Amdocs, SalesForce, SAP, Amazon, Microsoft, Google and other global technology leaders to transform IT platforms, modernize IT infrastructure, including Cloud Transformation, and broaden its digital technologies adoption for consumer and employee engagements.

Governmental Regulations

We are subject to governmental regulations with respect to our operations, services, rates and ownership. We believe that we are in compliance with all applicable governmental regulations and that our relations with government regulators are satisfactory. For further discussion on governmental laws and regulations affecting our business, see Item 6. "Management's Discussion and Analysis of Financial Condition and Results of Operations – Risks and Uncertainties – Risks Relating to Us – Our business is significantly affected by governmental laws and regulations, including regulations in respect of rates and taxes and laws relating to anti-competitive practices and monopoly."

Compliance with Environmental Laws

Environmental Management and Stewardship

Environmental management is a key component to PLDT's sustainability roadmap and commitment towards responsible business conduct. Beyond regulatory compliance, we strive to continuously embed environmental stewardship principles into our operations, risk management, value creation, governance, and disclosure frameworks.

Management Approach

The PLDT Board of Directors through its Governance, Nomination, and Sustainability Committee (GNSC), oversees the Company's environmental and climate-related management strategies and programs. Additionally, the Board Risk Committee maintains parallel oversight of these matters with respect to the inclusion of climate and nature-related risks into the Company's top enterprise risks.

Various Board-approved PLDT and Smart policies guide our environmental management approach, including our commitments on biodiversity, energy management, and water, as well as our CEO-approved Occupational Safety and Health & Environmental Commitments. These policies recognize the importance of environmental stewardship as a contributor to achieving business goals, as well as strengthening our alignment and compliance with environmental laws and regulations. These also foster alignment of values and commitments with our supply chain and business partners, reinforcing the PLDT Group Supplier Code of Conduct which enjoins suppliers to actively manage their environmental impact and ensure parallel compliance with regulations.

To ensure continuous improvement and transparency, we adhere to the ISO 14001:2015 (Environmental Management System) Standards, and align with relevant environmental principles, indicators, and disclosure standards of the United Nations Global Compact, the Philippine Financial Reporting Standards S2 on Climate-related Disclosures, Taskforce on Nature-related Financial Disclosures, and CDP, among others.

Operationalizing our commitments, PLDT and Smart Corporate Environment, Health, and Safety (CEHS), Property, Facilities, Asset Resilience Management (PFARM) and Network units implement environmental management processes and mechanisms to assess and manage our environmental impact, as well as ensure regular monitoring of the performance of all facilities, equipment, and generator sets across the country. These teams also create and implement risk mitigation plans for facilities located in or near ecologically protected areas, including reforestation initiatives and stakeholder consultation efforts.

In addition, the PLDT Group has also designated Pollution Control Officers (PCOs) assigned to each company facility to reinforce environmental performance review and facilitate reporting on operational progress on a regular basis to the Department of Environment and Natural Resources (DENR), the Laguna Lake Development Authority, and other national and local regulatory bodies. The PCOs monitor compliance with laws and regulations on air, water, and pollution.

Across the organization, we conduct various trainings and campaigns for employees to promote awareness and ensure understanding of the impact of workplace operations on the environment and in communities where we operate.

To aid in the review and evaluation of our performance, we undertake periodic audits of our environmental management system through trained Internal Auditors and International Register of Certificated Auditors (IRCA)-certified Lead Auditors facilitating the implementation of the Environment, Health, and Safety (EHS) audit program across the different sites.

In 2025, PLDT and Smart As part of our supply chain management processes, we enforce a Supplier Code of Conduct and complementing sustainability guidelines and EHS manuals that mandate suppliers to actively manage their environmental impact and comply with applicable environmental laws and regulations. We also integrate environmental criteria in the screening performance of suppliers, as well as hold forums and various engagements with suppliers to ensure their alignment with our policies on environmental management.

CEHS teams successfully renewed relevant ISO certifications, following a surveillance audit conducted by the Group's independent certifying body BSI Philippines Inc. The audit concluded with zero nonconformity findings, affirming the robustness, consistency, and effective implementation of the integrated Quality, Environmental, and Occupational Health and Safety (QEHS) Management System.

This successful renewal builds on the milestones achieved in 2024, when PLDT earned certifications for various international standards, including the ISO 14001:2015 (Environmental Management System). Smart was likewise recommended for these same set of certifications.

Opportunities for improvement identified during the audit were proactively addressed to further strengthen system effectiveness, governance, and operational discipline. These actions reinforce the PLDT Group's culture of continuous improvement and its sustained commitment to high standards of quality, environmental performance, and workplace safety across operations.

Beyond our own operations, we work with our supply chain to undertake regular assessments and stakeholder consultations to manage the environmental impact of our facilities and operations. We integrate environmental criteria in the screening performance of our suppliers, as well as hold various engagements to foster alignment of the supply chain with our policies and standards on environmental management.

Climate Change

The PLDT Group continues to recognize climate change as one of its top enterprise risks. This considers the high-risk profile and vulnerability of the Philippines to the worsening impacts of climate change, including more frequent and severe typhoons and weather disturbances with consequential effects such as flooding. The effects of climate change increase the likelihood of damage to the Group's physical infrastructure and network equipment, which can consequently disrupt operations and delivery of services.

In 2025, we have expanded conduct of a comprehensive analysis to identify impact of various climate scenarios on our assets and financials. Results guide continuing efforts to integrate climate and nature-related risk mitigation strategies into key aspects of our strategic planning, operational design, resource allocation, employee upskilling, and supply chain management programs.

Aside from managing physical impacts, the urgent need to address climate change in the Philippines may lead to the enactment of more stringent laws and regulations, which will further entail necessary investments, resources, and capacity-building efforts for the PLDT Group to remain compliant and competitive. We also continue to support the government in fostering a whole-of-nation approach towards climate action, helping ensure just transition of our key stakeholders and anchoring our climate strategies on human welfare.

Operational Resource Efficiency

In support of the Philippines' Nationally Determined Contribution under the Paris Agreement and the global ambition to achieve Net Zero by 2050, the PLDT Group developed a decarbonization roadmap that aims to reduce its Scope 1 and Scope 2 greenhouse gas (GHG) emissions by 40% by 2030 against a 2019 baseline. Such target is underpinned by various initiatives that promote energy and operational resource efficiency, as well as the adoption of renewable energy and green technologies across our operations. These measures are also aimed at achieving resource cost-efficiencies and ensuring uninterrupted operations and delivery of services.

In line with Republic Act No. 11285 or the Energy Efficiency and Conservation Act, the PLDT Group continues to strengthen its energy efficiency and management initiatives across its network sites and facilities nationwide. We have established dedicated teams and internal experts to manage our energy management performance, including Certified Energy Managers and Certified Energy Auditors.

In addition, we have ramped up audits of the energy management performance of our critical network sites and base stations nationwide. These audits evaluate equipment performance, cooling systems, site layouts, and onsite energy practices to identify targeted improvements that enhance energy efficiency and strengthen network reliability. These also serve as capacity-building engagements for our field personnel, reinforcing their ability to apply energy management best practices on the ground.

As part of our broader efforts to optimize energy use and advance our decarbonization roadmap, we implement various energy efficiency measures, including the installation of direct current generator sets, solar panels, and photovoltaic cells. These have been designed to enable us to ensure wireless network coverage in remote areas, and reduce our dependence on diesel-fueled generators in cases of power failures and emergency situations. We have also put in place a company-wide mechanism for fuel requests, as well as active tools to validate electricity use and improve resource consumption efficiency.

Alongside energy efficiency initiatives, we have also been expanding supply partnerships to further increase the share of renewables in our energy mix, under the Department of Energy’s Green Energy Option Program and the Energy Regulatory Commission’s Retail Aggregation Program. For our fleet, we are advancing a rationalization program which is expected to contribute to reductions in our fuel consumption and GHG emissions.

Meanwhile, we also keep track of our water consumption and operationalize water efficiency efforts, recognizing water as a scarce natural resource. These include the use of advanced cooling systems in our data centers and the installation of rainwater catchment systems in key facilities. We also ensure that our wastewater is treated and disposed of in accordance with regulatory requirements, especially for facilities not served by local water utilities. Throughout the year, we also integrate water into our organizational campaigns to promote employee awareness on our consumption and encourage them to contribute to efficiency initiatives.

Circularity and Waste Management

Circularity and effective waste management are among the key focus areas of the PLDT Group’s environmental management roadmap. With the goal of reducing our overall waste generation, we implement mechanisms continuously to track our waste performance, set targets for programs that minimize waste, capacitate our employees, and leverage innovation and strategic partnerships in support of circularity.

To manage solid waste, we have deployed waste segregation mechanisms and refreshed waste bin systems to our facilities nationwide. In parallel, we continuously capacitate our personnel to ensure adherence of each facility with national and local government regulations and waste collection schemes.

To manage plastic packaging waste, PLDT and Smart have strengthened commitment to the Extended Producers Responsibility Act (EPR) as registered Obliged Enterprises. In accordance with the law, the Group has engaged PCX Markets Philippines, Inc. as its Producer Responsibility Organization (PRO) for the implementation of its EPR programs and reporting.

During the year, we continued to train our employees and enable communities to reduce waste that end up in landfills, particularly through our participation in the X-Trash Challenge of the Philippine Business for Social Progress and Basic Environmental Systems and Technologies. PLDT and Smart employees participated by segregating their waste and exchanging recyclables, such as plastics, paper, and metals for environmental points. Accumulated points were subsequently used to procure grocery packs, which were consequently donated to an indigent community in Quezon City.

To promote circular use of network assets and better organize workplaces, we have strengthened our 5S Program and launched “AYOS 5S” in 2025. Under this program, we conducted a full inventory of network assets such as cables, radio equipment, modules, electrical and electronic components, computers, routers, servers, and power racks. Functional and reusable decommissioned network equipment were segregated for redeployment in new rollouts, sold, and repurposed, while non-usable assets were properly retired in accordance with environmental regulations. This initiative not only strengthened waste reduction and circularity practices, but also generated substantial cost savings, highlighting the business value of efficient asset utilization and responsible waste management.

To manage our hazardous and electronic waste (e-waste), we have maintained partnerships with various hazardous waste transporters and treaters accredited by the Department of Environment and Natural Resources (DENR). These covered used lead acid batteries from company vehicles, as well as e-wastes generated within our facilities and own operations.

Beyond our organization, we continued to expand our "Be Kind. Recycle." program to encourage employees, customers, and stakeholder communities to properly dispose and recycling their e-wastes. While PLDT and Smart may not be producers of electronics, we recognize that the delivery of our services contributes to the generation of e-waste. To address this, we have set a target to make proper e-waste disposal and recycling accessible to PLDT and Smart employees, customers, and the public nationwide. Through partnerships with commercial establishments, schools, enterprise clients, and local government units like Baguio City where we continue to support a TSD facility, we have increased roll-out of e-waste collection bins and activated over 200 community partners from June 2023 to end December 2025.

Employees and Labor Relations

As at December 31, 2025, we had 14,304 employees, with 10,456 and 3,848 employees in our fixed line and wireless businesses, respectively. PLDT had 9,231 employees as at December 31, 2025, of which 39% were rank and file employees, 53% were management/supervisory staff and 8% were executives.

PLDT has three employee unions, representing in the aggregate 7,533, or 53% of the employees of the PLDT Group. PLDT considers its relationship with our rank-and-file employees' union, our supervisors' union and our sales supervisors' union to be good.

We and our business units had the following employees as at December 31 of each of the following years:

	December 31,		
	2025	**2024**	**2023**
PLDT Group	14,304	14,904	15,596
Fixed Line	10,456	10,813	11,373
LEC	9,264	9,543	10,035
Others	1,192	1,270	1,338
Wireless	3,848	4,091	4,223
PLDT Only	9,231	9,513	10,004

For a detailed discussion of Department of Labor and Employment (DOLE) Compliance Order to PLDT, See Item 3. "Legal Proceedings" and *Note 26 – Provisions and Contingencies – DOLE Compliance Order to PLDT* to the accompanying audited consolidated financial statements in Item 7. "Financial Statements".

Pension and Retirement Benefits

Defined benefit pension plans

PLDT has defined benefit pension plans, operating under the legal name "The Board of Trustees for the account of the Beneficial Trust Fund created pursuant to the Benefit Plan of PLDT Co." and covering all of our permanent and regular employees. For the purpose of complying with Revised PAS 19, *Employee Benefits,* pension benefit expense has been actuarially computed based on defined benefit plan.

Defined contribution plans

Smart's and certain of its subsidiaries' contributions to the plan are made based on the employees' years of tenure and range from 5% to 10% of the employee's monthly salary. Additionally, an employee has the option to make a personal contribution to the fund, at an amount not exceeding 10% of his monthly salary. The employer then provides an additional contribution to the fund ranging from 10% to 50% of the employee's contribution based on the employee's years of tenure. Although the plan has a defined contribution format, Smart and certain of its subsidiaries regularly monitor their compliance with Republic Act No. 7641. As at December 31, 2025 and 2024, Smart and certain of its subsidiaries were in compliance with the requirements of Republic Act No. 7641.

See *Note 2 – Summary of Material Accounting Policies – Retirement Benefits* and *Note 25 – Pension and Other Employee Benefits* to the accompanying audited consolidated financial statements in Item 7. "Financial Statements" for a discussion of our defined benefit pension plans and defined contribution plans.

Item 2. Description of Property

As at December 31, 2025, the PLDT Group owns three office buildings located in Makati City and owns and operates fixed line exchanges nationwide.

As at December 31, 2025, our principal properties, excluding property under construction, consisted of the following, based on net book values:

- 45% consisted of central office equipment and network facilities, including IGFs, pure national toll exchanges and combined local and toll exchanges;
- 40% consisted of cable, wire and mobile facilities, including our DFON, subscriber cable facilities, inter-office trunking and toll cable facilities and mobile facilities;
- 7% consisted of land and improvements and buildings and improvements, which we acquired to house our telecommunications equipment, personnel, inventory and/or fleet; and
- 8% consisted of other work equipment.

For more information on these properties, see *Note 9 – Property and Equipment* to the accompanying audited consolidated financial statements in Item 7. "Financial Statements".

These properties are located in areas where our subscribers are being served. In our opinion, these properties are in good condition, except for ordinary wear and tear, and are adequately insured.

The majority of our connecting lines are above or under public streets and properties owned by others. For example, for many years, the PLDT Group has been using the power pole network of Meralco in Metro Manila for PLDT's fixed line aerial cables in this area pursuant to short-term lease agreements with Meralco with typically five-year and more recently one-year terms.

The PLDT Group has various lease contracts for periods ranging from one to thirty years covering various items of sites, buildings, leased circuits and poles used in our operations. For more information on the obligations relating to these properties and long-term obligations, see *Note 10 – Leases, Note 20 – Interest-bearing Financial Liabilities* and *Note 27 – Financial Assets and Liabilities* to the accompanying audited consolidated financial statements in Item 7. "Financial Statements".

We expect that in 2026, cash from operating activities should enable us to fund our capital expenditures for the continued expansion and upgrading of our network infrastructure. We expect to make additional investments in our core facilities to leverage existing technologies and increase capacity. Our current estimate for consolidated capital expenditures in 2026 will be in the mid-Php50 billion range. See Item 6. "Management's Discussion and Analysis of Financial Condition and Results of Operations – Plans" for further discussion on our capital expenditures.

Item 3. Legal Proceedings

Except as disclosed in the following paragraphs, neither PLDT nor any of its subsidiaries is a party to, and none of their respective properties is subject to, any pending legal proceedings that PLDT considers to be potentially material to its and its subsidiaries' business.

DITO, PCC and NTC Complaints

The NTC proceedings between Smart and DITO over interconnection capacity and bypass traffic have been largely overtaken by subsequent events. In 2024, Smart informed the NTC and PCC that it had provided DITO with additional interconnection capacity and that both parties had executed a Memorandum of Agreement on Bypass Activities, under which DITO acknowledged its ISR liabilities for 2021 to August 2023.

During 2023–2024, Smart representatives appeared before the PCC Competition Enforcement Office (PCC-CEO) in relation to an ongoing administrative investigation concerning alleged violations of the Philippine Competition Act. Smart submitted required documents and attended clarificatory hearings in June, July, and November 2023, and filed several Manifestations in 2024 confirming its agreement with DITO and subsequent compliance actions.

On March 18, 2025, Smart received another Subpoena Duces Tecum from the PCC-CEO, directing it to submit documents and information on or before April 11, 2025 pertaining to its operations as a PTE and its relationship with other PTEs for the period of March 2021 to December 2024. On April 11, 2025, Smart requested for an additional thirty (30) days to comply with the Subpoena. Thereafter, on May 13, 2025, Smart filed its Compliance to the PCC-CEO's Subpoena.

On May 30, 2025, Smart received a resolution from the PCC-CEO requiring it to clarify documents to be further submitted in relation to the March 18, 2025 Subpoena, and scheduling a videoconference on June 11, 2025. Smart, through its representatives then attended the June 11, 2025 clarificatory hearing via videoconference, and simultaneously filed its partial compliance with the Subpoena and a prayer that it be given a period of fifteen (15) days from June 11, 2025 or until June 26, 2025, to submit other information and documents required in the Subpoena. Accordingly, Smart filed its Compliance on June 25, 2025. Thereafter, the PCC-CEO issued a Resolution dated June 25, 2025, directing Smart to submit further documents in relation to the issues on or before July 07, 2025. In compliance therewith, Smart filed its Manifestation on July 07, 2025.

As at the date of this report, the PCC-CEO's investigation remains pending resolution.

See *Note 26 – Provisions and Contingencies – Notice of Material Breach and Demand for Payment on DITO* to the accompanying audited consolidated financial statements in Item 7. "Financial Statements" for further discussion.

DOLE Compliance Order Issued Against PLDT

In a series of orders, including a compliance order issued by the DOLE in 2018, PLDT was ordered to regularize 7,344 workers from 38 of PLDT's third party service contractors. PLDT questioned these regularization orders before the CA. The CA partially ruled in favor of PLDT by holding that the following services can be validly outsourced: (i) janitorial, messengerial, clerical; (ii) IT support and application development; (iii) back office support and BPOs; and (iv) sales, and other professional services. This ruling considerably reduced by at least half, the number of workers of service contractors required to be regularized. PLDT filed a petition for review with the Supreme Court because the CA ordered the regularization of individuals performing installation, repair, and maintenance functions on the basis that they are usually necessary and desirable to the usual course of PLDT's business.

The Supreme Court resolved the consolidated Petitions in a Decision promulgated on February 14, 2024. The Decision affirmed the Court of Appeals in setting aside the Secretary of Labor's orders for PLDT to regularize the 7,344 workers of its contractors, except those workers performing "installation, repair and maintenance" services, whose regularization is subject to a remand of proceedings before the Regional Director of the DOLE. In setting aside the Secretary of Labor's orders, the Supreme Court ruled that the exercise of the Secretary's visitorial and enforcement powers is subject to the "basic tenets of appreciating evidence," and that it was improper to rely on the anecdotal evidence that was used as basis in the Secretary's orders because such evidence is "malleable and may be tailored to suit any narrative or conclusion." The remand will require the Regional Director of DOLE to determine the appropriateness of regularization of employees of contractors engaged in installation, repair, and maintenance, by undertaking the following: (a) to review and properly determine the effects of the regularization of the workers performing installation, repair, and maintenance services; (b) to review, compute, and properly determine, the monetary award on the labor standards violation, to which PLDT, and the concerned contractors are solidarily liable; and (c) to conduct further appropriate proceedings, consistent with this Decision. Motions for Reconsideration may be filed by the parties, subject to their receipt of the Supreme Court decision by official service.

PLDT filed a Motion for Partial Reconsideration on April 4, 2024, and received MKP's separate motion on April 16, 2024.

The Supreme Court, First Division, in its Resolution dated November 5, 2025, which was received by counsel on February 24, 2026, resolved to deny with finality the motions for partial reconsideration filed by PLDT and MKP and held that no further pleadings, motions, letters, or other communications will be entertained. Accordingly, the Decision of the Supreme Court to remand the case stands.

See *Note 26 – Provisions and Contingencies – DOLE Compliance Order to PLDT* to the accompanying audited consolidated financial statements in Item 7. "Financial Statements" for further discussion.

Petition against the PCC

In July 2016, PLDT filed before the CA a petition for certiorari and prohibition (with urgent application for a temporary restraining order and/or writ of preliminary injunction) against the PCC. The Petition seeks to enjoin the PCC from proceeding with the review of the acquisition by PLDT and Globe of equity interest, including outstanding advances and assumed liabilities, in the telecommunications business of SMC, and performing any act which challenges or assails the "deemed approved" status of the said transactions. In August 2016, the CA issued a writ of preliminary injunction enjoining the PCC to cease and desist from conducting further proceedings for the pre-acquisition review and/or investigation of the SMC Transactions. In April 2017, the PCC filed before the Supreme Court a petition to annul the writ of preliminary injunction issued by the CA. The petition remains pending with the Supreme Court.

See *Note 11 – Investments in Associates and Joint Ventures – In the Matter of the Petition against the PCC* to the accompanying audited consolidated financial statements in Item 7. "Financial Statements" for further discussion.

Attys. Baquiran and Tecson vs. NTC, et al.

In October 2018, a petition for mandamus was filed against the NTC, the PCC, Liberty Telecoms Holdings, Inc. (also known as Tori Spectrum Telecom, Inc.), Bell Telecommunication, Inc., Globe, PLDT and Smart. This involves the 700 MHz frequency, among others, that was originally assigned to Liberty and which eventually became subject of a co-use agreement between Globe, PLDT and Smart. The petition remains pending with the Supreme Court.

See *Note 26 – Provisions and Contingencies – Attys. Baquiran and Tecson vs. NTC, et al.* to the accompanying audited consolidated financial statements in Item 7. "Financial Statements" for further discussion.

Arbitration with Eastern Telecommunications Philippines, Inc., or ETPI

Since 1990 up to the present, PLDT and ETPI have been engaged in legal proceedings involving a number of issues in connection with their business relationship. To avoid protracted litigation and to preserve their business relationship, PLDT and ETPI agreed to submit their differences and issues to voluntary arbitration. In April 2008, PLDT and ETPI signed an Arbitration Settlement Agreement. Subsequent to such submissions, PLDT and ETPI agreed to suspend the arbitration proceedings.

See *Note 26 – Provisions and Contingencies – Arbitration with Eastern Telecommunications Philippines, Inc.* to the accompanying audited consolidated financial statements in Item 7. "Financial Statements" for further discussion.

Local Business and Franchise Taxes

As at December 31, 2025, PLDT has no contested LGU assessments for franchise taxes based on gross receipts received or collected for services within its respective territorial jurisdiction.

Smart, SBI and DMPI currently face various local business and franchise tax assessments by different local government units, while Digitel is discussing with various local government units as to the settlement of its local taxes.

See *Note 26 – Provisions and Contingencies* to the accompanying audited consolidated financial statements in Item 7. "Financial Statements" for further discussion.

Item 4. Submission of Matters to a Vote of Security Holders

There were no matters submitted to a vote of security holders during the fourth quarter of the fiscal year covered by this annual report.

PART II - OPERATIONAL AND FINANCIAL INFORMATION

Item 5. Market for Registrant's Common Equity and Related Stockholder Matters

Market Information

Common Capital Stock and ADSs

The shares of common stock of PLDT are listed and traded on the PSE under the symbol of "TEL". On October 19, 1994, an American Depositary Receipt (ADR) facility was established, pursuant to which Citibank, N.A., as the depositary, issued ADRs evidencing ADSs with each ADS representing one PLDT common share with a par value of Php5.00 per share. Effective February 10, 2003, PLDT appointed JP Morgan Chase Bank as successor depositary of PLDT's ADR facility. The ADSs are listed on the NYSE and are traded on the NYSE under the symbol of "PHI".

The public ownership level of PLDT common shares listed on the PSE as at December 31, 2025 is 42.08%.

As at December 31, 2025, 9,789 stockholders were Philippine persons and held approximately 65.74% of PLDT's common capital stock. In addition, as at December 31, 2025, there were a total of approximately 17,150 million ADSs outstanding, substantially all of which PLDT believes were held in the United States by 201 holders.

High and low sales prices for PLDT's common shares on the PSE and ADSs on the NYSE for each of the full quarterly period during 2025 and 2024 and for the first two months of 2026 were as follows:

	Philippine Stock Exchange		New York Stock Exchange	
	High	Low	High	Low
2026				
First Quarter	1,418.00	1,245.00	24.51	21.13
January	1,373.00	1,245.00	23.20	21.13
February (through February 25)	1,418.00	1,344.00	24.51	22.43
2025				
First Quarter	1,406.00	1,271.00	25.12	21.70
Second Quarter	1,337.00	1,200.00	24.09	20.29
Third Quarter	1,333.00	1,093.00	23.46	18.61
Fourth Quarter	1,330.00	1,067.00	22.59	18.66
2024				
First Quarter	1,425.00	1,255.00	30.39	22.07
Second Quarter	1,480.00	1,286.00	26.00	22.56
Third Quarter	1,624.00	1,420.00	29.05	24.29
Fourth Quarter	1,565.00	1,245.00	27.73	21.00

Holders

As at December 31, 2025, there were 11,328 holders of record of PLDT's common shares. Listed below were the top 20 common shareholders, including their nationalities, the number of shares held, the amount of their holdings, and the approximate percentages of their respective shareholdings to PLDT's total outstanding common stocks:

	Name of Holder of Record	Nationality	Number of Shares Held	Amount of Holding	Approximate % to Total Outstanding Common Stock
1.	PCD Nominee Corporation	Various – Filipino	55,953,034	Php279,765,170	
		Various – Foreign	26,442,868	132,214,340	38.14
2.	Philippine Telecommunications Investment Corporation	Filipino	26,034,263	130,171,315	12.05
3.	JG Summit Holdings, Inc.	Filipino	24,255,732	121,278,660	11.23
4.	NTT DOCOMO, INC.	Japanese	22,796,902	113,984,510	10.55
5.	Metro Pacific Resources, Inc.	Filipino	21,556,676	107,783,380	9.98
6.	NTT DOCOMO BUSINESS, Inc.	Japanese	12,633,487	63,167,435	5.85
7.	J. P. Morgan Hong Kong Nominees Limited	Chinese	11,515,131	57,575,655	5.33
8.	Social Security System, or SSS	Filipino	9,613,282	48,066,410	4.45
9.	James L. Go	Filipino	885,724	4,428,620	0.41
10.	Pan-Malayan Management & Investment Corp.	Filipino	781,124	3,905,620	0.36
11.	Manuel V. Pangilinan	Filipino	363,521	1,817,605	0.17
12.	Malayan Insurance Co., Inc.	Filipino	288,000	1,440,000	0.13
13.	Social Security System Assigned to Employees Compensation Fund	Filipino	134,700	673,500	0.06
14.	Alfonso T. Yuchengco	Filipino	118,458	592,290	0.05
15.	Albert F. del Rosario &/or Margaret Gretchen V. del Rosario	Filipino	106,780	533,900	0.05
16.	JG Digital Equity Ventures, Inc.	Filipino	86,723	433,615	0.04
17.	Enrique T. Yuchengco, Inc.	Filipino	59,868	299,340	0.03
18.	Social Security System Assigned to Mandatory Provident Fund	Filipino	50,100	250,500	0.02
19.	Henry O. Chusuey / Henry O. Chusuey or suey/Chusuey Henry Ong or Anna Lissa Chusuey Anna Lissa Chusuey / Chusuey Henry Ong or Anna Lissa Chusuey	Filipino	49,385	246,925	0.02
20.	JDC Investment Realty Enterprises, Inc.	Filipino	47,708	238,540	0.02
			213,773,466	Php1,068,867,330	

Dividends

The following table shows the dividends declared to common shareholders from the earnings for the years ended December 31, 2023, 2024 and 2025:

	Date			Amount	
Earnings	Approved	Record	Payable	Per share	Total Declared
				(in Php)	(amounts in million Php)
2023	August 3, 2023	August 17, 2023	September 4, 2023	49	10,587
2023	March 7, 2024	March 21, 2024	April 5, 2024	46	9,939
				95	20,526
2024	August 13, 2024	August 27, 2024	September 11, 2024	50	10,803
2024	February 27, 2025	March 13, 2025	April 3, 2025	47	10,155
				97	20,958
2025	August 12, 2025	August 28, 2025	September 10, 2025	48	10,370
2025	February 26, 2026	March 26, 2026	April 16, 2026	46	9,939
				94	20,309

Item 6. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our consolidated financial statements and the related notes as at December 31, 2025 and 2024 and for each of the three years ended December 31, 2025, 2024 and 2023 included elsewhere in this Annual Report. This discussion contains forward-looking statements that reflect our current views with respect to future events and our future financial performance. These statements involve risks and uncertainties, and our actual results may differ materially from those anticipated in these forward-looking statements.

Selected Financial Data and Key Performance Indicators

	Years ended December 31,		
(amounts in million Php, except earnings per common share amounts)	**2025**	**2024**	**2023**
Income Statement Data:			
Revenues	218,388	216,833	210,953
Service revenues	212,186	208,382	201,939
Non-service revenues	6,202	8,451	9,121
Expenses	168,040	166,346	170,259
Other expenses – net	10,859	7,794	4,217
Income before income tax	39,489	42,693	36,477
Net income	30,218	32,555	26,824
Continuing operations	*30,218*	*32,555*	*26,865*
Discontinued operations	—	—	*(41)*
Core income	34,636	34,232	32,421
Continuing operations	*34,636*	*34,232*	*32,462*
Discontinued operations	—	—	*(41)*
Telco core income	33,925	35,138	34,341
EBITDA	111,231	108,515	104,233
Continuing operations	*111,231*	*108,515*	*104,297*
Discontinued operations	—	—	(64)
EBITDA margin[(1)]	52%	52%	52%
Reported earnings per common share:			
Basic	138.63	149.26	122.91
Diluted	138.63	149.26	122.91
Reported earnings per common share from continuing operations:			
Basic	138.63	149.26	123.10
Diluted	138.63	149.26	123.10
Core earnings per common share:			
Basic	160.04	158.17	149.78
Diluted	160.04	158.17	149.78
Core earnings per common share from continuing operations:			
Basic	160.04	158.17	149.97
Diluted	160.04	158.17	149.97
Other Data:			
Net cash provided by operating activities	98,738	81,731	85,765
Net cash used in investing activities	(60,979)	(65,704)	(55,118)
Payment for purchase of property and equipment, including capitalized interest	*(62,864)*	*(68,257)*	*(78,435)*
Net cash used in financing activities	(35,927)	(22,331)	(39,418)
Operational Data			
Number of mobile subscribers:	59,891,520	58,989,807	57,827,126
Prepaid	57,534,812	56,731,489	55,667,880
Postpaid	2,356,708	2,258,318	2,159,246
Number of fixed line voice subscribers	3,689,997	3,711,371	3,766,105
Number of broadband subscribers:	4,251,426	3,878,231	3,709,541
Fixed Line broadband	3,793,927	3,431,785	3,268,996
Fixed Wireless broadband	457,499	446,446	440,545
Number of employees:	14,304	14,904	15,596
Fixed Line	10,456	10,813	11,373
LEC	*9,264*	*9,543*	*10,035*
Others	*1,192*	*1,270*	*1,338*
Wireless	3,848	4,091	4,223

(1) EBITDA margin for the year is measured as EBITDA from continuing operations divided by service revenues.

Overview

We are one of the leading telecommunications and digital services providers in the Philippines, serving the fixed line, wireless and broadband markets. Through our three principal business segments, Wireless, Fixed Line and Others, we offer a wide range of telecommunications and digital services across our extensive fiber optic backbone and wireless and fixed line networks. See *Note 4 – Operating Segment Information* to the accompanying audited consolidated financial statements in Item 7. "Financial Statements" for further information on each of these segments.

Key performance indicators and drivers that our management uses to monitor and direct the operation of our businesses include, among others, the general economic conditions in the Philippines; market trends, such as customer demands, behavior and satisfaction parameters; technological developments; network performance (in terms of speed, coverage and capacity); market share; and profitability.

In addition, our results of operations and financial position are affected by fluctuations of the Philippine peso against the U.S. dollar.

Performance Indicators

We use a number of non-GAAP performance indicators to monitor financial performance. These are summarized below and discussed later in this report.

EBITDA

EBITDA for the year is measured as net income excluding depreciation and amortization, amortization of intangible assets, asset impairment on noncurrent assets, financing costs – net, interest income, equity share in net earnings (losses) of associates and joint ventures, foreign exchange gains (losses) – net, gains (losses) on derivative financial instruments – net, provision for (benefit from) income tax, other income (expense) – net, manpower rightsizing program (MRP) and non-recurring income (expenses). EBITDA is monitored by management for each business unit separately for purposes of making decisions about resource allocation and performance assessment. EBITDA is presented because our management believes that it is widely used by investors in their analysis of the performance of PLDT and can assist them in their comparison of PLDT's performance with those of other companies in the technology, media and telecommunications sector. Companies in the technology, media and telecommunications sector have historically reported EBITDA as a supplement to financial measures in accordance with PFRS Accounting Standards. EBITDA should not be considered as alternative to net income as an indicator of our performance, nor should EBITDA be considered as an alternative to cash flows from operating activities, as a measure of liquidity or as an alternative to any other measure determined in accordance with PFRS Accounting Standards. Unlike net income, EBITDA does not include depreciation and amortization, or financing costs and, therefore, does not reflect current or future capital expenditures or the cost of capital. We compensate for these limitations by using EBITDA as only one of several comparative tools, together with PFRS Accounting Standards-based measurements, to assist in the evaluation of operating performance. Such PFRS Accounting Standards-based measurements include income before income tax, net income, and operating, investing and financing cash flows. We have significant uses of cash flows, including capital expenditures, interest payments, debt principal repayments, taxes and other non-recurring charges, which are not reflected in EBITDA. Our calculation of EBITDA may be different from the calculation methods used by other companies and, therefore, comparability may be limited. A reconciliation of our consolidated net income to our consolidated EBITDA for the years ended December 31, 2025, 2024 and 2023 is presented in Item 6. "Management's Discussion and Analysis of Financial Condition and Results of Operations – Management's Financial Review"

Core Income and Telco Core Income

Core income for the year is measured as net income attributable to equity holders of PLDT (net income less net income attributable to noncontrolling interests), excluding foreign exchange gains (losses) – net, gains (losses) on derivative financial instruments – net (excluding hedge costs), asset impairment on noncurrent assets, non-recurring gains (losses), net of tax effect of aforementioned adjustments, as applicable, and similar adjustments to equity share in net earnings (losses) of associates and joint ventures. Core income results are monitored by management for each business unit separately for purposes of making decisions about resource allocation and performance assessment.

Meanwhile, telco core income for the year is measured as net income attributable to equity holders of PLDT (net income less net income attributable to noncontrolling interests), excluding foreign exchange gains (losses) – net, gains (losses) on derivative financial instruments – net (excluding hedge costs), asset impairment on noncurrent assets, non-recurring gains (losses), net of tax effect of aforementioned adjustments, as applicable, and similar adjustments to equity share in net earnings (losses) of associates and joint ventures, adjusted for the effect of the share in Maya Innovations Holdings, Pte. Ltd., or MIH, (formerly Voyager Innovations Holdings Pte. Ltd.), and Kayana Solutions, Inc. (Kayana), formerly Limitless Growth Ventures, Inc.) income (losses), asset sales, and depreciation due to change in accounting estimate. Telco core income is used by the management as a basis for determining the level of dividend payouts to shareholders and one of the bases for granting incentives to employees.

Core income and telco core income should not be considered as alternatives to income before income tax or net income determined in accordance with PFRS Accounting Standards as an indicator of our performance. Unlike net income, core income and telco core income do not include certain items, among others, foreign exchange gains and losses, gains and losses on derivative financial instruments, impairment on non-current assets and non-recurring gains and losses. We compensate for these limitations by using core income and telco core income as a few of several comparative tools, together with PFRS Accounting Standards-based measurements, to assist in the evaluation of operating performance. Such PFRS Accounting Standards-based measurements include income before income tax and net income. Our calculation of core income may be different from the calculation methods used by other companies and, therefore, comparability may be limited. A reconciliation of our consolidated net income to our consolidated core income and consolidated telco core income for the years ended December 31, 2025, 2024 and 2023 is presented in Item 6. "Management's Discussion and Analysis of Financial Condition and Results of Operations – Management's Financial Review".

Management's Financial Review

We use our EBITDA, core income and telco core income to assess our operating performance. Set forth below is a reconciliation of our consolidated net income to our consolidated EBITDA and a reconciliation of our consolidated net income to our consolidated core income and consolidated telco core income for the years ended December 31, 2025, 2024 and 2023.

The following table shows the reconciliation of our consolidated net income to our consolidated EBITDA for the years ended December 31, 2025, 2024 and 2023:

(amounts in million Php) **For the year ended December 31, 2025**	**Wireless**	**Fixed Line**	**Others**	**Elims**	**Consolidated**
Consolidated net income	9,344	27,041	568	(6,735)	30,218
Add (deduct) adjustments:					
Depreciation and amortization	40,560	26,928	—	(8,001)	59,487
Financing costs – net	9,941	9,411	—	(1,184)	18,168
Provision for income tax	2,678	7,291	(29)	(669)	9,271
Manpower rightsizing program (MRP)	296	1,092	—	—	1,388
Foreign exchange losses (gains) – net	12	545	(4)	(3)	550
Equity share in net losses (earnings) of associates and joint ventures	11	924	(507)	—	428
Impairment of non-current assets	—	8	—	—	8
Income from prescription of liability on subscriber investment plan deposits	—	(672)	—	—	(672)
Interest income	(554)	(171)	(11)	17	(719)
Gain on sale and leaseback of telecom towers – net of transaction costs	(871)	—	—	—	(871)
Gains on derivative financial instruments – net	(350)	(1,466)	—	—	(1,816)
Others – net	(3,478)	(7,678)	(24)	6,971	(4,209)
Total adjustments	48,245	36,212	(575)	(2,869)	81,013
Consolidated EBITDA	57,589	63,253	(7)	(9,604)	111,231
Service Revenues	97,568	130,355	—	(15,737)	212,186
EBITDA Margin	59%	49%	—	61%	52%
For the year ended December 31, 2024					
Consolidated net income	11,060	32,392	(1,069)	(9,828)	32,555
Add (deduct) adjustments:					
Depreciation and amortization	36,483	29,132	—	(9,387)	56,228
Financing costs – net	9,763	7,456	—	(1,719)	15,500
Provision for income tax	3,276	6,501	(9)	370	10,138
MRP	69	1,619	—	—	1,688
Equity share in net losses of associates and joint ventures	—	67	923	—	990
Impairment of non-current assets	1	68	—	—	69
Foreign exchange losses (gains) – net	(775)	819	75	(83)	36
Income from prescription of liability on redeemable preferred shares	—	(71)	—	—	(71)
Interest income	(698)	(230)	(15)	27	(916)
Gain on sale and leaseback of telecom towers – net of transaction costs	(951)	—	—	—	(951)
Gains on derivative financial instruments – net	(1,434)	(2,589)	—	—	(4,023)
Others – net	(1,160)	(13,211)	47	11,596	(2,728)
Total adjustments	44,574	29,561	1,021	804	75,960
Consolidated EBITDA	55,634	61,953	(48)	(9,024)	108,515
Service Revenues	97,779	125,994	—	(15,391)	208,382
EBITDA Margin	57%	49%	—	59%	52%
For the year ended December 31, 2023					
Net income from continuing operations	17,522	26,514	(2,270)	(14,901)	26,865
Net loss from discontinued operations		—	—	—	(41)
Consolidated net income	17,522	26,514	(2,270)	(14,901)	26,824
Add (deduct) adjustments to continuing operations:					
Depreciation and amortization	31,684	36,890	—	(9,912)	58,662
Financing costs – net	9,034	6,824	—	(2,103)	13,755
Provision for income tax	5,537	4,015	1	59	9,612
Equity share in net earnings of associates and joint ventures	—	595	2,211	—	2,806
Additional amortization of subscriber contract cost to obtain	—	2,135	—	—	2,135
MRP	327	1,694	—	—	2,021
Interest income	(720)	(324)	(7)	35	(1,016)
Foreign exchange losses (gains) – net	(981)	(138)	76	(106)	(1,149)
Gains on derivative financial instruments – net	(114)	(1,084)	—	—	(1,198)
Gain on sale and leaseback of telecom towers – net of transaction costs	(6,992)	—	—	—	(6,992)
Others – net	(928)	(18,019)	(29)	17,772	(1,204)
Total adjustments	36,847	32,588	2,252	5,745	77,432
EBITDA from continuing operations	54,369	59,102	(18)	(9,156)	104,297
EBITDA from discontinued operations	—	—	—	—	(64)
Consolidated EBITDA	54,369	59,102	(18)	(9,156)	104,233
Service Revenues	95,677	120,336	—	(14,181)	201,832
EBITDA Margin	57%	49%	—	65%	52%

The following table shows the reconciliation of our consolidated net income to our consolidated core income and telco core income for the years ended December 31, 2025, 2024 and 2023:

(amounts in million Php)

For the year ended December 31, 2025	**Wireless**	**Fixed Line**	**Others**	**Elims**	**Consolidated**
Consolidated net income	9,344	27,041	568	(6,735)	30,218
Add (deduct) adjustments:					
Accelerated depreciation and amortization	5,776	981	—	—	6,757
MRP	296	1,092	—	—	1,388
Core income adjustment on equity share in net losses of associates and joint ventures	—	610	33	—	643
Foreign exchange losses (gains) – net	12	545	(4)	(3)	550
Amortization of debt discount from debt modification	113	49	—	—	162
Impairment of non-current assets	—	8	—	—	8
Net income attributable to noncontrolling interests	(15)	(65)	—	(127)	(207)
Income from prescription of liability on subscriber investment plan deposits	—	(672)	—	—	(672)
Gain on sale and leaseback of telecom towers – net of transaction costs	(871)	—	—	—	(871)
Losses on derivative financial instruments – net, excluding hedge costs	(399)	(1,615)	—	—	(2,014)
Net tax effect of aforementioned adjustments	(1,231)	(97)	1	1	(1,326)
Total adjustments	3,681	836	30	(129)	4,418
Consolidated core income	13,025	27,877	598	(6,864)	34,636
Add (deduct) adjustments:					
Share in Kayana losses	—	—	92	—	92
Share in MIH income	—	—	(716)	—	(716)
Gain on asset sales, net of tax	—	—	(87)	—	(87)
Total adjustments	—	—	(711)	—	(711)
Consolidated telco core income	13,025	27,877	(113)	(6,864)	33,925
For the year ended December 31, 2024					
Consolidated net income	11,060	32,392	(1,069)	(9,828)	32,555
Add (deduct) adjustments:					
Accelerated depreciation and amortization	2,787	2,899	—	—	5,686
MRP	69	1,619	—	—	1,688
Amortization of debt discount from debt modification	124	59	—	—	183
Other non-recurring expenses	—	151	—	—	151
Impairment of non-current assets	1	68	—	—	69
Foreign exchange losses (gains) – net	(775)	819	75	(83)	36
Core income adjustment on equity share in net loss (income) of associates and joint ventures	—	66	(71)	—	(5)
Income from prescription of liability on redeemable preferred shares	—	(71)	—	—	(71)
Net income attributable to noncontrolling interests	(16)	(66)	—	(166)	(248)
Gain on sale and leaseback of telecom towers – net of transaction costs	(951)	—	—	—	(951)
Gains on derivative financial instruments – net, excluding hedge costs	(1,492)	(2,760)	—	—	(4,252)
Net tax effect of aforementioned adjustments	45	(658)	(19)	23	(609)
Total adjustments	(208)	2,126	(15)	(226)	1,677
Consolidated core income	10,852	34,518	(1,084)	(10,054)	34,232
Add (deduct) adjustments:					
Share in MIH losses	—	—	1,006	—	1,006
Share in Kayana losses	—	—	46	—	46
Gain on deconsolidation of Kayana	—	(146)	—	—	(146)
Total adjustments	—	(146)	1,052	—	906
Consolidated telco core income	10,852	34,372	(32)	(10,054)	35,138
For the year ended December 31, 2023					
Net income from continuing operations	17,522	26,514	(2,270)	(14,901)	26,865
Net loss from discontinued operations	—	—	—	—	(41)
Consolidated net income	17,522	26,514	(2,270)	(14,901)	26,824
Add (deduct) adjustments to continuing operations:					
Accelerated depreciation and amortization[(1)]	—	13,924	—	—	13,924
MRP	327	1,694	—	—	2,021
Core income adjustment on equity share in net loss (income) of associates and joint ventures	—	364	102	—	466
Other non-recurring expenses	—	433	—	—	433
Amortization of debt discount from debt modification	125	52	—	—	177
Impairment of investments	70	—	—	—	70
Net income attributable to noncontrolling interests	(19)	(129)	—	(62)	(210)
Foreign exchange losses (gains) – net	(981)	(142)	77	(106)	(1,152)
Losses on derivative financial instruments – net, excluding hedge costs	(180)	(1,256)	—	—	(1,436)
Gain on sale and leaseback of telecom towers – net of transaction costs	(6,992)	—	—	—	(6,992)
Net tax effect of aforementioned adjustments	1,878	(3,568)	(19)	5	(1,704)
Total adjustments	(5,772)	11,372	160	(163)	5,597
Core income from continuing operations	11,750	37,886	(2,110)	(15,064)	32,462
Core loss from discontinued operations	—	—	—	—	(41)
Consolidated core income	11,750	37,886	(2,110)	(15,064)	32,421
Core income from continuing operations	11,750	37,886	(2,110)	(15,064)	32,462
Add (deduct) adjustments:					
Share in MIH losses	—	—	2,175	—	2,175
Gain on asset sales, net of tax	—	(296)	—	—	(296)
Total adjustments	—	(296)	2,175	—	1,879
Consolidated telco core income	11,750	37,590	65	(15,064)	34,341

(1) In 2023, accelerated depreciation and amortization includes subscriber contract cost to obtain of Php2,135 million and cost to fulfill of Php11,789 million.

The following table shows the reconciliation of our consolidated basic and diluted earnings per share, or EPS, attributable to common equity holders of PLDT to our consolidated basic and diluted core EPS for the years ended December 31, 2025, 2024 and 2023:

	2025		2024		2023	
	Basic	Diluted	Basic	Diluted	Basic	Diluted
	(amounts in Php)					
EPS from continuing operations	138.63	138.63	149.26	149.26	123.10	123.10
EPS from discontinued operations	—	—	—	—	(0.19)	(0.19)
Consolidated EPS attributable to common equity holders of PLDT	138.63	138.63	149.26	149.26	122.91	122.91
Add (deduct) adjustments:						
Accelerated depreciation and amortization	23.45	23.45	19.74	19.74	48.34	48.34
MRP	4.82	4.82	5.86	5.86	7.02	7.02
Foreign exchange losses (gains) – net	1.91	1.91	0.13	0.13	(4.00)	(4.00)
Core income adjustment on equity share in net (income) losses of associates and joint ventures	2.98	2.98	(0.02)	(0.02)	2.16	2.16
Net losses on debt modification	0.56	0.56	0.64	0.64	0.61	0.61
Impairment of investments/noncurrent assets	—	—	0.31	0.31	0.32	0.32
Gains on derivative financial instruments – net, excluding hedge costs	(6.99)	(6.99)	(14.76)	(14.76)	(4.99)	(4.99)
Gain on sale and leaseback of telecom towers	(3.02)	(3.02)	(3.30)	(3.30)	(24.59)	(24.59)
Income from prescription of liability on redeemable preferred shares/subscriber investment plan deposits	(2.33)	(2.33)	(0.33)	(0.33)	—	—
Other non-recurring expenses	0.03	0.03	0.64	0.64	2.00	2.00
Total adjustments	21.41	21.41	8.91	8.91	26.87	26.87
Core EPS from continuing operations	160.04	160.04	158.17	158.17	149.97	149.97
Core EPS from discontinued operations	—	—	—	—	(0.19)	(0.19)
Consolidated core EPS	160.04	160.04	158.17	158.17	149.78	149.78

Results of Operations

The table below shows the contribution by each of our business segments to our consolidated revenues, expenses, other income (expenses), income (loss) before income tax, provision for (benefit from) income tax, net income (loss), segment profit (loss), EBITDA, EBITDA margin and core income for the years ended December 31, 2025, 2024 and 2023. In each of the years ended December 31, 2025, 2024 and 2023, the majority of our revenues was derived from our operations within the Philippines. Our revenues derived from outside the Philippines consist primarily of incoming international calls to the Philippines.

	Wireless	Fixed Line	Others	Inter-segment Transactions	Consolidated
	(amounts in million Php)				
For the year ended December 31, 2025					
Revenues	103,316	130,810	—	(15,738)	218,388
Expenses	86,583	95,585	7	(14,135)	168,040
Other income (expenses) – net	(4,711)	(893)	546	(5,801)	(10,859)
Income (loss) before income tax	12,022	34,332	539	(7,404)	39,489
Provision for (benefit from) income tax	2,678	7,291	(29)	(669)	9,271
Net income/Segment profit	9,344	27,041	568	(6,735)	30,218
EBITDA	57,589	63,253	(7)	(9,604)	111,231
EBITDA margin	59%	49%	—	—	52%
Telco core income	13,025	27,877	(113)	(6,864)	33,925
Core income	13,025	27,877	598	(6,864)	34,636
For the year ended December 31, 2024					
Revenues	105,734	126,490	—	(15,391)	216,833
Expenses	86,653	95,357	90	(15,754)	166,346
Other income (expenses) – net	(4,745)	7,760	(988)	(9,821)	(7,794)
Income (loss) before income tax	14,336	38,893	(1,078)	(9,458)	42,693
Provision for (benefit from) income tax	3,276	6,501	(9)	370	10,138
Net income (loss)/Segment profit (loss)	11,060	32,392	(1,069)	(9,828)	32,555
EBITDA	55,634	61,953	(48)	(9,024)	108,515
EBITDA margin	57%	49%	—	—	52%
Telco core income	10,852	34,372	(32)	(10,054)	35,138
Core income	10,852	34,518	(1,084)	(10,054)	34,232
For the year ended December 31, 2023					
Revenues	104,401	120,734	—	(14,182)	210,953
Expenses	82,827	102,352	18	(14,938)	170,259
Other income (expenses) – net	1,485	12,147	(2,251)	(15,598)	(4,217)
Income (loss) before income tax	23,059	30,529	(2,269)	(14,842)	36,477
Provision for income tax	5,537	4,015	1	59	9,612
Net income (loss)/Segment profit (loss)	17,522	26,514	(2,270)	(14,901)	26,824
Continuing operations	*17,522*	*26,514*	*(2,270)*	*(14,901)*	*26,865*
Discontinued operations	—	—	—	—	*(41)*
EBITDA	54,369	59,102	(18)	(9,156)	104,233
Continuing operations	*54,369*	*59,102*	*(18)*	*(9,156)*	*104,297*
Discontinued operations	—	—	—	—	*(64)*
EBITDA margin[(1)]	57%	49%	—	—	52%
Telco core income	11,750	37,590	65	(15,064)	34,341
Core income	11,750	37,886	(2,110)	(15,064)	32,421
Continuing operations	*11,750*	*37,886*	*(2,110)*	*(15,064)*	*32,462*
Discontinued operations	—	—	—	—	*(41)*

(1) EBITDA margin for the year is measured as EBITDA from continuing operations divided by service revenues.

Years Ended December 31, 2025 and 2024

On a Consolidated Basis

Revenues

We reported consolidated revenues of Php218,388 million in 2025, an increase of Php1,555 million, or 1%, as compared with Php216,833 million in 2024, primarily due to higher consolidated revenues from data and voice services, partially offset by lower consolidated non-service revenues.

Our consolidated service revenues of Php212,186 million in 2025, increased by Php3,804 million, or 2%, from Php208,382 million in 2024. Our consolidated non-service revenues of Php6,202 million in 2025, decreased by Php2,249 million, or 27%, from Php8,451 million in 2024.

Consolidated service revenues, net of interconnection costs of Php16,010 million, amounted to Php196,176 million in 2025, an increase of Php1,512 million, or 1%, from Php194,664 million in 2024.

The following table shows the breakdown of our consolidated revenues by service for the years ended December 31, 2025 and 2024:

	Wireless	Fixed Line	Inter-segment Transactions	Consolidated
		(amounts in million Php)		
For the year ended December 31, 2025				
Service Revenues				
Wireless	*97,568*		*(699)*	*96,869*
Mobile	95,619		(646)	94,973
Fixed Wireless broadband	1,896		—	1,896
Other services	53		(53)	—
Fixed Line		*130,355*	*(15,038)*	*115,317*
Voice[1]		31,226	(1,254)	*29,972*
Data		99,068	(13,784)	85,284
Home broadband		53,375	(17)	*53,358*
Corporate data and ICT		45,693	(13,767)	31,926
Miscellaneous		61	—	61
Total Service Revenues	97,568	130,355	(15,737)	212,186
Non-Service Revenues				
Sale of devices and accessories	5,748	455	(1)	6,202
Total Non-Service Revenues	5,748	455	(1)	6,202
Total Revenues	103,316	130,810	(15,738)	218,388
For the year ended December 31, 2024				
Service Revenues[2]				
Wireless	*97,779*		*(790)*	*96,989*
Mobile	96,246		(738)	95,508
Fixed Wireless broadband	1,481		—	1,481
Other services	52		(52)	—
Fixed Line		*125,994*	*(14,601)*	*111,393*
Voice[1]		29,660	(1,560)	28,100
Data		96,269	(13,041)	83,228
Home broadband		51,759	(18)	51,741
Corporate data and ICT		44,510	(13,023)	31,487
Miscellaneous		65	—	65
Total Service Revenues	97,779	125,994	(15,391)	208,382
Non-Service Revenues				
Sale of devices and accessories	7,955	496	—	8,451
Total Non-Service Revenues	7,955	496	—	8,451
Total Revenues	105,734	126,490	(15,391)	216,833

[1] *Consolidated voice services revenues include wholesale international voice of Php15,151 million and Php12,772 million with corresponding costs of Php14,887 million and Php12,535 million for the years ended December 31, 2025 and 2024, respectively.*

[2] *Certain amounts for the year ended December 31, 2024 were reclassified to conform with the current presentation.*

The following table shows the breakdown of our consolidated revenues by business segment for the years ended December 31, 2025 and 2024:

					Change	
	2025	%	2024	%	Amount	%
			(amounts in million Php)			
Wireless	103,316	47	105,734	49	(2,418)	(2)
Fixed Line	130,810	60	126,490	58	4,320	3
Inter-segment transactions	(15,738)	(7)	(15,391)	(7)	(347)	(2)
Consolidated	218,388	100	216,833	100	1,555	1

Expenses

Consolidated expenses increased by Php1,694 million, or 1%, to Php168,040 million in 2025 from Php166,346 million in 2024, primarily due to higher depreciation and amortization, and interconnection costs, partially offset by lower expenses related to general operating costs, cost of devices, accessories and contract-specific services, and asset impairment.

The following table shows the breakdown of our consolidated expenses by business segment for the years ended December 31, 2025 and 2024:

					Change	
	2025	%	2024	%	Amount	%
			(amounts in million Php)			
Wireless	86,583	51	86,653	52	(70)	—
Fixed Line	95,585	57	95,357	57	228	—
Others	7	—	90	—	(83)	(92)
Inter-segment transactions	(14,135)	(8)	(15,754)	(9)	1,619	10
Consolidated	168,040	100	166,346	100	1,694	1

Other Income (Expenses) – Net

Consolidated other expenses – net amounted to Php10,859 million in 2025, an increase of Php3,065 million, or 39%, from Php7,794 million in 2024, primarily due to the combined effects of the following: (i) higher net financing costs by Php2,668 million; (ii) lower net gains on derivative financial instruments by Php2,207 million; (iii) higher net foreign exchange losses by Php514 million;

(iv) lower interest income by Php197 million; (v) lower equity share in net losses by Php562 million; and (vi) higher other miscellaneous income – net by Php1,959 million.

Net Income

Consolidated net income decreased by Php2,337 million, or 7%, to Php30,218 million in 2025 from Php32,555 million in 2024. The decrease was mainly due to the combined effects of the following: (i) higher consolidated other expenses – net by Php3,065 million; (ii) higher consolidated expenses by Php1,694 million; (iii) higher consolidated revenues by Php1,555 million; and (iv) lower provision for income tax by Php867 million. Our consolidated basic and diluted EPS decreased to Php138.63 in 2025 from Php149.26 in 2024. Our weighted average number of outstanding common shares was approximately 216.06 million for each of the years ended December 31, 2025 and 2024.

EBITDA

Our consolidated EBITDA amounted to Php111,231 million in 2025, an increase of Php2,716 million, or 3%, as compared with Php108,515 million in 2024.

The following table shows the breakdown of our consolidated EBITDA by business segment for the years ended December 31, 2025 and 2024:

					Change	
	2025	%	2024	%	Amount	%
	(amounts in million Php)					
Wireless	57,589	52	55,634	51	1,955	4
Fixed Line	63,253	57	61,953	57	1,300	2
Others	(7)	—	(48)	—	41	85
Inter-segment transactions	(9,604)	(9)	(9,024)	(8)	(580)	(6)
Consolidated	111,231	100	108,515	100	2,716	3

See Item 6. Management's Discussion and Analysis of Financial Condition and Results of Operations – Management's Financial Review for the reconciliation of our consolidated net income to our consolidated EBITDA.

Telco Core Income

Our consolidated telco core income amounted to Php33,925 million in 2025, a decrease of Php1,213 million, or 3%, as compared with Php35,138 million in 2024, mainly due to higher financing costs and depreciation and amortization, partially offset by higher EBITDA and other miscellaneous income.

The following table shows the breakdown of our consolidated telco core income by business segment for the years ended December 31, 2025 and 2024:

					Change	
	2025	%	2024	%	Amount	%
	(amounts in million Php)					
Wireless	13,025	38	10,852	31	2,173	20
Fixed Line	27,877	82	34,372	98	(6,495)	(19)
Others	(113)	—	(32)	—	(81)	253
Inter-segment transactions	(6,864)	(20)	(10,054)	(29)	3,190	32
Consolidated	33,925	100	35,138	100	(1,213)	(3)

Core Income (Loss)

Our consolidated core income amounted to Php34,636 million in 2025, an increase of Php404 million, or 1%, as compared with Php34,232 million in 2024, mainly on account of higher EBITDA, equity share in net earnings of associates and joint ventures in 2025 as against equity share in net losses of associates and joint ventures in 2024, and higher other miscellaneous income, partially offset by higher depreciation and amortization and financing costs. Our consolidated basic and diluted core EPS increased to Php160.04 in 2025 from Php158.17 in 2024.

The following table shows the breakdown of our consolidated core income by business segment for the years ended December 31, 2025 and 2024:

					Change	
	2025	%	2024	%	Amount	%
	(amounts in million Php)					
Wireless	13,025	38	10,852	32	2,173	20
Fixed Line	27,877	80	34,518	101	(6,641)	(19)
Others	598	2	(1,084)	(3)	1,682	155
Inter-segment transactions	(6,864)	(20)	(10,054)	(30)	3,190	32
Consolidated	34,636	100	34,232	100	404	1

See Item 6. Management's Discussion and Analysis of Financial Condition and Results of Operations – Management's Financial Review for the reconciliation of our consolidated net income to our consolidated telco core income.

On a Business Segment Basis

Wireless

Revenues

We generated revenues of Php103,316 million from our Wireless business segment in 2025, a decrease of Php2,418 million, or 2%, from Php105,734 million in 2024.

The following table summarizes our total revenues by service from our Wireless business segment for the years ended December 31, 2025 and 2024:

					Increase (Decrease)	
	2025	%	2024	%	Amount	%
			(amounts in million Php)			
Service Revenues:						
Mobile	95,619	92	96,246	91	(627)	(1)
Fixed Wireless broadband	1,896	2	1,481	1	415	28
Other services[1]	53	—	52	—	1	2
Total Wireless Service Revenues	97,568	94	97,779	92	(211)	—
Non-Service Revenues:						
Sale of devices and accessories	5,748	6	7,955	8	(2,207)	(28)
Total Wireless Revenues	103,316	100	105,734	100	(2,418)	(2)

(1) Includes facility service fees.

Service Revenues

Our wireless service revenues decreased by Php211 million to Php97,568 million in 2025 as compared with Php97,779 million in 2024, primarily due to lower revenues from our legacy mobile services (voice and SMS), partially offset by higher revenues from mobile data and fixed wireless broadband services. As a percentage of our total wireless revenues, service revenues accounted for 94% and 92% in 2025 and 2024, respectively.

Wireless service revenues, net of interconnection costs, amounted to Php96,527 million in 2025, a decrease of Php281 million from Php96,808 million in 2024.

Mobile Services

Our mobile service revenues amounted to Php95,619 million in 2025, a decrease of Php627 million, or 1%, from Php96,246 million in 2024. Mobile service revenues accounted for 98% of our wireless service revenues in each of 2025 and 2024.

The following table shows the breakdown of our mobile service revenues for the years ended December 31, 2025 and 2024:

					Increase (Decrease)	
	2025	%	2024[1]	%	Amount	%
			(amounts in million Php)			
Mobile Services:						
Data	79,604	83	78,971	82	633	1
Voice	8,446	9	9,374	10	(928)	(10)
SMS	6,401	7	6,761	7	(360)	(5)
Others[2]	1,168	1	1,140	1	28	2
Total	95,619	100	96,246	100	(627)	(1)

(1) Certain amounts for the year ended December 31, 2024 were reclassified to conform with the current year presentation.
(2) Refers to other non-subscriber-related revenues.

Data Services

Mobile revenues from our data services, which include mobile internet, mobile broadband and other data services, increased by Php633 million, or 1%, to Php79,604 million in 2025 from Php78,971 million in 2024 due to higher mobile internet revenues, partially offset by lower mobile broadband data revenues.

Data services accounted for 83% and 82% of our mobile service revenues for the years ended December 31, 2025 and 2024, respectively.

The following table shows the breakdown of our mobile data service revenues for the years ended December 31, 2025 and 2024:

	2025	%	2024	%	Increase (Decrease) Amount	Increase (Decrease) %
	(amounts in million Php)					
Data Services:						
Mobile internet[1]	76,344	96	75,061	95	1,283	2
Mobile broadband	1,677	2	2,255	3	(578)	(26)
Other data	1,583	2	1,655	2	(72)	(4)
Total	79,604	100	78,971	100	633	1

(1) *Includes revenues from web-based services, net of discounts and content provider costs.*

Mobile Internet

Mobile internet service revenues increased by Php1,283 million, or 2%, to Php76,344 million in 2025 from Php75,061 million in 2024, primarily due to our mobile data offerings, such as Power All, Magic Data and Unli 5G offers. Smart continues to drive usage and top-ups via Smart App, the Smart Online Store, digital touchpoints and its retailer network. The increase in data traffic was driven by the 5G network expansion, growth of 5G devices, leading to higher 5G data usage.

Smart has also rolled out 5G offers and device financing through partnerships with credit card companies to drive more users on 5G. Smart also launched iPhones on prepaid to drive 5G adoption in the prepaid category.

Mobile internet services accounted for 80% and 78% of our mobile service revenues in 2025 and 2024, respectively.

Mobile Broadband

Mobile broadband revenues generated from the use of pocket WiFi, amounted to Php1,677 million in 2025, a decrease of Php578 million, or 26%, from Php2,255 million in 2024, primarily due to lower demand for pocket WiFi devices.

Mobile broadband services accounted for 2% of our mobile service revenues in each of 2025 and 2024.

Other Data

Revenues from our other data services, which include VAS and domestic leased lines, decreased by Php72 million, or 4%, to Php1,583 million in 2025 from Php1,655 million in 2024.

Voice Services

Mobile revenues from our voice services, which include all voice traffic, decreased by Php928 million, or 10%, to Php8,446 million in 2025 from Php9,374 million in 2024, due to subscribers' shift to alternative calling options, digital teleconferencing solutions, and other OTT services. Nevertheless, our core modernization phase 1 which was finished in the fourth quarter of 2025 has enabled better voice services such as VoLTE, Voice over WiFi (VoWiFi) and ViLTE which has improved our voice revenues despite our 3G shutdown. Mobile voice services accounted for 9% and 10% of our mobile service revenues in 2025 and 2024, respectively.

SMS Services

Mobile revenues from our SMS services, which include all SMS-related services, decreased by Php360 million, or 5%, to Php6,401 million in 2025 from Php6,761 million in 2024, mainly on account of the decline in SMS volumes resulting from the increased adoption of alternative messaging solutions such as OTT messaging, social media and chat applications. Mobile SMS services accounted for 7% of our mobile service revenues in each of 2025 and 2024.

Other Mobile Services

Mobile revenues from other services increased by Php28 million, or 2%, to Php1,168 million in 2025 from Php1,140 million in 2024 mainly due to higher other subscriber-related revenues.

Subscriber Base, ARPU and Churn Rates

The following table shows our mobile subscriber base as at December 31, 2025 and 2024:

	2025	2024	Increase (Decrease) Amount	Increase (Decrease) %
Mobile subscriber base[1]				
Prepaid	57,534,812	56,731,489	803,323	1
Smart[2]	*21,713,502*	*21,759,728*	*(46,226)*	*—*
TNT	*35,821,310*	*34,971,761*	*849,549*	*2*
Postpaid	2,356,708	2,258,318	98,390	4
Total	59,891,520	58,989,807	901,713	*2*

(1) *Includes mobile broadband subscribers.*
(2) *Includes KIQ subscribers.*

In view of the SIM Registration Act, we recognize a prepaid mobile subscriber as active upon registration of the SIM card. We consider a prepaid mobile subscriber as churned if the subscriber does not reload within 180 days after the full usage or expiry of the last reload.

The average monthly churn rates for Smart Prepaid subscribers were 2.5% and 2.2% in 2025 and 2024, respectively, while the average monthly churn rates for TNT subscribers were 2.3% and 2.0% in 2025 and 2024, respectively.

The average monthly churn rates for Postpaid subscribers were 1.2% and 1.1% in 2025 and 2024, respectively.

The following table summarizes our average monthly ARPUs for the years ended December 31, 2025 and 2024:

	Gross[1]		Increase (Decrease)		Net[2]		Increase (Decrease)	
	2025	2024	Amount	%	2025	2024	Amount	%
				(amounts in Php)				
Prepaid								
Smart	*132*	*137*	*(5)*	*(4)%*	*119*	*123*	*(4)*	*(3)%*
TNT	*112*	*115*	*(3)*	*(3)%*	*102*	*105*	*(3)*	*(3)%*
Postpaid	719	729	(10)	(1)%	670	688	(18)	(3)%

(1) Gross monthly ARPU is calculated by dividing gross mobile service revenues for the year, including interconnection income, but excluding inbound roaming revenues, gross of discounts, and content provider costs, by the average number of subscribers for the period.

(2) Net monthly ARPU is calculated by dividing gross mobile service revenues for the year, including interconnection income, but excluding inbound roaming revenues, net of discounts, and content provider costs, by the average number of subscribers for the period.

Fixed Wireless Broadband

Revenues from our Fixed Wireless Broadband services amounted to Php1,896 million in 2025, an increase of Php415 million, or 28%, from Php1,481 million in 2024.

Other Services

Revenues from our other services amounted to Php53 million in 2025, an increase of Php1 million, or 2%, from Php52 million in 2024.

Non-Service Revenues

Our wireless non-service revenues consist of sale of mobile handsets, broadband data routers and devices. Our wireless non-service revenues decreased by Php2,207 million, or 28%, to Php5,748 million in 2025 from Php7,955 million in 2024, primarily due to tighter credit parameters resulting in lower number of mobile handsets issued.

Expenses

Expenses associated with our Wireless business segment amounted to Php86,583 million in 2025, a decrease of Php70 million from Php86,653 million in 2024. The decrease was attributable to lower cost of devices, accessories and contract-specific services, general operating costs and asset impairment, partially offset by higher expenses related to depreciation and amortization and interconnection costs. As a percentage of our total wireless revenues, expenses associated with our Wireless business segment accounted for 84% and 82% in 2025 and 2024, respectively.

The following table summarizes the breakdown of our total wireless-related expenses for the years ended December 31, 2025 and 2024 and the percentage of each expense item in relation to the total:

					Increase (Decrease)	
	2025	%	2024	%	Amount	%
			(amounts in million Php)			
Depreciation and amortization	40,560	47	36,483	42	4,077	11
General operating costs	36,637	42	37,813	44	(1,176)	(3)
Cost of devices, accessories and cost-specific services	7,693	9	10,480	12	(2,787)	(27)
Asset impairment	652	1	906	1	(254)	(28)
	85,542	99	85,682	99	(140)	—
Interconnection costs	1,041	1	971	1	70	7
Total	86,583	100	86,653	100	(70)	—

General operating costs decreased by Php1,176 million, or 3%, from 2024 to Php36,637 million in 2025, primarily due to lower expenses related to selling and promotions, compensation and employee benefits, and professional and other contracted services, partially offset by higher expenses related to taxes and licenses, and repairs and maintenance.

Depreciation and amortization charges increased by Php4,077 million, or 11%, from 2024 to Php40,560 million in 2025, mainly on account of higher accelerated depreciation recognized in 2025 for the modernization of certain technology equipment, combined with the depreciation of newly capitalized property and equipment, and higher amortization of capitalized leases arising from the sale and leaseback of telecom towers.

Cost of devices, accessories and contract-specific services decreased by Php2,787 million, or 27%, from 2024 to Php7,693 million in 2025, primarily due to lower number of units issued for mobile handsets and lower SIM printing costs.

Interconnection costs increased by Php70 million, or 7%, from 2024 to Php1,041 million in 2025.

Asset impairment decreased by Php254 million, or 28%, from 2024 to Php652 million in 2025, primarily due to lower provision for inventory obsolescence.

Other Income (Expenses) – Net

The following table summarizes the breakdown of our total wireless-related other income (expenses) – net for the years ended December 31, 2025 and 2024:

			Change	
	2025	2024	Amount	%
	(amounts in million Php)			
Other Income (Expenses) – Net:				
Interest income	554	698	(144)	(21)
Gains on derivative financial instruments – net	350	1,434	(1,084)	(76)
Equity share in net earnings (losses) of associates and joint ventures	(11)	—	(11)	(100)
Foreign exchange gains (losses) – net	(12)	775	(787)	(102)
Financing costs – net	(9,941)	(9,763)	(178)	(2)
Other income – net	4,349	2,111	2,238	106
Total	(4,711)	(4,745)	34	1

Our Wireless business segment's other expenses – net amounted to Php4,711 million in 2025, a decrease of Php34 million, or 1%, from Php4,745 million in 2024, primarily due to the combined effects of the following: (i) lower net gains on derivative financial instruments by Php1,084 million mainly due to lower depreciation of the Philippine peso relative to the U.S. dollar in 2025 as compared to 2024; (ii) net foreign exchange losses of Php12 million in 2025 from net foreign exchange gains of Php775 million in 2024 mainly on account of revaluation of net foreign currency-denominated liabilities; (iii) higher net financing costs by Php178 million; (iv) lower interest income by Php144 million; (v) equity share in net losses of associates of Php11 million; and (vi) higher other income – net by Php2,238 million, which includes reversal of excess LTIP accrual.

Provision for Income Tax

Provision for income tax amounted to Php2,678 million in 2025, a decrease of Php598 million, or 18%, from Php3,276 million in 2024, mainly due to lower net income before tax.

Net Income

As a result of the foregoing, our Wireless business segment's net income decreased by Php1,716 million, or 16%, to Php9,344 million in 2025 from Php11,060 million in 2024.

EBITDA

Our Wireless business segment's EBITDA increased by Php1,955 million, or 4%, to Php57,589 million in 2025 from Php55,634 million in 2024. EBITDA margin increased to 59% in 2025 from 57% in 2024.

Core Income

Our Wireless business segment's core income increased by Php2,173 million, or 20%, to Php13,025 million in 2025 from Php10,852 million in 2024, mainly on account of higher EBITDA and other miscellaneous income, partially offset by higher depreciation and amortization, and financing costs.

Fixed Line

Revenues

Revenues generated from our Fixed Line business segment amounted to Php130,810 million in 2025, an increase of Php4,320 million, or 3%, from Php126,490 million in 2024.

The following table summarizes our total revenues by service from our Fixed Line business segment for the years ended December 31, 2025 and 2024:

					Increase (Decrease)	
	2025	%	2024[(1)]	%	Amount	%
			(amounts in million Php)			
Service Revenues:						
Data	99,068	76	96,269	76	2,799	3
Voice	31,226	24	29,660	24	1,566	5
Miscellaneous	61	—	65	—	(4)	(6)
Total Fixed Line Service Revenues	130,355	100	125,994	100	4,361	3
Non-Service Revenues:						
Sale of devices and accessories	455	—	496	—	(41)	(8)
Total Fixed Line Revenues	130,810	100	126,490	100	4,320	3

(1) *Certain amounts for the year ended December 31, 2024 were reclassified to conform with current presentation.*

Service Revenues

Our fixed line service revenues increased by Php4,361 million, or 3%, to Php130,355 million in 2025 from Php125,994 million in 2024, primarily due to higher revenues from our data and voice services.

Fixed Line service revenues, net of interconnection costs, amounted to Php114,122 million in 2025, an increase of Php2,447 million, or 2%, from Php111,675 million in 2024.

Data Services

Our data services, which include Home broadband, corporate data, and ICT, posted revenues of Php99,068 million in 2025, an increase of Php2,799 million, or 3%, from Php96,269 million in 2024, primarily due to higher revenues from Home broadband and ICT services, partially offset by lower revenues from corporate data and leased lines. The percentage contribution of this service segment to our fixed line service revenues accounted for 76% in each of 2025 and 2024.

The following table shows information of our data service revenues for the years ended December 31, 2025 and 2024:

					Increase (Decrease)	
	2025	%	2024	%	Amount	%
			(amounts in million Php)			
Data service revenues						
Home broadband	53,375	54	51,759	54	1,616	3
Corporate data and ICT	45,693	46	44,510	46	1,183	3
Total	99,068	100	96,269	100	2,799	3

Home Broadband

Home broadband data revenues amounted to Php53,375 million in 2025, an increase of Php1,616 million, or 3%, from Php51,759 million in 2024, mainly driven by the increasing demand for broadband services. Home broadband revenues accounted for 54% of fixed line data service revenues in each of 2025 and 2024.

Corporate Data and ICT

Corporate data services amounted to Php36,278 million in 2025, a decrease of Php398 million, or 1%, as compared with Php36,676 million in 2024, mainly due to lower revenues from legacy data networking services. Corporate data revenues accounted for 37% and 38% of our total data service revenues in 2025 and 2024, respectively.

ICT revenues increased by Php1,581 million, or 20%, to Php9,415 million in 2025 from Php7,834 million in 2024, mainly due to higher revenues from managed IT services, data center, and data and AI solutions. The percentage contribution of this service segment to our total data service revenues accounted for 9% and 8% in 2025 and 2024, respectively.

Voice Services

Revenues from our voice services increased by Php1,566 million, or 5%, to Php31,226 million in 2025 from Php29,660 million in 2024, primarily due to higher revenues from wholesale international voice of PLDT Global driven by higher traffic volume. Excluding wholesale international voice revenues of Php15,533 million and Php13,224 million in 2025 and 2024, respectively, our voice services decreased by Php743 million, or 5%, to Php15,693 million in 2025 from Php16,436 million in 2024.

The percentage contribution of voice service revenues to our fixed line service revenues accounted for 24% in each of 2025 and 2024.

Miscellaneous Services

Miscellaneous service revenues are derived mostly from rentals and management fees. These service revenues decreased by Php4 million, or 6%, to Php61 million in 2025 from Php65 million in 2024.

Non-service Revenues

Non-service revenues decreased by Php41 million, or 8%, to Php455 million in 2025 from Php496 million in 2024.

Expenses

Expenses related to our Fixed Line business segment totaled Php95,585 million in 2025, an increase of Php228 million as compared with Php95,357 million in 2024. The increase was primarily due to higher interconnection costs, and cost of devices, accessories and contract-specific services, partly offset by lower depreciation and amortization, and general operating costs. As a percentage of our total fixed line revenues, expenses associated with our Fixed Line business segment accounted for 73% and 75% in 2025 and 2024, respectively.

The following table shows the breakdown of our total fixed line-related expenses for the years ended December 31, 2025 and 2024 and the percentage of each expense item in relation to the total:

					Increase (Decrease)	
	2025	%	2024	%	Amount	%
			(amounts in million Php)			
General operating costs	43,867	46	44,850	47	(983)	(2)
Depreciation and amortization	26,928	28	29,132	30	(2,204)	(8)
Cost of devices, accessories and contract-specific services	5,239	6	3,641	4	1,598	44
Asset impairment	3,318	3	3,415	4	(97)	(3)
	79,352	83	81,038	85	(1,686)	(2)
Interconnection costs	16,233	17	14,319	15	1,914	13
Total	95,585	100	95,357	100	228	—

General operating costs decreased by Php983 million, or 2%, from 2024 to Php43,867 million in 2025, primarily due to lower expenses related to compensation and employee benefits, professional and other contracted services, and communication, training and travel, partially offset by higher expenses related to selling and promotions, rent and repairs and maintenance.

Depreciation and amortization charges decreased by Php2,204 million, or 8%, from 2024 to Php26,928 million in 2025, mainly due to lower accelerated depreciation recognized in 2025 for the modernization of certain technology equipment, partially offset by higher amortization of subscriber contract cost to fulfill and capitalized leases.

Interconnection costs increased by Php1,914 million, or 13%, from 2024 to Php16,233 million in 2025, primarily due to higher cost of wholesale international voice of PLDT Global driven by higher traffic volume. Excluding cost of wholesale international voice of Php15,269 million and Php12,987 million in 2025 and 2024, respectively, our interconnection costs decreased by Php368 million, or 28%, to Php964 million in 2025 from Php1,332 million in 2024.

Cost of devices, accessories and contract-specific services increased by Php1,598 million, or 44%, from 2024 to Php5,239 million in 2025, primarily due to higher cost of content and services from third-party vendors.

Asset impairment decreased by Php97 million, or 3%, from 2024 to Php3,318 million in 2025.

Other Income (Expenses) – Net

The following table summarizes the breakdown of our total fixed line-related other income (expenses) – net for the years ended December 31, 2025 and 2024:

			Change	
	2025	2024	Amount	%
	(amounts in million Php)			
Other Income (Expenses) – Net:				
Gains on derivative financial instruments – net	1,466	2,589	(1,123)	(43)
Interest income	171	230	(59)	(26)
Foreign exchange gains (losses) – net	(545)	(819)	274	(33)
Equity share in net losses of associates and joint ventures	(924)	(67)	(857)	(1,279)
Financing costs – net	(9,411)	(7,456)	(1,955)	(26)
Other income – net	8,350	13,283	(4,933)	(37)
Total	(893)	7,760	(8,653)	(112)

Our Fixed Line business segment's other expenses – net amounted to Php893 million in 2025, a change of Php8,653 million from other income – net of Php7,760 million in 2024, primarily due to the combined effects of the following: (i) lower other income – net by Php4,933 million mainly due to lower dividend income recognized from the subsidiaries of our wireless business segment; (ii) higher net financing costs by Php1,955 million mainly due to higher weighted average outstanding principal amounts, higher interest rates, and lower capitalized interest; (iii) lower gains on derivative financial instruments by Php1,123 million mainly due to lower depreciation of the Philippine peso to the U.S. dollar in 2025 as compared with 2024; (iv) higher equity share in net losses of associates by Php857 million mainly from Radius Telecoms ("Radius") and Cignal TV; (v) lower interest income by Php59 million; and (vi) lower net foreign exchange losses by Php274 million.

Provision for (Benefit from) Income Tax

Provision for income tax amounted to Php7,291 million in 2025, an increase of Php790 million, or 12%, from Php6,501 million in 2024, mainly due to higher taxable income.

Net Income

As a result of the foregoing, our Fixed Line business segment registered a net income of Php27,041 million in 2025, a decrease of Php5,351 million, or 17%, as compared with Php32,392 million in 2024.

EBITDA

Our Fixed Line business segment's EBITDA increased by Php1,300 million, or 2%, to Php63,253 million in 2025 from Php61,953 million in 2024. EBITDA margin remained stable at 49% in 2025 and 2024.

Core Income

Our Fixed Line business segment's core income decreased by Php6,641 million, or 19%, to Php27,877 million in 2025 from Php34,518 million in 2024, primarily due to lower other miscellaneous income and higher financing costs, partially offset by higher EBITDA.

Others

Revenues

Revenues generated from our Other business segment amounted to nil for each of the years ended December 31, 2025 and 2024.

Expenses

Expenses related to our Other business segment decreased by Php83 million to Php7 million in 2025 from Php90 million in 2024.

Other Income (Expenses) – Net

The following table summarizes the breakdown of other income (expenses) – net for Other business segment for the years ended December 31, 2025 and 2024:

			Change	
	2025	2024	Amount	%
	(amounts in million Php)			
Other Income (Expenses) – Net:				
Equity share in net gains (losses) of associates and joint ventures	507	(923)	1,430	155
Interest income	11	15	(4)	(27)
Foreign exchange gains (losses) – net	4	(75)	79	105
Other income – net	24	(5)	29	580
Total	546	(988)	1,534	155

Our Other business segment's other income – net amounted to Php546 million in 2025, a change of Php1,534 million from other expenses – net of Php988 million in 2024, primarily due to equity share in net income of MIH in 2025 as against equity share in net losses in 2024.

Net Income (Loss)

As a result of the foregoing, our Other business segment registered a net income of Php568 million in 2025, a change of Php1,637 million as against net loss of Php1,069 million in 2024.

Core Income (Loss)

Our Other business segment's core income amounted to Php598 million in 2025, a change of Php1,682 million as against core loss of Php1,084 million in 2024.

Years Ended December 31, 2024 and 2023

On a Consolidated Basis

Revenues

We reported consolidated revenues of Php216,833 million in 2024, an increase of Php5,880 million, or 3%, as compared with Php210,953 million in 2023, primarily due to higher consolidated revenues from data, voice and SMS services, partially offset by lower consolidated non-service revenues and fixed wireless broadband service revenues.

Our consolidated service revenues of Php208,382 million in 2024, increased by Php6,550 million, or 3%, from Php201,832 million in 2023. Our consolidated non-service revenues of Php8,451 million in 2024, decreased by Php670 million, or 7%, from Php9,121 million in 2023.

Consolidated service revenues, net of interconnection costs of Php13,718 million, amounted to Php194,664 million in 2024, an increase of Php3,250 million, or 2%, from Php191,414 million in 2023.

The following table shows the breakdown of our consolidated revenues by service for the years ended December 31, 2024 and 2023:

	Wireless	Fixed Line	Inter-segment Transactions	Consolidated
		(amounts in million Php)		
For the year ended December 31, 2024				
Service Revenues[1]				
Wireless	*97,779*		*(790)*	*96,989*
Mobile	96,246		(738)	95,508
Fixed Wireless broadband	1,481		—	1,481
Other services	52		(52)	—
Fixed Line		*125,994*	*(14,601)*	*111,393*
Voice[2]		29,660	(1,560)	28,100
Data		96,269	(13,041)	83,228
Home broadband		51,759	(18)	51,741
Corporate data and ICT		44,510	(13,023)	31,487
Miscellaneous		65	—	65
Total Service Revenues	97,779	125,994	(15,391)	208,382
Non-Service Revenues				
Sale of devices and accessories	7,955	496	—	8,451
Total Non-Service Revenues	7,955	496	—	8,451
Total Revenues	105,734	126,490	(15,391)	216,833
For the year ended December 31, 2023				
Service Revenues[1]				
Wireless	*95,677*		*(683)*	*94,994*
Mobile	94,007		(642)	93,365
Fixed Wireless broadband	1,629		—	1,629
Other services	41		(41)	—
Fixed Line		*120,336*	*(13,498)*	*106,838*
Voice[2]		26,686	(1,526)	25,160
Data		93,597	(11,972)	81,625
Home broadband		50,876	(24)	50,852
Corporate data and ICT		42,721	(11,948)	30,773
Miscellaneous		53	—	53
Total Service Revenues	95,677	120,336	(14,181)	201,832
Non-Service Revenues				
Sale of devices and accessories	8,724	398	(1)	9,121
Total Non-Service Revenues	8,724	398	(1)	9,121
Total Revenues	104,401	120,734	(14,182)	210,953

[1] *Certain amounts for the years ended December 31, 2024 and 2023 were reclassified to conform with the current presentation.*

[2] *Consolidated voice revenues include wholesale international voice of Php12,772 million and Php9,304 million with corresponding costs of Php12,535 million and Php9,258 million for the years ended December 31, 2024 and 2023, respectively.*

The following table shows the breakdown of our consolidated revenues by business segment for the years ended December 31, 2024 and 2023:

					Change	
	2024	%	2023	%	Amount	%
			(amounts in million Php)			
Wireless	105,734	49	104,401	50	1,333	1
Fixed Line	126,490	58	120,734	57	5,756	5
Inter-segment transactions	(15,391)	(7)	(14,182)	(7)	(1,209)	(9)
Consolidated	216,833	100	210,953	100	5,880	3

Expenses

Consolidated expenses decreased by Php3,913 million, or 2%, to Php166,346 million in 2024 from Php170,259 million in 2023, primarily due to lower expenses related to general operating costs, depreciation and amortization, cost of devices, accessories and contract-specific services, and provisions, partially offset by higher interconnection costs and asset impairment.

The following table shows the breakdown of our consolidated expenses by business segment for the years ended December 31, 2024 and 2023:

					Change	
	2024	%	2023	%	Amount	%
			(amounts in million Php)			
Wireless	86,653	52	82,827	49	3,826	5
Fixed Line	95,357	57	102,352	60	(6,995)	(7)
Others	90	—	18	—	72	400
Inter-segment transactions	(15,754)	(9)	(14,938)	(9)	(816)	(5)
Consolidated	166,346	100	170,259	100	(3,913)	(2)

Other Income (Expenses) – Net

Consolidated other expenses – net amounted to Php7,794 million in 2024, an increase of Php3,577 million, or 85%, from Php4,217 million in 2023, primarily due to the combined effects of the following: (i) lower other income – net from our Wireless business segment mainly on

account of a lower gain on sale and leaseback of telecom towers, and from our Fixed Line business segment owing mainly to lower dividend income recognized from the subsidiaries of Wireless business segment; (ii) higher net financing costs from our Fixed Line and Wireless business segments; (iii) net foreign exchange losses from our Fixed Line business segment in 2024 as compared with net foreign exchange gains in 2023; (iv) higher net gains on derivative financial instruments from our Fixed Line and Wireless business segments; and (v) lower equity share in net losses from our Fixed Line and Other business segments.

The following table shows the breakdown of our consolidated other income (expenses) – net by business segment for the years ended December 31, 2024 and 2023:

			Change	
	2024	2023	Amount	%
	(amounts in million Php)			
Wireless	(4,745)	1,485	(6,230)	(420)
Fixed Line	7,760	12,147	(4,387)	(36)
Others	(988)	(2,251)	1,263	56
Inter-segment transactions	(9,821)	(15,598)	5,777	37
Consolidated	(7,794)	(4,217)	(3,577)	(85)

Net Income

Consolidated net income increased by Php5,731 million, or 21%, to Php32,555 million in 2024 from Php26,824 million in 2023. The increase was mainly due to the combined effects of the following: (i) higher consolidated revenues by Php5,880 million; (ii) lower consolidated expenses by Php3,913 million; (iii) higher consolidated other expenses – net by Php3,577 million; (iv) higher provision for income tax by Php526 million; and (v) net loss from discontinued operations of Php41 million in 2023. Our consolidated basic and diluted EPS increased to Php149.26 in 2024 from Php122.91 in 2023. Our weighted average number of outstanding common shares was approximately 216.06 million for each of the years ended December 31, 2024 and 2023.

The following table shows the breakdown of our consolidated net income by business segment for the years ended December 31, 2024 and 2023:

					Change	
	2024	%	2023	%	Amount	%
	(amounts in million Php)					
Wireless	11,060	34	17,522	65	(6,462)	(37)
Fixed Line	32,392	99	26,514	99	5,878	22
Others	(1,069)	(3)	(2,270)	(8)	1,201	53
Inter-segment transactions	(9,828)	(30)	(14,901)	(56)	5,073	34
Continuing operations	32,555	100	26,865	100	5,690	21
Discontinued operations	—	—	(41)	—	41	100
Consolidated	32,555	100	26,824	100	5,731	21

EBITDA

Our consolidated EBITDA amounted to Php108,515 million in 2024, an increase of Php4,282 million, or 4%, as compared with Php104,233 million in 2023.

The following table shows the breakdown of our consolidated EBITDA by business segment for the years ended December 31, 2024 and 2023:

					Change	
	2024	%	2023	%	Amount	%
	(amounts in million Php)					
Wireless	55,634	51	54,369	52	1,265	2
Fixed Line	61,953	57	59,102	57	2,851	5
Others	(48)	—	(18)	—	(30)	(167)
Inter-segment transactions	(9,024)	(8)	(9,156)	(9)	132	1
Continuing operations	108,515	100	104,297	100	4,218	4
Discontinued operations	—	—	(64)	—	64	100
Consolidated	108,515	100	104,233	100	4,282	4

See Item 6. Management's Discussion and Analysis of Financial Condition and Results of Operations – Management's Financial Review for the reconciliation of our consolidated net income to our consolidated EBITDA.

Telco Core Income

Our consolidated telco core income amounted to Php35,138 million in 2024, an increase of Php797 million, or 2%, as compared with Php34,341 million in 2023, mainly due to higher EBITDA and lower equity share in net losses of associates and joint ventures, partially offset by higher depreciation and amortization and financing costs.

The following table shows the breakdown of our consolidated telco core income by business segment for the years ended December 31, 2024 and 2023:

	2024	%	2023	%	Change Amount	Change %
	(amounts in million Php)					
Wireless	10,852	31	11,750	34	(898)	(8)
Fixed Line	34,372	98	37,590	110	(3,218)	(9)
Others	(32)	—	65	—	(97)	(149)
Inter-segment transactions	(10,054)	(29)	(15,064)	(44)	5,010	33
Consolidated	35,138	100	34,341	100	797	2

Core Income (Loss)

Our consolidated core income amounted to Php34,232 million in 2024, an increase of Php1,811 million, or 6%, as compared with Php32,421 million in 2023, mainly on account of higher EBITDA and lower equity share in net losses of associates and joint ventures, partially offset by higher depreciation and amortization and financing costs. Our consolidated basic and diluted core EPS increased to Php158.17 in 2024 from Php149.78 in 2023.

The following table shows the breakdown of our consolidated core income by business segment for the years ended December 31, 2024 and 2023:

	2024	%	2023	%	Change Amount	Change %
	(amounts in million Php)					
Wireless	10,852	32	11,750	36	(898)	(8)
Fixed Line	34,518	101	37,886	117	(3,368)	(9)
Others	(1,084)	(3)	(2,110)	(7)	1,026	49
Inter-segment transactions	(10,054)	(30)	(15,064)	(46)	5,010	33
Continuing operations	34,232	100	32,462	100	1,770	5
Discontinued operations	—	—	(41)	—	41	100
Consolidated	34,232	100	32,421	100	1,811	6

See Item 6. Management's Discussion and Analysis of Financial Condition and Results of Operations – Management's Financial Review for the reconciliation of our consolidated net income to our consolidated telco core income.

On a Business Segment Basis

Wireless

Revenues

We generated revenues of Php105,734 million from our Wireless business segment in 2024, an increase of Php1,333 million, or 1%, from Php104,401 million in 2023.

The following table summarizes our total revenues by service from our Wireless business segment for the years ended December 31, 2024 and 2023:

	2024	%	2023	%	Increase (Decrease) Amount	Increase (Decrease) %
	(amounts in million Php)					
Service Revenues:						
Mobile	96,246	91	94,007	90	2,239	2
Fixed Wireless broadband	1,481	1	1,629	2	(148)	(9)
Other services[(1)]	52	—	41	—	11	27
Total Wireless Service Revenues	97,779	92	95,677	92	2,102	2
Non-Service Revenues:						
Sale of devices and accessories	7,955	8	8,724	8	(769)	(9)
Total Wireless Revenues	105,734	100	104,401	100	1,333	1

[(1)] *Includes facility service fees.*

Service Revenues

Our wireless service revenues increased by Php2,102 million, or 2%, to Php97,779 million in 2024 as compared with Php95,677 million in 2023, primarily due to higher revenues from mobile, partially offset by lower revenues from fixed wireless broadband. As a percentage of our total wireless revenues, service revenues accounted for 92% in each of 2024 and 2023.

Wireless service revenues, net of interconnection costs, amounted to Php96,808 million in 2024, an increase of Php1,965 million, or 2%, from Php94,843 million in 2023.

Mobile Services

Our mobile service revenues amounted to Php96,246 million in 2024, an increase of Php2,239 million, or 2%, from Php94,007 million in 2023. Mobile service revenues accounted for 98% of our wireless service revenues in each of 2024 and 2023.

The following table shows the breakdown of our mobile service revenues for the years ended December 31, 2024 and 2023:

	2024[1]	%	2023[1]	%	Increase (Decrease) Amount	%
	(amounts in million Php)					
Mobile Services:						
Data	78,971	82	75,725	81	3,246	4
Voice	9,374	10	11,474	12	(2,100)	(18)
SMS	6,761	7	5,733	6	1,028	18
Others[2]	1,140	1	1,075	1	65	6
Total	96,246	100	94,007	100	2,239	2

[1] *Certain amounts for the years ended December 31, 2024 and 2023 were reclassified to conform with the current presentation.*
[2] *Refers to other non-subscriber-related revenues.*

Data Services

Mobile revenues from our data services, which include mobile internet, mobile broadband and other data services, increased by Php3,204 million, or 4%, to Php78,971 million in 2024 from Php75,725 million in 2023 due to higher mobile internet revenues driven mainly by the continued strength of our mobile network, and promotion of data offers such as Power All, Double Giga and Magic Data, which cater to the needs of prepaid subscribers, partially offset by lower mobile broadband data revenues.

Data services accounted for 82% and 81% of our mobile service revenues for the years ended December 31, 2024 and 2023, respectively.

The following table shows the breakdown of our mobile data service revenues for the years ended December 31, 2024 and 2023:

	2024	%	2023	%	Increase (Decrease) Amount	%
	(amounts in million Php)					
Data Services:						
Mobile internet[1]	75,061	95	71,268	94	3,793	5
Mobile broadband	2,255	3	2,900	4	(645)	(22)
Other data	1,655	2	1,557	2	98	6
Total	78,971	100	75,725	100	3,246	4

[1] *Includes revenues from web-based services, net of discounts and content provider costs.*

Mobile Internet

Mobile internet service revenues increased by Php3,793 million, or 5%, to Php75,061 million in 2024 from Php71,268 million in 2023, primarily due to our mobile data offerings, such as All Access+, Power All, Magic Data, TNT's Saya All, and Smart Postpaid's Unli 5G plans. Smart continues to drive usage and top-ups via Smart App, the Smart Online Store and its retailer network.

Smart has also rolled out 5G offers and device financing through partnerships with credit card companies to drive more users on 5G. Smart also launched iPhones on prepaid to drive 5G adoption in the prepaid category.

Mobile internet services accounted for 78% and 76% of our mobile service revenues in 2024 and 2023, respectively.

Mobile Broadband

Mobile broadband revenues generated from the use of pocket WiFi, amounted to Php2,255 million in 2024, a decrease of Php645 million, or 22%, from Php2,900 million in 2023, primarily due to lower mobile broadband subscriber base.

Mobile broadband services accounted for 2% and 3% of our mobile service revenues in 2024 and 2023, respectively.

Other Data

Revenues from our other data services, which include VAS and domestic leased lines, increased by Php98 million, or 6%, to Php1,655 million in 2024 from Php1,557 million in 2023.

Voice Services

Mobile revenues from our voice services, which include all voice traffic, decreased by Php2,100 million, or 18%, to Php9,374 million in 2024 from Php11,474 million in 2023, due to subscribers' shift to alternative calling options, digital teleconferencing solutions, and other OTT services. To adapt to these evolving consumer behaviors, PLDT is accelerating its transition toward a mobile-data-centric ecosystem, leveraging its extensive 4G and 5G networks and investing in next-generation voice technologies.

To enhance call quality and improve customer experience, Smart has been providing its mobile users with VoLTE and VoWiFi services, enabling voice calls to be transmitted over high-speed digital networks. These technologies provide superior voice clarity and better integration with mobile data service, ensuring continued relevance of voice offerings within a data-first environment.

PLDT is also optimizing its network investments to sustain growth in high-speed connectivity and digital voice solutions, ensuring long-term revenue stability despite the industry-wide decline in traditional voice services.

Mobile voice services accounted for 10% and 12% of our mobile service revenues in 2024 and 2023, respectively.

SMS Services

Mobile revenues from our SMS services, which include all SMS-related services, increased by Php1,028 million, or 18%, to Php6,761 million in 2024 from Php5,733 million in 2023, mainly due to the increase in application-to-person (A2P) messaging services. While traditional person-to-person (P2P) SMS volumes continue to decline due to the rise of OTT messaging, social media, and chat applications, A2P messaging remains a key growth driver. Businesses are increasingly utilizing SMS for secure authentication, customer engagement, and real-time notifications, reinforcing its role as a critical communication channel for enterprises. Mobile SMS services accounted for 7% and 6% of our mobile service revenues in 2024 and 2023, respectively.

Others

Mobile revenues from other services increased by Php65 million, or 6%, to Php1,140 million in 2024 from Php1,075 million in 2023 mainly due to higher other subscriber-related revenues.

Subscriber Base, ARPU and Churn Rates

R.A. No. 11934 or the SIM Registration Act took effect on October 28, 2022. Under this law, all end-users are required to register their SIMs with public telecommunications entities ("PTEs") as a pre-requisite to the activation thereof. On September 18, 2023, the NTC issued Memorandum Order No. 010-09-2023 providing for guidelines for PTEs in the conduct of processes to verify submitted information and data by end-users of SIMs under the SIM Registration Act and its IRR.

The following table shows our mobile subscriber base as at December 31, 2024 and 2023:

			Increase (Decrease)	
	2024	2023	Amount	%
Mobile subscriber base[1]				
Prepaid	56,731,489	55,667,880	1,063,609	2
Smart	*21,759,728*	*21,530,993*	*228,735*	*1*
TNT	*34,971,761*	*34,136,887*	*834,874*	*2*
Postpaid	2,258,318	2,159,246	99,072	5
Total	58,989,807	57,827,126	1,162,681	*2*

(2) Includes mobile broadband subscribers.

In view of the SIM Registration Act, we recognize a prepaid mobile subscriber as active upon registration of the SIM card. Beginning the fourth quarter of 2023, we consider a prepaid mobile subscriber as churn if the subscriber does not reload within 180 days after the full usage or expiry of the last reload, and does not latch to the network within 180 days.

The average monthly churn rates for Smart Prepaid subscribers were 2.2% and 2.6% in 2024 and 2023, respectively, while the average monthly churn rates for TNT subscribers were 2.0% and 2.8% in 2024 and 2023, respectively.

The average monthly churn rates for Postpaid subscribers were 1.1% and 1.4% in 2024 and 2023, respectively.

Smart introduced the first prepaid eSIM in the country in July 2023 and introduced digital delivery of eSIMs in September 2023. Smart enabled physical SIM to eSIM upgrades in the second quarter of 2024 to help mitigate churn.

The following table summarizes our average monthly ARPUs for the years ended December 31, 2024 and 2023:

	Gross[1]		Increase (Decrease)		Net[2]		Increase (Decrease)	
	2024	2023	Amount	%	2024	2023	Amount	%
	(amounts in Php)							
Prepaid								
Smart	*137*	*135*	*2*	*1%*	*123*	*119*	*4*	*3%*
TNT	*115*	*110*	*5*	*5%*	*105*	*99*	*6*	*6%*
Postpaid	729	727	2	—	688	688	—	—

(1) Gross monthly ARPU is calculated by dividing gross mobile service revenues for the year, including interconnection income, but excluding inbound roaming revenues, gross of discounts, and content provider costs, by the average number of subscribers for the period.

(2) Net monthly ARPU is calculated by dividing gross mobile service revenues for the year, including interconnection income, but excluding inbound roaming revenues, net of discounts, and content provider costs, by the average number of subscribers for the period.

Fixed Wireless Broadband

Revenues from our Fixed Wireless Broadband services amounted to Php1,481 million in 2024, a decrease of Php148 million, or 9%, from Php1,629 million in 2023.

Other Services

Revenues from our other services amounted to Php52 million in 2024, an increase of Php11 million, or 27%, from Php41 million in 2023.

Non-Service Revenues

Our wireless non-service revenues consist of sale of mobile handsets, broadband data routers and devices. Our wireless non-service revenues decreased by Php769 million, or 9%, to Php7,955 million in 2024 from Php8,724 million in 2023, primarily due to a lower sale of postpaid mobile handsets.

Expenses

Expenses associated with our Wireless business segment amounted to Php86,653 million in 2024, an increase of Php3,826 million, or 5%, from Php82,827 million in 2023. The increase was attributable to higher expenses related to depreciation and amortization, provisions, general operating costs, and interconnection costs, partially offset by lower cost of devices, accessories and contract-specific services. As a percentage of our total wireless revenues, expenses associated with our Wireless business segment accounted for 82% and 79% in 2024 and 2023, respectively.

The following table summarizes the breakdown of our total wireless-related expenses for the years ended December 31, 2024 and 2023 and the percentage of each expense item in relation to the total:

					Increase (Decrease)	
	2024	%	2023	%	Amount	%
	(amounts in million Php)					
General operating costs	37,813	44	37,643	45	170	—
Depreciation and amortization	36,483	42	31,684	38	4,799	15
Cost of devices, accessories and contract-specific services	10,480	12	12,018	15	(1,538)	(13)
Asset impairment	906	1	648	1	258	40
	85,682	99	81,993	99	3,689	4
Interconnection costs	971	1	834	1	137	16
Total	86,653	100	82,827	100	3,826	5

General operating costs increased by Php170 million from 2023 to Php37,813 million in 2024, primarily due to higher expenses related to repairs and maintenance, and rent, partially offset by lower professional and other contracted services, compensation and employee benefits, selling and promotions, and communication, training and travel.

Depreciation and amortization charges increased by Php4,799 million from 2023, or 15%, to Php36,483 million in 2024, mainly on account of accelerated depreciation recognized for the modernization of certain technology equipment resulting mainly from the migration to cloud-based platform, combined with the depreciation of newly capitalized property and equipment, and the higher amortization of capitalized leases of telecom towers.

Cost of devices, accessories and contract-specific services decreased by Php1,538 million from 2023, or 13%, to Php10,480 million in 2024, primarily due to lower number of units issued for mobile handsets, and lower SIM registration and SIM printing costs.

Interconnection costs increased by Php137 million from 2023, or 16%, to Php971 million in 2024, primarily due to higher interconnection costs on A2P transactions.

Asset impairment increased by Php258 million from 2023, or 40%, to Php906 million in 2024, primarily due to higher provision for expected credit losses and provision for inventory obsolescence.

Other Income (Expenses) – Net

The following table summarizes the breakdown of our total wireless-related other income (expenses) – net for the years ended December 31, 2024 and 2023:

			Change	
	2024	2023	Amount	%
	(amounts in million Php)			
Other Income (Expenses) – Net:				
Gains on derivative financial instruments – net	1,434	114	1,320	1,158
Foreign exchange gains – net	775	981	(206)	(21)
Interest income	698	720	(22)	(3)
Financing costs – net	(9,763)	(9,034)	(729)	(8)
Other income – net	2,111	8,704	(6,593)	(76)
Total	(4,745)	1,485	(6,230)	(420)

Our Wireless business segment's other expenses – net amounted to Php4,745 million in 2024, a change of Php6,230 million as against other income – net of Php1,485 million in 2023, primarily due to the combined effects of the following: (i) lower other income – net by Php6,593 million mainly due to lower gain on sale and leaseback of telecom tower, gross of transactions, which decreased by Php6,335 million to Php1,442 million in 2024 from Php7,777 million in 2023; (ii) higher net financing costs by Php729 million mainly due to higher interest rates and lower capitalized interest; (iii) lower net foreign exchange gains by Php206 million mainly on account of revaluation of net foreign currency-denominated liabilities due to depreciation of the Philippine peso relative to the U.S. dollar in 2024 as compared to the appreciation of the Philippine peso relative to the U.S. dollar in 2023 ; (iv) lower interest income by Php22 million; and

(v) higher net gains on derivative financial instruments by Php1,320 million mainly due to the depreciation of the Philippine peso relative to the U.S. dollar in 2024 as compared to the appreciation of the Philippine peso relative to the U.S. dollar in 2023.

Provision for Income Tax

Provision for income tax amounted to Php3,276 million in 2024, a decrease of Php2,261 million, or 41%, from Php5,537 million in 2023, mainly due to lower net income before tax.

Net Income

As a result of the foregoing, our Wireless business segment's net income decreased by Php6,462 million, or 37%, to Php11,060 million in 2024 from Php17,522 million in 2023.

EBITDA

Our Wireless business segment's EBITDA increased by Php1,265 million, or 2%, to Php55,634 million in 2024 from Php54,369 million in 2023. EBITDA margin remained stable at 57% in 2024 and 2023.

Core Income

Our Wireless business segment's core income decreased by Php898 million, or 8%, to Php10,852 million in 2024 from Php11,750 million in 2023, mainly on account of higher depreciation and amortization, and financing costs, partially offset by higher EBITDA and lower provision for income tax.

Fixed Line

Revenues

Revenues generated from our Fixed Line business segment amounted to Php126,490 million in 2024, an increase of Php5,756 million, or 5%, from Php120,734 million in 2023.

The following table summarizes our total revenues by service from our Fixed Line business segment for the years ended December 31, 2024 and 2023:

					Increase (Decrease)	
	2024[1]	%	2023[1]	%	Amount	%
	(amounts in million Php)					
Service Revenues:						
Data	96,269	76	93,597	78	2,672	3
Voice	29,660	24	26,686	22	2,974	11
Miscellaneous	65	—	53	—	12	23
Total Fixed Line Service Revenues	125,994	100	120,336	100	5,658	5
Non-Service Revenues:						
Sale of devices and accessories	496	—	398	—	98	25
Total Fixed Line Revenues	126,490	100	120,734	100	5,756	5

[1] *Certain amounts for the years ended December 31, 2024 and 2023 were reclassified to conform with the current presentation.*

Service Revenues

Our fixed line service revenues increased by Php5,658 million, or 5%, to Php125,994 million in 2024 from Php120,336 million in 2023, primarily due to higher revenues from our voice, data and miscellaneous services.

Fixed Line service revenues, net of interconnection costs, amounted to Php111,675 million in 2024, an increase of Php2,469 million, or 2%, from Php109,206 million in 2023.

Data Services

Our data services, which include Home broadband, corporate data, and ICT portfolio with data center, cloud, cybersecurity, and managed IT offerings, posted revenues of Php96,269 million in 2024, an increase of Php2,672 million, or 3%, from Php93,597 million in 2023, primarily due to higher revenues from Home broadband, corporate data and leased lines, and ICT services, inclusive of intersegment transactions. The percentage contribution of this service segment to our fixed line service revenues accounted for 76% and 78% in 2024 and 2023, respectively.

The following table shows information of our data service revenues for the years ended December 31, 2024 and 2023:

					Increase (Decrease)	
	2024	%	2023	%	Amount	%
	(amounts in million Php)					
Data service revenues						
Home broadband	51,759	54	50,876	54	883	2
Corporate data and ICT	44,510	46	42,721	46	1,789	4
Total	96,269	100	93,597	100	2,672	3

Home Broadband

Home broadband data revenues amounted to Php51,759 million in 2024, an increase of Php883 million, or 2%, from Php50,876 million in 2023, mainly driven by the increasing demand for broadband services. Home broadband revenues accounted for 54% of fixed line data service revenues in each of 2024 and 2023.

Corporate Data and ICT

Corporate data services amounted to Php36,676 million in 2024, an increase of Php1,087 million, or 3%, as compared with Php35,589 million in 2023, mainly due to the sustained demand for broadband internet and data networking services. Corporate data revenues accounted for 38% of our total data service revenues in each of 2024 and 2023.

ICT revenues increased by Php702 million, or 10%, to Php7,834 million in 2024 from Php7,132 million in 2023, mainly due to higher revenues from managed IT, data center and cloud services. The percentage contribution of this service segment to our total data service revenues accounted for 8% in each of 2024 and 2023.

Voice Services

Revenues from our voice services increased by Php2,974 million, or 11%, to Php29,660 million in 2024 from Php26,686 million in 2023, primarily due to higher revenues from wholesale international voice of PLDT Global driven by higher traffic volume. Excluding wholesale international voice revenues of Php13,224 million and Php9,323 million in 2024 and 2023, respectively, our voice services decreased by Php927 million, or 5%, to Php16,436 million in 2024 from Php17,363 million in 2023.

The percentage contribution of voice service revenues to our fixed line service revenues accounted for 24% and 22% in 2024 and 2023, respectively.

Miscellaneous Services

Miscellaneous service revenues are derived mostly from rentals and management fees. These service revenues increased by Php12 million, or 23%, to Php65 million in 2024 from Php53 million in 2023.

Non-service Revenues

Non-service revenues increased by Php98 million, or 25%, to Php65 million in 2024 from Php53 million in 2023, primarily due higher sale of devices.

Expenses

Expenses related to our Fixed Line business segment totaled Php95,357 million in 2024, a decrease of Php6,995 million, or 7%, as compared with Php102,352 million in 2023. The decrease was primarily due to lower depreciation and amortization, general operating costs and provisions, partly offset by higher interconnection costs, cost of devices, accessories and contract-specific services and asset impairment. As a percentage of our total fixed line revenues, expenses associated with our Fixed Line business segment accounted for 75% and 85% in 2024 and 2023, respectively.

The following table shows the breakdown of our total fixed line-related expenses for the years ended December 31, 2024 and 2023 and the percentage of each expense item in relation to the total:

					Increase (Decrease)	
	2024	%	2023	%	Amount	%
			(amounts in million Php)			
General operating costs	44,850	47	47,469	46	(2,619)	(6)
Depreciation and amortization	29,132	31	36,855	36	(7,723)	(21)
Cost of devices, accessories and contract-specific services	3,641	4	3,114	3	527	17
Asset impairment	3,415	4	3,784	4	(369)	(10)
	81,038	85	91,222	89	(10,184)	(11)
Interconnection costs	14,319	15	11,130	11	3,189	29
Total	95,357	100	102,352	100	(6,995)	(7)

General operating costs decreased by Php2,619 million, or 6%, to Php44,850 million in 2024, primarily due to lower expenses related to selling and promotions, repairs and maintenance, professional and other contracted services, and communication, training and travel. This is partly offset by higher expenses related to rent and compensation and employee benefits.

Depreciation and amortization charges decreased by Php7,723 million, or 21%, to Php29,132 million in 2024, mainly due to accelerated depreciation and amortization in 2023 of subscriber contract cost to fulfill, partially offset by accelerated depreciation recognized in 2024 for the modernization of some core and transport network equipment, and depreciation of newly capitalized property and equipment.

Interconnection costs increased by Php3,189 million, or 29%, to Php14,319 million in 2024, primarily due to higher international interconnection costs of PLDT Global driven by higher traffic volume. Excluding cost of wholesale international voice of Php12,987 million and Php9,277 million in 2024 and 2023, respectively, our interconnection costs decreased by Php521 million, or 28%, to Php1,332 million in 2024 from Php1,853 million in 2023.

Cost of devices, accessories and contract-specific services increased by Php527 million, or 17%, to Php3,641 million in 2024, primarily due to higher cost of services, mainly from higher cost of content, and managed IT solutions and services.

Asset impairment decreased by Php369 million, or 10%, to Php3,415 million in 2024, primarily due to lower provision for expected credit losses, mainly on account of higher collection efficiency for Home.

Other Income (Expenses) – Net

The following table summarizes the breakdown of our total fixed line-related other income (expenses) – net for the years ended December 31, 2024 and 2023:

			Change	
	2024	2023	Amount	%
	(amounts in million Php)			
Other Income (Expenses) – Net:				
Gains on derivative financial instruments – net	2,589	1,084	1,505	139
Interest income	230	324	(94)	(29)
Equity share in net losses of associates and joint ventures	(67)	(595)	528	89
Foreign exchange gains (losses) – net	(819)	138	(957)	(693)
Financing costs – net	(7,456)	(6,824)	(632)	(9)
Other income – net	13,283	18,020	(4,737)	(26)
Total	7,760	12,147	(4,387)	(36)

Our Fixed Line business segment's other income – net amounted to Php7,760 million in 2024, a decrease of Php4,387 million, or 36%, from Php12,147 million in 2023, primarily due to the combined effects of the following: (i) lower other income – net by Php4,737 million mainly due to lower dividend income recognized from the subsidiaries of Wireless business segment; (ii) net foreign exchange losses of Php819 million in 2024 as against net foreign exchange gains of Php138 million in 2023 mainly due to the depreciation of the Philippine peso relative to the U.S. dollar in 2024 as compared to the appreciation of the Philippine peso relative to the U.S. dollar in 2023; (iii) higher net financing costs by Php632 million mainly due to higher interest rates and higher accretion on lease liabilities, partly offset by higher capitalized interest; (iv) lower interest income by Php94 million; (v) lower equity share in net losses of associates by Php528 million mainly due to lower equity share in net losses of Cignal TV; (vi) higher net gains on derivative financial instruments by Php1,505 million mainly due to the depreciation of the Philippine peso relative to the U.S. dollar in 2024 as compared to the appreciation of the Philippine peso relative to the U.S. dollar in 2023.

Provision for (Benefit from) Income Tax

Provision for income tax amounted to Php6,501 million in 2024, an increase of Php2,486 million, or 62%, from Php4,015 million in 2023, mainly due to higher net income before tax.

Net Income

As a result of the foregoing, our Fixed Line business segment registered a net income of Php32,392 million in 2024, an increase of Php5,878 million, or 22%, as compared with Php26,514 million in 2023.

EBITDA

Our Fixed Line business segment's EBITDA increased by Php2,851 million, or 5%, to Php61,953 million in 2024 from Php59,102 million in 2023. EBITDA margin remained stable at 49% in 2024 and 2023.

Core Income

Our Fixed Line business segment's core income decreased by Php3,368 million, or 9%, to Php34,518 million in 2024 from Php37,886 million in 2023, primarily due to lower other miscellaneous income and higher financing costs, partially offset by higher EBITDA.

Others

Revenues

Revenues generated from our Other business segment amounted to nil for each of the years ended December 31, 2024 and 2023.

Expenses

Expenses related to our Other business segment increased by Php72 million to Php90 million in 2024 from Php18 million in 2023.

Other Income (Expenses) – Net

The following table summarizes the breakdown of other income (expenses) – net for Other business segment for the years ended December 31, 2024 and 2023:

	2024	2023	Change	
			Amount	%
	(amounts in million Php)			
Other Income (Expenses) – Net:				
Interest income	15	7	8	114
Foreign exchange losses – net	(75)	(76)	1	1
Equity share in net losses of associates and joint ventures	(923)	(2,211)	1,288	58
Other income (expenses) – net	(5)	29	(34)	(117)
Total	(988)	(2,251)	1,263	56

Our Other business segment's other expenses – net amounted to Php988 million in 2024, a decrease of Php1,263 million, or 56%, from Php2,251 million in 2023, primarily due to lower equity share in net losses of associates and joint ventures by Php1,288 million mainly on account of lower equity share in net losses in MIH.

Net Loss

As a result of the foregoing, our Other business segment registered a net loss of Php1,069 million in 2024, a decrease of Php1,201 million, or 53%, from Php2,270 million in 2023.

Core Loss

Our Other business segment's core loss amounted to Php1,084 million in 2024, a decrease of Php1,026 million, or 49%, from Php2,110 million in 2023.

Capital Expenditure Plans

We are one of the leading telecommunications and digital services providers in the Philippines. We are committed to reinforcing our leading position by offering a broader range and higher quality products and services.

Our consolidated capital expenditures, net of additions subject to sale and leaseback from tower companies, totaled Php60,336 million, Php78,246 million and Php85,083 million for the years ended December 31, 2025, 2024 and 2023, respectively. Our capex spending was primarily focused on Wireless LTE (4G) coverage and capacity expansion, and rollout of new sites and 5G base stations in key business areas and dense communities nationwide, and Fixed Line's install, rollout, expansion and modernization of fiber optic transport network and backbone resiliency, and expansion of international submarine cable network. PLDT Group's capital expenditures were financed from internally generated funds, complemented by our borrowings and proceeds from sale of assets.

Our current estimate for our consolidated capital expenditures in 2026 will be in the mid-Php50 billion range, which is expected to be spent on network maintenance and expansion and IT projects, mainly to support the exponential rise in mobile data traffic, for broadband installations, and investments to support the growth of the corporate data and ICT businesses, including data centers. Our capital spending is focused on our objective of supporting the changing demand profile of our customers, allowing the delivery of a superior customer experience, and helping corporate customers to grow their businesses.

We plan to expand our LTE network in line with our intention to expand capacity in step with the growth in customer usage, and our desire to provide coverage to substantially all of the country's cities and municipalities. We are also heeding the government's call to expand telecommunications facilities to reach GIDAs. Furthermore, we are investing in building our 5G network to support an identified growth area in the mobile space. We intend to expand and upgrade our national and domestic transport network for cable fortification and resiliency in various locations. We continue to invest to expand capacity and improve resiliency of our international cable network which is critical in connecting the Philippines to the world. The design of our integrated network architecture optimizes the ability of PLDT to deliver diverse products and services offering to as wide a market as possible in the most cost-effective manner.

We also plan to continue upgrading our IT and service delivery platforms in order to facilitate real-time, on demand and personalized customer experience across all touch points and channels.

Our capital expenditure budget includes projects addressing the following objectives:

(1) Commercial expansion of capacity and footprint of our wired and wireless services, as well as new platforms to expand service offerings;

(2) Technical modernization of the PLDT Group's service delivery platform in order to realize operating and cost efficiencies, provision of greater resilience and redundancy for the network, and investments in additional cable systems;

(3) Continuing investments to expand our LTE and 5G network coverage and capacity;

(4) IT/Support Systems –upgrade of our IT and support systems, including investments to reinforce our cybersecurity platforms; and

(5) Investments to support the growth of our corporate data and ICT businesses, including data centers.

We expect to fund incremental capital expenditures from internally generated funds and debt financing.

We have adopted and implemented various operational enhancements to our policies, procedures and controls relating to our capital expenditure management processes, and we continue to review the same for any appropriate enhancements.

Liquidity and Capital Resources

The following table shows our consolidated cash flows for the years ended December 31, 2025, 2024 and 2023, as well as our consolidated capitalization and other consolidated selected financial data as at December 31, 2025 and 2024:

	2025	2024	2023
	(amounts in million Php)		
Cash Flows			
Net cash flows provided by operating activities	98,738	81,731	85,765
Net cash flows used in investing activities	(60,979)	(65,704)	(55,118)
Payment for purchase of property and equipment, including capitalized interest	*(62,864)*	*(68,257)*	*(78,435)*
Net cash flows used in financing activities	(35,927)	(22,331)	(39,418)
Net increase (decrease) in cash and cash equivalents	1,855	(6,166)	(9,034)

	2025	2024
	(amounts in million Php)	
Capitalization		
Interest-bearing financial liabilities:		
Long-term financial liabilities:		
Long-term debt	278,868	258,246
Current portion of interest-bearing financial liabilities:		
Long-term debt maturing within one year	16,180	23,340
Total interest-bearing financial liabilities	295,048	281,586
Total equity attributable to equity holders of PLDT	126,889	115,419
	421,937	397,005
Other Selected Financial Data		
Total assets	634,828	623,275
Property and equipment	327,989	318,069
Cash and cash equivalents	11,866	10,011
Short-term investments	10	136

Our consolidated cash and cash equivalents and short-term investments totaled Php11,876 million as at December 31, 2025. Principal sources of consolidated cash and cash equivalents in 2025 were cash flows from operating activities amounting to Php98,738 million, proceeds from availment of long-term debt of Php36,150 million, proceeds from availment of short-term debt of Php1,322 million, proceeds from disposal of property of equipment of Php1,220 million, mainly proceeds from the sale and leaseback of telecom towers, proceeds from disposal of investment in associates and joint ventures of Php775 million, mainly return of capital from investment in Vega Telecom, Inc. ("VTI") of Php600 million, and proceeds from disposal of AppCard Inc. shares of Php175 million; interest received of Php686 million and proceeds from maturity of short-term investment of Php126 million. These funds were used principally for: (1) purchase of property and equipment, including capitalized interest, of Php62,864 million; (2) long-term debt principal and interest payments of Php23,712 million and Php13,233 million, respectively; (3) cash dividends paid of Php20,590 million; (4) settlement of obligations under lease liabilities of Php14,328 million; (5) payment of short-term debt of Php1,022 million; (6) settlement of derivative financial instruments of Php243 million; and (7) payment for acquisition of investment in associates and joint ventures of Php186 million, mainly Smart's investment in Dream Fearlessly Technologies, Inc. ("DFTI").

Our consolidated cash and cash equivalents and short-term investments totaled Php10,147 million as at December 31, 2024. Principal sources of consolidated cash and cash equivalents in 2024 were cash flows from operating activities amounting to Php81,731 million, proceeds from availment of long-term debt of Php37,000 million, proceeds from disposal of property of equipment of Php4,827 million, mainly proceeds from the sale and leaseback of telecom towers, interest received of Php881 million, collection of derivative financial instruments of Php704 million, and proceeds from redemption of investment in debt securities of Php200 million. These funds were used principally for: (1) purchase of property and equipment, including capitalized interest, of Php68,257 million; (2) long-term debt principal and interest payments of Php12,059 million and Php10,740 million, respectively; (3) cash dividends paid of Php20,750 million; (4) settlement of obligations under lease liabilities of Php12,079 million; (5) payment for redemption of perpetual notes of Php4,200 million; (6) payment for acquisition of investment in associates and joint ventures of Php3,770 million, mainly PLDT's respective investments in Radius and Kayana, PCEV's additional investment in MIH, and Smart's investment in DFTI.

Operating Activities

Our consolidated net cash flows provided by operating activities increased by Php17,007 million, or 21%, to Php98,738 million in 2025 from Php81,731 million in 2024 primarily due to lower level of settlement of accounts payable, higher level of collection of receivables and higher operating income, partially offset by higher pension and other employee benefits, and higher level of settlement of accrued expenses and other current liabilities.

Our consolidated net cash flows provided by operating activities decreased by Php4,034 million, or 5%, to Php81,731 million in 2024 from Php85,765 million in 2023 primarily due to lower level of collection of receivables, higher level of settlement of accounts payable and accrued expenses and other current liabilities, and higher income taxes paid, partially offset by lower prepayments and higher operating income.

Cash flows provided by operating activities of our Wireless business segment decreased by Php1,581 million, or 3%, to Php56,512 million in 2025 from Php58,093 million in 2024, primarily due to higher level of settlement of accrued expenses and other current liabilities and higher pension and other employee benefits, partially offset by lower level of settlement of accounts payable and higher level of collection of receivables. Cash flows provided by operating activities of our Fixed Line business segment increased by Php7,475 million, or 16%, to Php54,072 million in 2025 from Php46,597 million in 2024 primarily due to higher collection of receivables and lower level of settlement of

accrued expenses and other current liabilities, partially offset by lower operating income. Cash flows used in operating activities of our Other business segment amounted to Php614 million in 2025 as against cash flows provided by operating activities of Php3,299 million in 2024 primarily due to higher level of settlement of accounts payable.

Cash flows provided by operating activities of our Wireless business segment decreased by Php8,866 million, or 13%, to Php58,093 million in 2024 from Php66,959 million in 2023, primarily due to higher level of settlement of accounts payable, and accrued expenses and other current liabilities, and lower level of collection of receivables, partially offset by higher operating income and lower prepayments. Cash flows provided by operating activities of our Fixed Line business segment decreased by Php7,175 million, or 13%, to Php46,597 million in 2024 from Php53,772 million in 2023, primarily due to higher level of settlement of accounts payable, accrued expenses and other current liabilities, higher prepayments and lower level of collection of accounts receivables, partially offset by higher operating income. Cash flows provided by operating activities of our Other business segment amounted to Php3,299 million in 2024 as against cash flows used in operating activities of Php133 million in 2023, primarily due to higher level of collection of receivables and lower level of settlement of accounts payable.

Investing Activities

Our consolidated net cash flows used in investing activities amounted to Php60,979 million in 2025, a decrease of Php4,725 million, or 7%, from Php65,704 million in 2024, primarily due to the combined effects of the following: (1) lower payment for purchase of property and equipment, including capitalized interest, by Php5,393 million; (2) net proceeds from investments in associates and joint ventures of Php589 million in 2025 due to return of capital in investment in VTI and proceeds from disposal of AppCard Inc. shares, net of Smart's additional investment in DFTI, as against payments for investments in associates and joint ventures of Php3,770 million in 2024, mainly PLDT's respective investments in Radius and Kayana, PCEV's additional investment in MIH and Smart's investment in DFTI; (3) lower proceeds from disposal of property and equipment by Php3,607 million, mainly lower proceeds from the sale and leaseback of telecom towers; (4) lower interest received by Php195 million; and (5) lower net proceeds from redemption of investment in debt securities by Php175 million.

Our consolidated net cash flows used in investing activities amounted to Php65,704 million in 2024, an increase of Php10,586 million, or 19%, from Php55,118 million in 2023, primarily due to the combined effects of the following: (1) lower proceeds from disposal of property and equipment by Php19,144 million, mainly lower proceeds from the sale and leaseback of telecom towers; (2) higher payment for acquisition of investments in associates and joint ventures by Php2,134 million, mainly PLDT's respective investments in Radius and Kayana, PCEV's additional investment in MIH, and Smart's investment in DFTI; (3) lower payment for purchase of property and equipment, including capitalized interest, by Php10,178 million; and (4) proceeds from redemption of investment in debt securities on Php200 million in 2024.

Our consolidated payment for purchase of property and equipment, including capitalized interest, in 2025 totaled Php62,864 million, a decrease of Php5,393 million, or 8%, as compared with Php68,257 million in 2024. Smart's payment for purchase of property and equipment, including capitalized interest, decreased by Php4,900 million, or 15%, to Php28,482 million in 2025 from Php33,382 million in 2024. PLDT's payment for purchase of property and equipment, including capitalized interest, decreased by Php853 million, or 3%, to Php27,236 million in 2025 from Php28,089 million in 2024. The balance represents other subsidiaries' capital spending.

Our consolidated payment for purchase of property and equipment, including capitalized interest, in 2024 totaled Php68,257 million, a decrease of Php10,178 million, or 13%, as compared with Php78,435 million in 2023. Smart's payment for purchase of property and equipment, including capitalized interest, decreased by Php8,701 million, or 21%, to Php33,382 million in 2024 from Php42,083 million in 2023. PLDT's payment for purchase of property and equipment, including capitalized interest, decreased by Php4,727 million, or 14%, to Php28,089 million in 2024 from Php32,816 million in 2023. The balance represents other subsidiaries' capital spending.

As part of our growth strategy, we may from time to time, continue to make acquisitions and investments in companies or businesses.

Financing Activities

On a consolidated basis, cash flows used in financing activities amounted to Php35,927 million in 2025, an increase of Php13,596 million, or 61%, from Php22,331 million in 2024, primarily due to the combined effects of the following: (1) higher payment of long-term debt by Php11,653 million; (2) higher interest paid by Php2,493 million; (3) higher settlement of obligations under capital lease by Php2,249 million; (4) settlements of derivative financial instruments of Php243 million in 2025 as against collections from derivative financial instruments of Php704 million in 2024; (5) lower proceeds from availment of long-term debt by Php850 million; and (6) payment for redemption of perpetual notes of Php4,200 million in 2024.

On a consolidated basis, cash flows used in financing activities amounted to Php22,331 million in 2024, a decrease of Php17,087 million, or 43%, from Php39,418 million in 2023, primarily due to the combined effects of the following: (1) lower payment of long-term debt by Php10,552 million; (2) payment of short-term debt of Php10,000 million in 2023; (3) lower cash dividends paid by Php2,578 million; (4) collection from derivative financial instruments of Php704 million in 2024 as against settlement of Php607 million in 2023; (5) payment for redemption of perpetual notes of Php4,200 million in 2024; (6) higher settlement of obligations under lease liabilities by Php1,372 million; (7) higher interest paid by Php1,025 million; and (8) lower proceeds from availment of long-term debt by Php1,000 million.

Debt Financing

Proceeds from availment of long-term and short-term debts for the year ended December 31, 2025 amounted to Php36,150 million and Php1,322 million, respectively, mainly from PLDT, Smart, Vitro and Multisys' drawings related to refinancing of maturing debt obligations and financing of capital expenditure requirements. Payments of principal on our long-term and short-term debts amounted to Php23,712 million and Php1,022 million, respectively, while payments of interest on our total debt amounted to Php13,223 million for the year ended December 31, 2025.

Proceeds from availment of long-term debt for the year ended December 31, 2024 amounted to Php37,000 million mainly from PLDT, Smart and ePLDT's drawings related to financing of capital expenditure requirements. Payments of principal on long-term debt amounted to Php12,059 million, while payments of interest on our total debt amounted to Php10,679 million for the year ended December 31, 2024.

Our consolidated long-term and short-term debts increased by Php13,462 million, or 5%, to Php295,048 million as at December 31, 2025 from Php281,586 million as at December 31, 2024 primarily due to drawings from our long-term facilities and the revaluation of foreign currency-denominated debt, partially offset by debt amortizations. As at December 31, 2025, PLDT's long-term and short-term debt level increased by Php4,469 million, or 3%, to Php174,971 million from Php170,502 million as at December 31, 2024, Smart's long-term and short-term debt level increased by Php3,654 million, or 4%, to Php107,147 million from Php103,493 million as at December 31, 2024, ePLDT's long-term debt level increased by Php5,039 million, or 66%, to Php12,630 million from Php7,591 million as at December 31, 2024, and Vitro's short-term debt of Php300 million as at December 31, 2025.

Our consolidated long-term and short-term debts increased by Php26,788 million, or 11%, to Php281,586 million as at December 31, 2024 from Php254,798 million as at December 31, 2023 primarily due to drawings from our long-term facilities and the revaluation of foreign currency-denominated debt, partially offset by debt amortizations. As at December 31, 2024, PLDT's long-term and short-term debt level increased by Php14,630 million, or 9%, to Php170,502 million from Php155,872 million as at December 31, 2023, Smart's long-term and short-term debt level increased by Php9,531 million, or 10%, to Php103,493 million from Php93,962 million as at December 31, 2023, and Vitro's long-term debt level increased by Php2,627 million, or 53%, to Php7,591 million from Php4,964 million as at December 31, 2023.

See *Note 20 – Interest-bearing Financial Liabilities – Long-term Debt* to the accompanying audited consolidated financial statements for a more detailed discussion of our long-term and short-term debts.

Debt Covenants

PLDT's debt instruments contain restrictive covenants, including covenants that require us to comply with specified financial ratios tests, at relevant measurement dates, principally at the end of each quarterly period. Smart's debt instruments contain certain restrictive covenants that require Smart to comply with specified financial ratios and other financial tests at semi-annual measurement dates. Vitro's debt instruments contain certain restrictive covenants that require Vitro to comply with specified financial ratios and other financial tests at quarterly measurement dates.

As at December 31, 2025 and 2024, we are in compliance with all of our debt covenants.

See *Note 20 – Interest-bearing Financial Liabilities – Compliance with Debt Covenants* to the accompanying audited consolidated financial statements for a more detailed discussion of our debt covenants.

Financing Requirements

We believe that our available cash, including cash flows from operations, will provide sufficient liquidity to fund our projected operating, investment, capital expenditures and debt service requirements for the next 12 months and in the long-term; however, we may finance a portion of these costs from external sources if we consider it prudent to do so.

The following table shows the dividends declared to common and preferred shareholders for the years ended December 31, 2025 and 2024:

Earnings	Date		Amount		
	Approved[1]	Record	Payable	Per share	Total Declared
				(amounts in million Php, except per share amount)	
2025					
Common Stock					
Regular Dividend	February 27, 2025	March 13, 2025	April 3, 2025	47	10,155
	August 12, 2025	August 28, 2025	September 10, 2025	48	10,370
Preferred					
Series IV Cumulative Non-convertible					
Redeemable Preferred Stock(1)	January 28, 2025	February 11, 2025	March 15, 2025	—	12
	May 15, 2025	May 22, 2025	June 15, 2025	—	12
	August 12, 2025	August 26, 2025	September 15, 2025	—	12
	November 11, 2025	November 25, 2025	December 15, 2025	—	13
Voting Preferred Stock	March 20, 2025	April 3, 2025	April 15, 2025	—	2
	June 10, 2025	June 24, 2025	July 15, 2025	—	3
	August 12, 2025	September 15, 2025	October 15, 2025	—	3
	December 2, 2025	December 16, 2025	January 15, 2026	—	2
Charged to Retained Earnings					20,584
2024					
Common Stock					
Regular Dividend	March 7, 2024	March 21, 2024	April 5, 2024	46	9,938
	August 13, 2024	August 27, 2024	September 11, 2024	50	10,803
Preferred					
Series IV Cumulative Non-convertible					
Redeemable Preferred Stock(1)	January 30, 2024	February 14, 2024	March 15, 2024	—	12
	May 9, 2024	May 24, 2024	June 15, 2024	—	13
	August 13, 2024	August 28, 2024	September 15, 2024	—	12
	November 12, 2024	November 28, 2024	December 15, 2024	—	12
Voting Preferred Stock	March 21, 2024	April 5, 2024	April 15, 2024	—	2
	June 11, 2024	June 28, 2024	July 15, 2024	—	3
	August 13, 2024	September 16, 2024	October 15, 2024	—	2
	December 3, 2024	December 17, 2024	January 15, 2025	—	3
Charged to Retained Earnings					20,800

(1) *Dividends were declared based on total amount subscribed.*

Our dividends declared after December 31, 2025 are detailed as follows:

Class	Date			Amount	
	Approved	Record	Payable	Per Share	Total
				(in million Php, except per share amount)	
Common					
Regular Dividend	February 26, 2026	March 26, 2026	April 16, 2026	46	9,939
Preferred					
Series IV Cumulative Non-convertible Redeemable Preferred Stock[1]	January 27, 2026	February 10, 2026	March 15, 2026	—	12
Charged to Retained Earnings					9,951

(1) *Dividends were declared based on total amount subscribed.*

See Item 5. “Market for Registrant’s Common Equity and Related Stockholder Matters – Dividends” and *Note 19 – Equity* to the accompanying audited consolidated financial statements in Item 7. “Financial Statements” for a detailed discussion of our dividend payments.

Credit Ratings

None of our existing indebtedness contains provisions under which credit rating downgrades would trigger a default, changes in applicable interest rates or other similar terms and conditions.

As at February 25, 2026, PLDT maintained its investment grade credit ratings as follows:

Rating Agency	Credit Rating
Moody’s Investors Service, or Moody’s	Baa2 with stable outlook (most recently published on February 24, 2026)
S&P Global (formerly Standard & Poor’s Ratings Services)	BBB with stable outlook (most recently published on November 23, 2025)

CRISP previously rated PLDT's retail peso bonds "AAA with stable outlook" and the credit rating agreement ended in 2024 following the full redemption of those bonds.

Changes in Financial Conditions

Assets

Our total assets amounted to Php634,828 million as at December 31, 2025, an increase of Php11,553 million, or 2%, from Php623,275 million as at December 31, 2024, primarily due to higher noncurrent assets, partly offset by lower current assets.

Our total assets amounted to Php623,275 million as at December 31, 2024, an increase of Php13,756 million, or 2%, from Php609,519 million as at December 31, 2023, primarily due to higher noncurrent assets, partly offset by lower current assets.

Noncurrent Assets

Our noncurrent assets increased by Php5,968 million, or 1%, to Php565,415 million in 2025 from Php559,447 million in 2024 primarily due to the combined effects of the following:

Property and equipment increased by Php9,920 million, or 3%, mainly due to higher capital expenditures, partly offset by depreciation for the year.

Right-of-use assets increased by Php9,666 million, or 25%, mainly due to additional sites leased, partially offset by depreciation for the year.

Investments in associates and joint ventures decreased by Php339 million, or 1%, mainly due to return of capital from investment in VTI, and equity share in net losses of Cignal TV and Radius, partially offset by net earnings in MIH, PLDT's subscription to Kayana's additional common shares and Smart's additional investment in DFTI.

Deferred income tax assets decreased by Php3,061 million, or 21%, mainly due to lower pension and other employee benefits, unearned revenues and unamortized past service pension costs.

Other noncurrent assets decreased by Php10,218 million, or 8%, mainly due to lower prepayments and other non-financial assets – net of current portion, partially offset by higher investment properties.

Our noncurrent assets increased by Php20,051 million, or 4%, to Php559,447 million in 2024 from Php539,396 million in 2023 primarily due to the combined effects of the following:

Property and equipment increased by Php30,966 million, or 11%, mainly due to higher capital expenditures, partly offset by depreciation and disposal for the year including sale to tower companies.

Right-of-use assets increased by Php6,394 million, or 20%, mainly due to the leaseback of telecom assets sold to tower companies, partially offset by depreciation for the year.

Investments in associates and joint ventures increased by Php2,456 million, or 5%, mainly due to PLDT's investments in Radius and Kayana, PCEV's additional investment in MIH and Smart's investment in DFTI, partially offset by equity share in net losses of MIH and other associates and joint ventures.

Deferred income tax assets decreased by Php3,529 million, or 19%, mainly due to lower deferred tax on unearned revenues, pension and other employee benefits, and unamortized past service pension costs.

Other noncurrent assets decreased by Php16,236 million, or 11%, mainly due to lower advances to suppliers and contractors.

Current Assets

Our current assets increased by Php5,585 million, or 9%, to Php69,413 million in 2025 from Php63,828 million in 2024 primarily due to the combined effects of the following:

Cash and cash equivalents increased by Php1,855 million, or 19%, mainly due to the combined effects of cash flows provided by operating activities of Php98,738 million, cash flows used in investing activities of Php60,979 million, and cash flows used in financing activities of Php35,927 million.

Trade and other receivables decreased by Php245 million, or 1%, mainly due to lower receivables from dealers, agents and others.

Other current assets increased by Php3,975 million, or 18%, mainly due to higher current portion of prepayments, partially offset by lower inventories and supplies.

Our current assets decreased by Php6,295 million, or 9%, to Php63,828 million in 2024 from Php70,123 million in 2023 primarily due to the combined effects of the following:

Cash and cash equivalents decreased by Php6,166 million, or 38%, mainly due to the combined effects of cash flows provided by operating activities of Php81,731 million, cash flows used in investing activities of Php65,704 million, and cash flows used in financing activities of Php22,331 million.

Trade and other receivables increased by Php5,526 million, or 21%, mainly due to higher receivables from corporate subscribers, and receivables from dealers, agents and others.

Other current assets decreased by Php5,655 million, or 20%, mainly due to lower current portion of prepayments and assets classified as held-for-sale.

Liabilities

Our total liabilities amounted to Php506,745 million as at December 31, 2025, an increase of Php205 million from Php506,540 million as at December 31, 2024, primarily due to higher noncurrent liabilities by Php29,524 million, or 9%, partially offset by lower current liabilities by Php29,319 million, or 16%.

Noncurrent and current interest-bearing financial liabilities increased by Php13,462 million, or 5%, primarily due to drawings from our long-term facilities and the revaluation of foreign currency-denominated debt, partially offset by debt amortizations.

Other noncurrent liabilities increased by Php8,902 million, or 15%, primarily due to higher lease liabilities – net of current portion.

Accounts payable decreased by Php10,343 million, or 16%, primarily due to lower payables to suppliers and contractors.

Other current liabilities decreased by Php11,816 million, or 12%, primarily due to lower accrued expenses and other current liabilities and income tax payable, partially offset by higher lease liabilities.

Our total liabilities amounted to Php506,540 million as at December 31, 2024, an increase of Php7,407 million, or 1%, from Php499,133 million as at December 31, 2023, primarily due to higher noncurrent liabilities by Php15,618 million, or 5%, partially offset by lower current liabilities by Php8,211 million, or 4%.

Noncurrent and current interest-bearing financial liabilities increased by Php26,788 million, or 11%, primarily due to drawings from our long-term facilities and the revaluation of foreign currency-denominated debt, partially offset by debt amortizations.

Other noncurrent liabilities increased by Php524 million, or 1%, primarily due to higher lease liabilities – net of current portion, partly offset by lower pension and other employee benefits and unearned revenues.

Accounts payable decreased by Php14,292 million, or 18%, primarily due to lower payables to suppliers and contractors.

Other current liabilities decreased by Php5,613 million, or 5%, primarily due to accrued expenses and other current liabilities and lower income tax payable.

Off-Balance Sheet Arrangements

There are no off-balance sheet arrangements that have or are reasonably likely to have any current or future effect on our financial position, results of operations, cash flows, changes in stockholders' equity, liquidity, capital expenditures or capital resources that are material to investors.

Equity Financing

The PLDT Board of Directors approved the amendment of our dividend policy on August 2, 2016, reducing our dividend payout rate to 60% of our core earnings per share as regular dividends. This was in view of our elevated capital expenditures to build out a robust, superior network to support the continued growth of data traffic, plans to invest in new adjacent businesses that will complement the current business and provide future sources of profits and dividends, and management of our cash and gearing levels. We began basing our dividend payout on telco core income in 2019. In declaring dividends, we take into consideration the interest of our shareholders, as well as our working capital, capital expenditures and debt servicing requirements. The retention of earnings may be necessary to meet the funding requirements of our business expansion and development programs. Depending on business funding requirements and investment opportunities, we may consider the option of returning additional cash to our shareholders in the form of special dividends of up to the balance of our core earnings or to undertake share buybacks. We were able to pay out approximately 100% of our core earnings for seven consecutive years from 2007 to 2013, approximately 90% of our core earnings for 2014, 75% of our core earnings for 2015, 60% of our core earnings from 2016 to 2018, and 60% of our telco core income from 2019 to 2025. In addition, we paid special dividends of 28% of our telco core earnings in 2022, bringing the total payout ratio to 88% for that year. The accumulated equity in the net earnings of our subsidiaries, which forms part of our retained earnings, is not available for distribution unless realized in the form of dividends from such subsidiaries. Dividends are generally paid in Philippine pesos. In the case of shareholders residing outside the Philippines, PLDT's transfer agent in Manila, Philippines, as the dividend-disbursing agent, converts the Philippine peso dividends into U.S. dollars at the prevailing exchange rate and remits the dollar dividends abroad, net of any applicable withholding tax and fees, in the case of the ADS.

Our subsidiaries pay dividends subject to the requirements of applicable laws and regulations and availability of unrestricted retained earnings, without any restriction imposed by the terms of contractual agreements. Notwithstanding the foregoing, the subsidiaries of PLDT may, at any time, declare and pay such dividends depending upon the results of operations and future projects and plans, the respective subsidiary's earnings, cash flow, financial condition, capital investment requirements and other factors.

Consolidated cash dividend payments paid to shareholders amounted to Php20,590 million, Php20,750 million, and Php23,328 million as at December 31, 2025, 2024 and 2023, respectively.

Contractual Obligations and Commercial Commitments

Various Trade and Other Obligations

PLDT Group has various obligations to suppliers for the acquisition of phone and network equipment, contractors for services rendered on various projects, foreign administrations and domestic carriers for the access charges, shareholders for unpaid dividends distributions, employees for benefits and other related obligations, and various business and operational related agreements. Total obligations under these

various agreements amounted to approximately Php116,307 million and Php133,811 million as at December 31, 2025 and 2024, respectively. See *Note 22 – Accounts Payable* and *Note 23 – Accrued Expenses and Other Current Liabilities* to the accompanying audited consolidated financial statements in Item 7. "Financial Statements".

Commercial Commitments

Major Network Vendors

Significant commitment in respect of major network vendors, net of advances and deliveries, amounted to about Php19,700 million and Php15,900 million as at December 31, 2025 and 2024, respectively.

Other Capital Expenditure Vendors

Commitments related to non-major capital expenditure vendors, net of advances and deliveries, amounted to Php16,900 million and Php11,200 million as at December 31, 2025 and 2024, respectively.

We have no outstanding commercial commitments, in the form of letters of credit, as at December 31, 2025 and 2024.

Quantitative and Qualitative Disclosures about Market Risks

The main risks arising from our financial instruments are liquidity risk, foreign currency exchange risk, interest rate risk and credit risk. The importance of managing those risks has significantly increased in light of the considerable change and volatility in both the Philippine and international financial markets. Our Board of Directors reviews and approves policies for managing each of these risks. We also monitor the market price risk arising from all financial instruments.

See *Note 27 – Financial Assets and Liabilities – Financial Risk Management Objectives and Policies* to the accompanying audited consolidated financial statements in Item 7. "Financial Statements" for a detailed discussion.

Impact of Inflation and Changing Prices

Inflation can be a significant factor in the Philippine economy and we are continually seeking ways to minimize its impact. The average inflation rate in the Philippines for the years ended December 31, 2025 and 2024 were 1.7% and 3.2%, respectively. The risks to the inflation outlook are continuing constraints in the supply of key food items, the adverse impact of climate change on food and electricity prices, and the effects of potential increases in transport fares and minimum wages.

Risks and Uncertainties

You should carefully consider all of the information in this annual report, including the risks and uncertainties described below. If any of these risks materialize, they could have a material adverse effect on our business, financial condition or results of operations and may cause the trading price of our ADSs to decline, potentially resulting in the loss of all or part of your investment.

Risks Relating to Us

Increased competition in the telecommunications sector may diminish our market share and profitability, while changes in the competitive and regulatory landscape could further exacerbate adverse effects on our business.

Increasing competition among telecommunications services providers, including new operators, as well as small telecommunications companies, cable tv providers, and those P2P resellers with VAS license from the NTC, could significantly impact our business and prospects by, among other factors, necessitating price reductions, hindering growth of our customer base and reducing usage of our services. Competition is intense for both mobile and fixed line services, with factors such as network coverage, service quality, product offerings, and price as considerations for subscriber preference, potentially requiring increased capital expenditures for capacity and coverage expansion.

The mobile telecommunications industry has experienced intense price competition as operators have attempted to expand market share, especially in light of a maturing voice and SMS market. Competition has now pivoted to data services, prioritizing customer experience over pricing. Our competitors in fixed line broadband, Globe Telecom, Inc. (Globe), and Converge ICT Solutions, Inc. (Converge), a pure fiber broadband provider, are heavily investing in expanding their respective fiber presence. Meanwhile, DITO Telecommunity Corporation (DITO) is aggressively expanding its footprint. In addition, we face competition from regional and niche service providers, including members of PAPTELCO, cable television operators offering broadband services, small and regional internet service providers, and other community-based access providers, whose participation has increased as regulatory developments have lowered barriers to entry, particularly in underserved and rural areas.

Developments in law, regulations and/or Government initiatives may increase competition and cause us to lose customers. In 2022, the amendment to the Public Service Act was approved which effectively removed the 40% foreign ownership restriction on telecommunication companies which could result in increased competition. Prior to this, as part of its push to encourage competition within the telecommunications industry, the Philippine Government introduced various measures to facilitate and enable the operations of new players, including a tower sharing policy, MNP, and removal of mobile interconnect charges. We cannot guarantee you that in the future, there will not be similar changes in law, regulations or Government initiatives that may adversely affect our competitiveness.

Our ability to compete depends on factors like network coverage and capacity, service quality, pricing, product innovation, sales channels, and financial resources. To uphold our competitive stance, our success hinges on our ability to anticipate and respond to industry shifts,

including technological advancements, evolving consumer preferences, and economic trends. Failure to identify and respond to these challenges could adversely impact our business. In addressing the intense competition, we may need to adjust our pricing strategies and allocate resources to network upgrades, which could lead to lower revenues and higher costs. Moreover, the potential entry of new competitors and customer churn may require increasing marketing and capital expenditures, thereby impacting our overall profitability. We cannot assure you that the number of providers of telecommunications services will not increase in the future or that competition for customers will not result in the loss of customers, including due to our mobile and fixed line subscribers switching to other operators. Any of the foregoing events could result in a reduction in our profitability.

Republic Act 12234, or the Konektadong Pinoy (KP) Act further reshapes the competitive landscape by liberalizing the data transmission sector and reducing regulatory barriers for new entrants. The KP Act establishes an open-access regime in the data transmission sector, removes the legislative franchise requirement for such services, mandates infrastructure sharing for items included in the regulators' Access List, and introduces a Spectrum Management Policy Framework allowing periodic review, recall, and reassignment of spectrum. These changes may heighten competitive intensity and require the PLDT Group to provide access to certain infrastructure and services on fair and non-discriminatory terms, while complying with pricing transparency, performance standards, and spectrum reassessment obligations, potentially affecting operating flexibility, capital allocation, and margins over time.

Separately, the proposed Data Rollover Bill may materially affect our revenue profile and product-design strategies by requiring public telecommunications entities to carry over unused data allocations to the next billing cycle. This reduces breakage revenue, affects predictability of consumption behavior, and may diminish the effectiveness of volume-tiered plans. The mandated rollover of unused data could intensify price-based competition, pressure ARPU and require adjustments to network-capacity planning to accommodate more variable usage patterns. Failure to adapt our service offerings and systems to these requirements may adversely affect customer experience and profitability.

The rapid advancement of disruptive innovations by new and emerging technologies may outpace our ability to compete and/or manage the risk appropriately, resulting in a possible decline in demand for our services, significant changes to our business model and a material adverse effect on our business, results of operations, financial condition and prospects.

The growing use of mobile data in the Philippines, along with the widespread adoption of OTT services and video conferencing applications, have negatively impacted our traditional revenue sources such as SMS and domestic calling services in recent years. We also face growing competition from providers utilizing alternative wireless technologies and IP-based networks, including the Philippine Government's initiatives to roll-out its free WiFi services in select areas within various municipalities. Moreover, net settlement payments between PLDT and other foreign telecommunications carriers for origination and termination of international call traffic between the Philippines and other countries, which have been our predominant source of foreign currency revenues, are expected to continue their sequential decline with their contribution to our total service revenues significantly diminished.

While increasing mobile data usage positively impacted our data revenues and is expected to continue driving growth, there is no guarantee that such increase will fully offset the decline in revenues from our traditional services. We may not be able to maintain and attract customers more effectively than our competitors. We must also invest in additional capacity, infrastructure, cybersecurity, systems and personnel to provide high quality services that accommodate increasing mobile data usage. As a result, our capital costs could increase as we phase out outdated and unprofitable technologies and invest in new ones.

We may not be able to accurately predict further technological trends or successfully adopt or implement new technologies in our business. Some of our competitors may be more successful than us in the development and implementation of new technologies, including services and platforms using artificial intelligence, to address customer demand or improve operations. If we are unable to adequately advance our capabilities in these areas, or do so but at a slower pace than others in our industry, we may be at a competitive disadvantage. In addition, there could be legal or regulatory constraints on our introduction of new services. If our services fail to gain acceptance in the marketplace, or if costs associated with implementation and completion of the introduction of these services materially increase relative to what the market is willing to pay, our ability to retain and attract customers could be adversely affected.

Developments in AI technologies, and its governing legal and regulatory frameworks, are rapidly evolving, and could significantly disrupt the telecommunications industry and subject us to increased competition, legal and regulatory risks and compliance costs, which could have a material adverse effect on our business, financial condition and results of operations. The full extent of risks related thereto is difficult to predict. We are actively integrating AI into our operations, starting with a smart voice AI solution to enhance payment collections. Additionally, leveraging AI to improve employee productivity by assisting with document creation, email and communication management, collaborative work, presentation development, and data analysis. As we continue assessing its capabilities, we are working towards embedding AI across our infrastructure, processes, and strategic workflows to drive efficiency and innovation. We also aim to leverage AI-driven analytics to generate deeper business insights, drive and offer hyper-personalized customer service and promotions using machine learning models. AI-powered initiatives will also be instrumental in unlocking wireless growth, particularly in 5G monetization strategies. Market demand, acceptance of AI technologies and the business case for AI are uncertain at this point. Potential litigation or government regulation related to AI may also increase the burden and cost of research and development in this area, subjecting us to reputational harm, competitive harm or legal liability. Among other pitfalls, such tools may inadvertently generate or reveal confidential information, or may produce responses that are erroneous, biased, inaccurate, illegal or unethical. Failure to address perceived or actual technical, legal, compliance, privacy, security, ethical or other issues relating to the use of AI technologies could adversely affect our business and operating results.

Regulations relating to AI technologies may also impose on us certain obligations and costs related to monitoring and compliance. There is uncertainty around the regulation of AI technologies as the Philippine government is in the process of defining its own laws and policies amidst the creation of new AI-related laws in other jurisdictions. The Department of Trade and Industry has developed the National AI Strategy for the Philippines. A bill has been filed in Congress (HB No. 7396 "An Act Promoting the Development and Regulation of Artificial Intelligence in the Philippines") proposing the creation of an Artificial Intelligence Development Authority and is pending with the

Committee on Information and Communications Technology. PLDT has an Ethical AI Policy that governs its approach and initiatives involving AI.

The success of our business depends on our ability to maintain and enhance our brands.

We believe that our reputation and brands in the industry are crucial to the success of our business. To maintain and enhance our reputation and brands, we must continue providing relevant products and services, combined with the best customer experience, such that we not only maintain our current customer base but also attract new subscribers as well. If we are unsuccessful in maintaining our reputation and improving our brands, our business, financial position and results of operations may be negatively affected.

Our reliance on arrangements with technology vendors, other partnerships and/or joint ventures, and any disruptions to such arrangements may result in disruption to our business operations and adversely affect our supply of equipment and results of operations, financial condition, reputation and business prospects.

As part of our extensive capital expenditures program to enhance our fixed and wireless networks infrastructure and IT systems to fully support business requirements, we have entered into agreements with vendors, to upgrade and modernize significant portions of our IT infrastructure. However, we cannot guarantee that these initiatives will be completed on schedule, or at all, or as intended. Furthermore, we cannot guarantee that such initiatives will not result in service disruptions, network outages or other issues that may detrimentally affect our service delivery and consumer experience. This may adversely affect our business, financial condition and results of operations.

Due to our reliance on third party vendors, our business operations may be negatively impacted by global geopolitical and public health developments (such as COVID-19), which can disrupt supply chains, delay network construction, and impact service delivery. Any adverse changes in import policies, including increases in import duties and tariffs, or any embargo on imports from countries from which our vendors supply or countries supplying our vendors, may also adversely impact our business, prospects, results of operations and cash flows. Trade tensions between the United States and major trading partners continue to escalate following the introduction of a series of tariff measures by the United States and/or its trading partners. Economic and trade sanctions have been threatened and/or imposed by the U.S. government on a number of People's Republic of China (PRC)-based technology companies, including Huawei Technologies Co., Ltd. (Huawei), a key vendor for our telecommunications equipment and software licenses, and with whom we have partnered with to develop and offer outcome-based cloud solutions. The United States has also in certain circumstances imposed and threatened to impose further sanctions, trade embargoes and other heightened regulatory requirements on the PRC and PRC-based technology companies. The United States government has brought enforcement actions against Huawei and companies who engaged in unauthorized transactions with Huawei. While our partnership with Huawei is not currently subject to such sanctions or trade embargoes, there is no assurance that the United States or other jurisdictions will not impose similar or more expansive restrictions that may materially and adversely affect or restrict our relationships or collaborations with our vendors, including Huawei and its designated entities, thereby adversely affecting our reputation, competitiveness and business operations.

Some of our third-party vendors may encounter financial difficulties or consolidate with other vendors. This may result in a shrinking of the already limited pool of qualified vendors which may in turn, materially impact the third-party vendors' ability to fulfill their obligations and thereby impact our operations. The limited number of available vendors may also result in our dependence on a single vendor to provide critical services.

Our ability to generate revenues could be disrupted if our suppliers are no longer able or willing to supply us. In the event that any of our suppliers cannot or will not provide us with the required products, we may be forced to find alternative suppliers. There is no guarantee that we will be able to obtain our products or products of a similar quality from alternate suppliers, in part or at all. Failure to find alternative suppliers will disrupt our operations and hinder our ability to generate revenues.

Our vendors/suppliers may be affected by the effects of climate change and extreme weather conditions which could affect their ability to fulfill their commitments to us. This, in turn may disrupt our operations and business continuity.

The mobile telecommunications industry in the Philippines may not continue to grow.

The majority of our total revenues are derived from mobile services provided to customers in the Philippines, making us highly dependent on the continued development and growth of the local mobile telecommunications industry. We believe the country's mobile penetration rate reached approximately 125% as at December 31, 2025, based on the number of SIM cards issued. Given this penetration level, the market for SMS and domestic voice may be considered mature.

Data has emerged as the key driver for revenues. While data traffic on our network has increased, further market expansion depends on many factors beyond our control, including the continued introduction of new and enhanced mobile devices, the price levels of mobile handsets, consumer tastes and preferences, alternative means of access, and the amount of disposable income of existing and potential subscribers. Any economic, technological or other developments resulting in a reduction in demand for mobile services or otherwise causing the Philippine mobile telecommunications industry to stop growing or slow down its growth, could materially harm our business, results of operations, financial condition and prospects.

The franchises, licenses and regulatory approvals, upon which PLDT relies, may be subject to revocation or delay in issuance, which could result in the suspension of our services or abandonment of any planned expansions and could thereby have a material adverse effect on our business, results of operations, financial condition and prospects.

Amendment to the Public Service Act

On March 21, 2022, Republic Act No. 11659 or "An Act Amending Commonwealth Act No. 146, otherwise known as the Public Service Act, as amended" (Amendment to the Public Service Act), was signed into law by the President. Under the amendments, telecommunication companies are no longer considered "public utilities" but as "public service with critical infrastructure". As such, they are no longer subject to the 40% foreign ownership restriction under the Constitution, subject to certain reciprocity rules and with provisions limiting/disallowing

state-owned enterprises to invest in telecommunication companies. While the amendment increases our access to foreign capital, it may also allow foreign nationals to make significant investments in other telecommunications companies/operators that can compete with us. The Amendment to the Public Service Act was published in the Official Gazette on March 28, 2022 and took effect on April 12, 2022. On March 20, 2023, the National Economic and Development Authority (NEDA) released its Implementing Rules and Regulations (IRR). The IRR took effect on April 4, 2023.

While we believe that PLDT is still in compliance with the requirements of the Constitution as at the date of this report, we cannot assure you that any subsequent changes in the law will not result in a different conclusion.

Failure to maintain regulatory registrations, approvals and transitional authorities

We operate our business in a highly regulated environment. Historically, certain of our services required legislative franchises and CPCNs. Following the enactment of the KP Act and the issuance of its Implementing Rules and Regulations, the requirement for a legislative franchise and CPCN for data transmission services has been removed and replaced with a registration-based regulatory regime administered by the relevant government agencies.

Notwithstanding this regulatory shift, we continue to hold various provisional authorities, CPCNs, spectrum assignments, and other regulatory approvals, some of which are transitional in nature and will expire between now and 2042. Certain CPCNs and provisional authorities have already expired; however, applications for renewal were filed prior to their expiry. Under Executive Order No. 292 (Philippine Revised Administrative Code of 1987) and Republic Act No. 11032 (Ease of Doing Business and Efficient Government Service Delivery Act of 2018), such authorizations are deemed effective until the regulator has finally acted on the renewal applications.

Failure to maintain the necessary regulatory authority, approvals, or compliance status may materially and adversely affect our ability to conduct essential business operations, result in penalties, suspension of authority, or increased compliance costs, and adversely affect our financial condition and results of operations. See Item 4. “Information on the Company – Franchises, Licenses and Regulations” for more information.

Failure to comply with public ownership requirements under Republic Act No. 7925 or the Public Telecommunications Policy Act of the Philippines

In order to diversify the ownership base of public utilities, Republic Act No. 7925, otherwise known as the “Public Telecommunications Policy of the Philippines” (R.A. 7925), requires a telecommunications entity with regulated types of services to make a *bona fide* public offering through the stock exchange of its shares representing at least 30% of its aggregate common shares within five years from: (a) the date the law became effective; or (b) the entity’s commencement of commercial operations, whichever date is later.

Republic Act No. 10926 provides an exemption from the public listing requirement if the grantee is wholly-owned by a company that has publicly listed at least 30% of its authorized capital stock.

PLDT is a publicly listed company and therefore in compliance with this requirement. Meanwhile, Smart, as a wholly-owned subsidiary of PLDT, a publicly listed company, is not required to offer any of its shares to the public.

Meanwhile, DMPI takes the position that it has satisfied the public offering requirement under R.A. 7925 and Republic Act No. 9180 (R.A. 9180), or the legislative franchise of DMPI (DMPI’s Franchise), by virtue of the fact that PLDT, a publicly listed company, holds a 99.6% equity interest in DMPI’s parent company, Digitel Telecommunications Philippines, Inc. (DTPI), which in turn, holds a 100% equity interest in DMPI.

Impact of the Konektadong Pinoy Act

The KP Act took effect on September 14, 2025, with its Implementing Rules and Regulations (IRR) becoming effective on December 16, 2025. The Act establishes an open-access regime governing the data transmission industry and introduces substantial reforms to market entry, infrastructure sharing, spectrum management, pricing transparency, and regulatory oversight.

Under the Act and its IRR, the legislative franchise requirement for data transmission services has been removed, and all segments of the data transmission network are declared open and competitive. Access providers are required to grant access to digital infrastructure and services included in the regulators’ Access List on open, fair, reasonable, and non-discriminatory terms, and to publish a Reference Access Offer (RAO).

On February 2, 2026, the National Telecommunications Commission (NTC) issued Memorandum Circular No. 2-02-2026, which establishes the eligibility criteria and registration framework for Data Transmission Industry Participants (DTIPs). New entrants must obtain a Certificate of NTC Authorization (CoA) for International Gateway Facility (IGF) and Core/Backbone operations (valid for 15 years), or a Certificate of NTC Registration (CoR) for Middle Mile (10 years) and Last Mile providers (five years). Separate registration or authorization is required for each network segment, with corresponding maintenance of separate books of accounts. Incumbent operators with valid and subsisting authorities are deemed registered, subject to reclassification by the NTC within one year from effectivity.

Eligibility is evaluated across legal, technical, and financial criteria. Applicants must submit corporate and regulatory registrations and comply with foreign ownership and reciprocity rules; provide technical feasibility studies, rollout plans (including service to at least one unserved or underserved area for Middle Mile and Last Mile providers), and cybersecurity plans aligned with DICT standards; and demonstrate financial capacity through feasibility studies, audited financial statements, prescribed minimum asset thresholds (Php1.0 billion for IGF, Php100 million for Core/Backbone, Php10 million for Middle Mile, and Php500,000 for Last Mile), a maximum 70% debt-to-asset ratio, and a performance bond (except for Last Mile providers) equivalent to 10% of projected capital expenditures for the first two years, capped at Php5.0 million. Consistent with the KP Act, DTIPs are likewise subject to ongoing obligations, including compliance with

approved rollout commitments (including coverage of geographically isolated and disadvantaged or underserved areas), segment-level accounting separation, rate disclosures, annual reporting, payment of supervision and spectrum user fees, and adherence to performance and cybersecurity standards.

The Act further adopts a Spectrum Management Policy Framework (SMPF), providing for periodic review, potential recall, reassignment, and revaluation of spectrum holdings by the NTC, in coordination with the DICT and the Philippine Competition Commission (PCC). Spectrum assignments may be subject to review for underutilization or concentration, and future assignments may be influenced by market-based or competition-driven considerations.

These regulatory developments may increase competitive intensity in the Philippine data transmission market, including the entry of new DTIPs, mandatory infrastructure sharing, expanded regulatory reporting obligations, enhanced competition oversight, and possible designation of significant market power (SMP) with corresponding ex-ante obligations. Compliance with eligibility thresholds, rollout commitments, performance standards, pricing disclosure, cybersecurity audits, and spectrum review processes may affect operating flexibility, capital allocation strategies, cost structures, and margins.

While Management does not expect the KP Act and related issuances to result in any immediate material impairment of existing assets, the long-term financial and operational impact remains subject to the finalization of the initial Access List, the implementation of the SMPF, spectrum review outcomes, regulatory classification under the DTIP framework, possible SMP designation, future regulatory issuances, and evolving enforcement practices. The Group continues to monitor these developments and assess their potential impact on its business, financial condition, results of operations, and cash flows.

Our business is subject to extensive laws and regulations, including regulations in respect of our service rates, taxes and antitrust laws.

Our business is subject to extensive laws and regulations, including regulations in respect of our service rates, taxes and antitrust laws. Any adverse changes in applicable laws and regulations can have an adverse impact on our business, results of operations, financial condition and prospects.

The NTC regulates the rates we are permitted to charge for services that have not been deregulated, such as local exchange services, and is responsible for granting a long-term license called a CPCN. PLDT has obtained CPCNs for its international gateway facilities, local exchange carriers, and interexchange carrier services. While CPCNs are typically co-terminus with the term of a public utility's franchise, the NTC may amend certain terms of a CPCN, or revoke a CPCN for cause, subject to due process procedures. The exercise of regulatory power by regulators, may be subject to review by the courts upon the filing of appropriate actions by the affected parties.

We cannot guarantee that the NTC will not impose additional obligations on us that, if unmet, could lead to the revocation of our licenses and/or a reduction in our total revenues or profitability. The NTC could amend applicable regulations or implement additional guidelines governing our interconnection with other telecommunications companies or the rates and terms upon which we provide services to our customers. In addition, any future expansions in our services, particularly in our mobile services, could subject us to additional conditions in the granting of our provisional authorities by the NTC and to increased regulatory scrutiny, which could have a material adverse effect on our growth and prospects. The occurrence of any of the foregoing could impose substantial costs on us, cause interruptions or considerable delays in the provision, development or expansion of our services, or materially reduce our revenues and profitability. There is no assurance that the regulatory environment will support increases in our business and financial activity.

We are subject to various national and local taxes, and regulatory fees imposed by LGUs through their respective ordinances. We cannot assure you that we will not be subject to new, increased and/or additional taxes or that we would be able to pass on such additional expenses to our customers. See *Note 26 – Provisions and Contingencies* to the accompanying audited consolidated financial statements in Item 7. "Financial Statements" for further discussion.

Moreover, we are subject to antitrust laws and regulations. Republic Act No. 10667, otherwise known as the Philippine Competition Act (Philippine Competition Act), came into effect on August 8, 2015, and prohibits practices that restrict market competition through anti-competitive agreements or the abuse of dominant position. The Philippine Competition Act also requires parties to provide notification and obtain clearance for certain mergers and acquisitions. Violators may be subject to administrative and criminal penalties. While our business practices have not in the past been found to have violated any antitrust laws and regulations, we cannot assure you that any new or existing governmental regulators will not, in the future, take the position that our current or past business practices have an anti-competitive effect on the Philippine telecommunications industry.

Smart received a *subpoena duces tecum* dated December 7, 2022, from the PCC Competition Enforcement Office in relation to an ongoing full administrative investigation involving the telecommunications industry. In compliance with the subpoena, Smart submitted its corporate documents, documents and information pertaining to its operations as a PTE and its relationship with other PTCs, and documents and information on ISR to the PCC. As at the date of this report, Smart has not received any other notices from the PCC with regard to this investigation. See *Note 26 – Provisions and Contingencies* to the accompanying audited consolidated financial statements in Item 7. "Financial Statements" for further discussion.

In 2022, the amendment to the Public Service Act was approved, effectively removing the 40% foreign ownership restriction on telecommunication companies and thereby increasing competition, including from foreign investors and telecommunications companies.

In 2023, House Bill 9021, otherwise known as the Refund for Internet and Telecommunications Services Outages and Disruptions Act, was transmitted by Congress to the Senate, where it remained pending. The bill would require PTEs, including internet service providers (ISPs), to automatically refund or adjust a customer's bill when they experience a cumulative internet service outage or interruption lasting twenty-four (24) hours or more within a month. However, the bill provides exemptions in the case of scheduled maintenance (with a 48-hour advance notice and not exceeding 48 hours per month), fortuitous events, or acts of third parties or subscribers. However, because all unacted measures lapse at the close of a Congress, House Bill 9021 expired with the adjournment of the Nineteenth Congress and would need

to be re-filed in the Twentieth Congress to advance further. Although no successor bill has yet been filed, the policy direction reflected in House Bill 9021 signals continued regulatory interest in mandatory service-outage compensation. If a similar measure is reintroduced, the PLDT Group may again be required to implement granular, per-customer service-quality monitoring and undertake substantial adjustments to operations, processes, and network infrastructure, which could entail significant capital expenditure and operating expenditure, and may present challenges in meeting regulatory transition timelines.

In the Nineteenth Congress, the House of Representatives approved on July 2024 House Bill 10289, which proposed to mandate a roll-over data allocation scheme requiring internet service providers to carry over unused data to the next billing cycle and imposing penalties for non-compliance. As the bill was not enacted before the adjournment of the Nineteenth Congress, lawmakers re-filed a substantively similar measure in the Twentieth Congress as House Bill 87, which the House approved on 3 December 2025 on third and final reading and has now been transmitted to the Senate for further action. The roll-over regime outlined under the bill, if enacted, would require extensive changes to data-management frameworks, billing systems, and related operational processes to ensure accurate tracking, accumulation, and application of unused data entitlements. These requirements may result in significant capital expenditure and operating expenditure for the PLDT Group, and any failure to meet the prescribed standards or timelines may subject us to penalties or sanctions. Unlike House Bill 9021, which centers on service-outage refunds, House Bill 87 seeks to enhance consumer data-usage benefits, thereby introducing a distinct but complementary set of regulatory compliance obligations for telecommunications providers.

The KP Act lapsed into law on August 24, 2025. The IRR, published on December 1, 2025, establish a comprehensive and liberalized regulatory framework that removes the requirement for a legislative franchise and Certificate of Public Convenience and Necessity (CPCN) for data transmission industry participants, and opens all segments of the data transmission network to competition. Under the IRR, entities classified as Data Transmission Industry Participants must comply with new eligibility, registration, reporting, and performance standards, including mandatory annual submissions, adherence to minimum quality-of-service benchmarks, separate accounting per network segment, and compliance with cybersecurity certification requirements. The IRR also requires access providers, including incumbent operators such as us, to publish Reference Access Offers on open, fair, reasonable, and non-discriminatory terms, while granting regulators the authority to impose ex-ante obligations on entities designated as having significant market power. Further, the forthcoming Spectrum Management Policy Framework contemplates periodic spectrum audits and potential recall of unutilized or underutilized spectrum, which may affect network planning and asset utilization. These changes substantially increase compliance obligations and lower barriers for new entrants, thereby intensifying competitive pressures. The KP Act and its IRR may introduce operational, financial, and strategic challenges for incumbent players that may materially affect our business, results of operations, or financial condition.

On September 29, 2025, the NTC issued Memorandum Order No. 006-09-2025. The memorandum requires internet intermediaries with R.A. No. 11930 or the Anti-Online Sexual Abuse or Exploitation of Children (OSAEC) and Anti-Child Sexual Abuse or Exploitation Materials (CSAEM) Act by requiring them to submit mandatory quarterly compliance reports on the implementation of R.A. No. 11930, accompanied by a cover letter to the Office of the Commissioner at commissioner@ntc.gov.ph within five calendar days following the end of each quarter.

The enforcement of mandatory submissions of compliance reports applies to all internet intermediaries under the supervision of the NTC, including internet service providers. The report includes relevant statistics, summary of actions taken, including blocking and preservation of data traffic, and any measures adopted to strengthen safeguards.

As part of its advocacy on online safety, especially for children, PLDT has invested in a child protection platform to detect and access malicious sites and URLs, and continues to monitor and submit reports as required. It also undertakes regular awareness campaigns on internet safety. However, there is no assurance that our users are fully protected against the dangers of the internet.

On January 26, 2026, the SEC issued SEC Memorandum Circular No. 7, Series of 2026 (effective February 1, 2026 after publication in two newspapers of general and national circulation), which covers PSE-listed companies and limits an independent director's service in the same company to a maximum cumulative term of nine years, with the maximum term for incumbent independent directors generally reckoned from calendar year 2012. An independent director who has served the maximum cumulative term is perpetually barred from re-election as an independent director of the same company, subject to a transitory provision allowing incumbents who have already reached the maximum term upon effectivity to continue until the 2026 annual stockholders' meeting (or another date approved by the SEC). Covered companies that breach the maximum cumulative term limit are subject to a basic penalty of Php1,000,000.00 per independent director per year and a continuing penalty of Php30,000.00 for every month that the independent director holds the seat, and a third or succeeding offense for the same violation may result in the suspension or revocation of the company's secondary or primary license. While the Company is taking steps to comply with the SEC Memorandum Circular and update relevant corporate policies to align with the amended guidelines, nonetheless, if not timely implemented, the Company may be exposed to penalties.

Regulators have been increasingly focused on online and mobile payment services, and other developments could reduce the convenience or utility of our payment services for users. Governmental regulation of certain aspects of mobile payment systems which PLDT utilizes could result in obligations or restrictions with respect to the types of products that we may offer to consumers, the payment card systems that link to our mobile payments systems, the jurisdictions in which our payment services or apps may be used, and higher costs, such as fees charged by banks to process funds through our mobile payments systems. Such obligations and restrictions could be further increased as more jurisdictions regulate payment systems. Moreover, if this regulation is used to provide resources or preferential treatment or protection to selected payments and processing providers, we could be displaced, prevented or substantially restricted from participating in particular geographies.

Changes in regulations or user concerns regarding the privacy and protection of user data, or any failure to comply with such laws, could adversely affect our business.

Legislation, such as Republic Act No. 10173, otherwise known as the Data Privacy Act of 2012 (the "Data Privacy Act"), and its IRR regulate data privacy matters and impose penalties for any violations of the Data Privacy Act. The rules apply to the processing of personal data in the public and private sectors, as well as within or outside the Philippines. Pursuant to Republic Act No. 11934, otherwise known as

the SIM Registration Act (the "SIM Registration Act"), we are required to maintain a SIM register of all our end users, exposing us to heightened risks of data breaches and cybersecurity attacks. Any failure, or perceived failure, by us to comply with any privacy, data-retention or data-protection-related laws, regulations, orders or industry self-regulatory principles, including the Data Privacy Act, could result in proceedings or actions against us by governmental entities or affected parties, loss of user confidence, damage to the PLDT brands and reputation, or the loss of users or advertising partners, any of which could potentially have a material adverse effect on our business. Amendments to the Data Privacy Act have been filed with the Philippine Congress, generally geared toward further empowering regulatory enforcement. Such proposed amendments to the Data Privacy Act, if signed into law, could increase our compliance costs and impact business innovation. In addition, various foreign legislative or regulatory bodies continue to enact new or additional laws and regulations concerning privacy, data retention and data protection issues, including laws or regulations mandating disclosure to domestic or international law enforcement bodies, which could adversely impact our results of operations, businesses, brand or reputation with users.

Transfers of personal data across jurisdictions may subject us to regulation by foreign authorities, which may require us to incur additional costs in complying with such regulations. The interpretation and application of privacy, data protection and data retention laws and regulations in each jurisdiction may be subject to change and such laws and regulations may be interpreted and applied inconsistently from country to country, complicating long-term business planning decisions. If our current policies and practices are found to be incompatible with privacy, data protection or data retention laws, we may be fined or ordered to change our business practices in a manner that adversely impacts our operating results. Complying with these varying international requirements could cause us to incur substantial costs or require us to change our business practices or operating platforms in a manner adverse to our business. While the PLDT Group periodically conducts compliance audits and regularly holds privacy and information security training and awareness campaigns, it cannot guarantee that personal data breaches resulting from failure of our personnel to comply with PLDT policies will not occur. Furthermore, while PLDT periodically releases public advisories to remind our customers of safe online behavior, there is no guarantee that our customers will not be victims of data breaches. Such breaches could result in litigation and/or regulatory actions and penalties against us, and adversely impact on our business operations and financial conditions.

Limitations in the amount of frequency spectrum or facilities made available to us could negatively affect our ability to maintain and improve our service quality and level of customer satisfaction, increase our costs and reduce our competitiveness.

The available radio frequency spectrum remains one of the principal constraints on wireless network capacity, and our ability to provide high-quality mobile and data services depends on continued access to adequate spectrum resources. While the NTC currently grants authorizations and assigns spectrum for specific services and service areas, the KP Act and its IRR introduce a reformed spectrum management regime that may significantly affect future spectrum availability and the conditions under which we operate.

Under the KP IRR, the NTC is mandated to periodically review spectrum allocations, assignments, and utilization, and to undertake measures such as spectrum recall, restacking, or reassignment to ensure efficient and optimal use of this finite national resource. The forthcoming Spectrum Management Policy Framework will establish new methodologies for spectrum valuation, pricing, assignment, and renewal, and will require the identification and potential recall of unutilized or underutilized spectrum within defined periods. These regulatory mechanisms may subject us to heightened scrutiny regarding the utilization of our current assignments and expose us to the risk of partial or full spectrum recall if our holdings are determined to be underutilized.

The KP IRR also reinforces compliance obligations applicable to all Data Transmission Industry Participants, including the requirement to meet performance standards, maintain segment-level reporting, and ensure service availability consistent with quality-of-service benchmarks. Non-compliance may result in administrative penalties, suspension, or revocation of authorizations, including spectrum assignments. Moreover, as all network segments are opened to greater competition under an open-access framework, new entrants may seek access to digital infrastructure, increasing the competitive demand for scarce spectrum resources.

If the Philippine Government reallocates spectrum, imposes new conditions for its use, applies updated pricing or valuation mechanisms, or revokes or recalls spectrum previously granted to us, or if we are unable to acquire, retain, or fully utilize sufficient spectrum to meet customer needs, our ability to expand capacity, maintain service quality, and compete effectively in the market may be materially and adversely affected.

We may not be successful in our acquisitions of, and investments in, other companies and businesses, and may therefore be unable to fully implement our business strategy.

We have in the past made certain acquisitions of, and investments in, various businesses. See "*Recent Developments*" for more details. As our traditional fixed line and mobile businesses mature, and as part of our strategy to grow other business segments, we may continue to make acquisitions and investments in companies or businesses to enter new businesses or defend our existing markets. The success of our acquisitions and investments depends on a number of factors, such as:

- our ability to identify suitable opportunities for investment or acquisition;
- our ability to reach an acquisition or investment agreement on terms that are satisfactory to us or at all;
- the extent to which we are able to influence or exercise control over the acquired or investee company;
- the compatibility of the economic, business or other strategic objectives and goals of the acquired or investee company with those of the PLDT Group, as well as the ability to execute the identified strategies in order to generate fair returns on the investment;
- our ability to successfully integrate the acquired company or business with our existing businesses; and
- economic and competitive conditions in which the business operates.

Any of our contemplated acquisitions and investments may not be consummated due to reasons or factors beyond our control. Even if any contemplated acquisitions and investments are consummated, we may not be able to realize any or all of the anticipated benefits of such

acquisitions and investments and we cannot assure you that the consummation of such acquisitions and investments will not result in losses for a prolonged period of time. Moreover, if we are unsuccessful in our contemplated acquisitions and investments, we may not be able to fully implement our business strategy to maintain or grow certain of our businesses and our results of operations and financial position could be materially and adversely affected.

We are exposed to the fluctuations in the market values of our investments.

Given the nature of our business and our foray into the digital business, we have made investments in various start-up companies which may take several years to become profitable or may not achieve profitability at all. For example, we hold an investment in MIH, an important player in the financial technology space and an integral part of our digital payments ecosystem. In accordance with PAS 28, *Investments in Associates and Joint Ventures*, we account for our investment in MIH using the equity method, whereby we recognize our proportionate share of MIH's results. Our share in MIH losses amounted to Php935 million for the year ended December 31, 2024. MIH turned profitable in 2025 and our share in MIH's profit amounted to Php684 million for the year ended December 31, 2025. Credit ratings and the value of this investment and similar investments can be negatively impacted by liquidity, credit deterioration or losses, financial results, foreign exchange rates, or other factors. As a result, our investments could decline and result in a material impairment, which could have a material adverse effect on our financial condition and operating results.

If we are unable to install and maintain telecommunications facilities and equipment in a timely manner, we may not be able to maintain our current market share and the quality of our services, which could have a material adverse effect on our results of operations and financial condition.

Our business requires the regular installation of new telecommunications facilities and equipment, and the regular maintenance of such facilities and equipment, which are continually being undertaken. The installation and maintenance of these facilities and equipment are subject to a number of risks and uncertainties, such as:

- shortages of equipment, materials and labor;
- delays in the issuance of national and local government building permits;
- theft of telecommunication cables and equipment;
- work stoppages and labor disputes;
- interruptions resulting from man-made events (e.g., sabotage), outbreak of epidemics, pandemics or other public health crises, severe weather conditions and other natural disasters;
- rapid technological obsolescence;
- inability of vendors and/or suppliers to deliver on commitments;
- unforeseen engineering, environmental/climate-related and geological problems; and
- unanticipated cost increases including those resulting from foreign exchange movements.

Any of these factors could give rise to delays and/or cost overruns in the installation of new facilities or equipment or prevent us from deploying our networks and properly maintaining the equipment used in our networks, and hence affect our ability to maintain existing services and roll-out new services, for example, which could have a material adverse effect on our results of operations and financial condition.

Our business relies on secure network infrastructure and computer systems, and any successful cyber-attacks against them, or the perception of such attacks, may materially adversely affect our operations, financial condition, results of operations and reputation.

We need to constantly upgrade our cybersecurity capabilities to support our business needs and keep up with the rapidly changing cyber threat environment. As we rely on information and digital services to run our business and deliver value, we face the following challenges in an era of connectivity, digital identity, decentralized decisions, information monetization, transparency, and variable trust:

- An increase in the variety of products and services that we provide to our customers (e.g. customer premise equipment, systems, devices, IoT, data and their dynamic relationships) exposes relevance issues, as well as scalability issues in our existing security control solutions;
- Our existing deterrence measures against cybersecurity breaches may become less effective. For instance, defensible gates and impermeable walls that are designed to secure our service and information infrastructure may have become less effective. While such tools and measures make it difficult to breach our system, these tools may not stop breaches altogether;
- The infrastructure underpinning the digitalization of consumer and enterprise services has become more complex;
- The consequences of a cybersecurity breach could be severe. Breaches resulting in leakage of our Company's and/or our customers' confidential commercial and/or personal information may result in irreparable damage to our reputation and brand. Moreover, leakage of sensitive personal customer information could, in some cases, result in a threat to personal safety, as well as legal and/or regulatory liability;
- Perpetrators are adopting more sophisticated technologies (e.g. AI) in their attempts to breach our defensive security measures; and

- While encrypted internet traffic protects private information, it inadvertently hampers cyber protection efforts. Perpetrators could abuse encrypted communication tools and use them in their efforts to breach into our systems, with less risk of such efforts being discovered by cybersecurity measures.

Our Cybersecurity Operations Group (CSOG) is responsible for managing cyber threats and attacks. While the Company has been able to contain the effects of past cybersecurity attacks on its network and system performance, and such cybersecurity attacks did not have any material financial, legal, reputational or regulatory repercussions for the Company, there is no assurance that we will be able to successfully safeguard our systems against all cyber attacks, particularly as cyber attacks have become more sophisticated and prevalent. Any successful attack on our infrastructure could result in legal and/or regulatory liabilities, disruptions to our business operations, damage to our reputation, and financial losses. See Item 1. "Description of Business – Infrastructure – Cybersecurity" for a detailed discussion of our cybersecurity measures.

Climate change and nature-related events could increase the impact of natural disasters and environmental legislation and regulations on our operations.

Climate change poses a number of potential risks for telecommunications operators like us, from both a physical and regulatory perspective. Climate change may exacerbate the severity and frequency of natural disasters, such as typhoons and consequently, flooding and global warming. In addition to the adverse impact from these, earthquakes could increase the likelihood of damages to our infrastructure and failures of our wired and wireless networks caused by such natural disasters. Should severe natural disasters occur in quick succession, we may not have sufficient resources to repair and restore our infrastructure in a timely and cost-effective manner. Furthermore, climate change and severe weather conditions could also affect and disrupt our supply chain, resulting in delays in the delivery of our supplies. The increase in the likelihood of damages to our infrastructure and disruptions in our supply chain as a result of natural disasters could have a material adverse impact on our operations.

Climate change and the consequent impact to communities resulting from more severe and frequent natural disasters may affect the ability of our customers to afford our services.

In light of heightened awareness on climate change globally, the Philippine Government could introduce new and more stringent environmental legislation and regulations. The KP Act and its IRR impose specific obligations on data transmission providers during natural disasters and emergencies. We are required to design and maintain infrastructure in accordance with nationally and internationally accepted resiliency standards, ensure the prompt restoration of services, and provide temporary shared-access data services where feasible. The IRR also mandates strict outage reporting, including immediate notification to regulators for service interruptions caused by natural events such as typhoons, floods, earthquakes, or cable cuts. Failure to comply with these requirements may subject us to administrative penalties or sanctions, including the suspension or revocation of authorizations. These heightened obligations may increase our operating and capital expenditures as we work to meet strengthened compliance requirements.

We are also now subject to expanded sustainability reporting obligations under the Philippine Financial Reporting Standards on Sustainability Disclosures, particularly PFRS S1 and PFRS S2. These standards require entities to disclose material sustainability-related and climate-related risks and opportunities in a manner aligned with global International Sustainability Standards Board (ISSB) expectations. PFRS S2, in particular, introduces extensive climate-related disclosure requirements covering greenhouse gas emissions, transition risks, physical climate risks, scenario analysis, and the anticipated financial impacts of climate-related events.

In addition, Extended Producers Responsibility (EPR) Act (R.A. 11898) requires companies with assets exceeding Php100 million and generating plastic packaging waste to manage the full environmental lifecycle of their products and to recover or remove an equivalent volume of the plastic they introduce into the market. PLDT and Smart have strengthened commitment to the EPR Act as registered Obliged Enterprises. In accordance with the law, the Group has engaged PCX Markets Philippines, Inc. as its Producer Responsibility Organization for the implementation of its EPR programs and reporting.

Our businesses require substantial capital investment, which we may not be able to finance.

Our projects under development and the continued maintenance and improvement of our networks and services, including Smart's projects, networks, platforms and services, require substantial and sustained capital investment. Our consolidated capital expenditures, net of additions subject to sale and leaseback from tower companies, totaled Php60,336 million, Php78,246 million and Php85,083 million for the years ended December 31, 2025, 2024 and 2023, respectively. In 2026, we will continue to prioritize projects that support the growing demand from our customers, enhance our ability to deliver superior customer experiences, enable our corporate clients to grow their businesses, and respond to changing market preferences and emerging technologies.

Adverse changes in global financial markets could limit our ability to access capital or increase the cost of capital needed to fund our business operations. We have obtained and may seek external financing for a portion of our future capital expenditures. There can be no assurance that financing for new projects will be available on terms acceptable to us, or at all. If we cannot complete our development programs or other capital projects due to our failure to obtain the required financing, our growth, results of operations, financial condition and prospects could be materially and adversely affected. Furthermore, if we are unable to monetize our investments and generate the expected revenues, our cash flows and gearing may be negatively impacted.

If we face difficulties in funding our capital expenditures or if our capital expenditure requirements exceed our budget, we may opt to postpone our projects which may limit our ability to serve our customers or require us to negotiate with our vendors on revised payment arrangements. Any cancellations or amendments of agreements with vendors may cause us to incur penalties and adversely affect our business, reputation and share prices. See Item 5. "Operating and Financial Review and Prospects".

Our results of operations and our financial position could be materially and adversely affected if the Philippine peso significantly fluctuates against the U.S. dollar.

A substantial portion of our capital expenditures, a portion of our indebtedness and related interest expense and a portion of our operating expenses are denominated in U.S. dollars and other foreign currencies, whereas most of our revenues are denominated in Philippine pesos, with 15% of revenues denominated in U. S. dollars. Of our total consolidated debts, approximately 13% was denominated in U.S. dollars as at December 31, 2025.

A depreciation of the Philippine peso against the U.S. dollar would increase the amount of our U.S. dollar-denominated debt obligations, capital expenditures, and operating and interest expenses in Philippine peso terms. In the event that the Philippine peso depreciates against the U.S. dollar, we may be unable to generate enough funds through operations and other means to offset the resulting increase in our obligations in Philippine peso terms. Moreover, a depreciation of the Philippine peso against the U.S. dollar may result in our recognition of significant foreign exchange losses, which could materially and adversely affect our results of operations. A depreciation of the Philippine peso could also cause us to be non-compliant with the financial covenants imposed on us by our lenders under certain loan agreements and other indebtedness. Further, fluctuations in the Philippine peso value and of interest rates impact the mark-to-market gains/losses of certain of our financial debt instruments, which were designated as non-hedged items. While we have entered into hedging arrangements to hedge our exposure to foreign exchange fluctuations, such arrangements may not adequately protect us against a peso depreciation.

The Philippine peso may be subject to fluctuations due to a range of factors, including:

- political and economic developments affecting the Philippines, including the level of remittances from overseas Filipino workers and movements in the country's balance-of-payments position;
- global economic, political and financial conditions;
- the volatility of emerging market currencies;
- changes in the Philippines' sovereign credit rating or outlook by major credit rating agencies, which may influence investor sentiment, capital flows and corresponding movements in the Philippine peso;
- changes in monetary policy by the United States Federal Reserve Bank and/or the BSP, including any adjustments in interest rates or policy guidance; and
- higher demand for U.S. dollars by both banks and domestic businesses to service their maturing U.S. dollar obligations or foreign exchange traders including banks covering their short U.S. dollar positions, among others.

Our debt instruments contain restrictive covenants which require us to maintain certain financial tests and our indebtedness could impair our ability to fulfill our financial obligations and service our other debt.

Our existing debt instruments contain covenants which, among other things, require PLDT to maintain certain financial ratios and other financial tests, calculated on the basis of IFRS Accounting Standards at relevant measurement dates, principally at the end of each quarter period. In addition, PLDT's bonds contain covenants that limit our ability to take certain actions.

Our indebtedness and the requirements and limitations imposed by our debt covenants could have important consequences. For example, we may be required to dedicate a substantial portion of our cash flow to payments on our indebtedness, which could reduce the availability of our cash flow to fund working capital, capital expenditures and other general corporate requirements.

The principal factors that could negatively affect our ability to comply with these financial ratio covenants and other financial tests are the poor operating performance of PLDT and its subsidiaries, the depreciation of the Philippine peso relative to the U.S. dollar, the impairment or similar charges in respect of investments or other long-lived assets that may be recognized by PLDT and its subsidiaries, and increases in our interest expense. Interest expense may increase as a result of various factors including the issuance of new debt, the refinancing of lower cost indebtedness by higher cost indebtedness, the depreciation of the Philippine peso relative to the U.S. dollar, the lowering of PLDT's credit ratings or the credit ratings of the Philippines, the increase in reference interest rates, and general market conditions.

If we are unable to meet our debt service obligations or comply with our debt covenants, we may need to restructure or refinance our indebtedness, seek additional equity capital or sell assets. An inability to implement these measures successfully could result in a declaration of default and an acceleration of maturities of some or all of our indebtedness, which could have a material adverse effect on our business, results of operations and financial condition.

Our subsidiaries could be limited in their ability to pay dividends to us due to internal cash requirements and their creditors having superior claims over their assets and cash flows, which could materially and adversely affect our financial condition.

A significant part of our total revenues and cash flows from operating activities are derived from our subsidiaries, particularly Smart. Smart has significant internal cash requirements for debt service, capital expenditures and operating expenses and as a result, may be financially unable to pay any dividends to PLDT. Although Smart has been making dividend payments to PLDT regularly since December 2002, there can be no assurance that PLDT will continue to receive these dividends or other distributions, or otherwise be able to derive liquidity from Smart or any other subsidiary or investee in the future.

Creditors of our subsidiaries generally have priority claims over our subsidiaries' assets and cash flows. We and our creditors will effectively be subordinated to the existing and future indebtedness and other liabilities, including trade payables, of our subsidiaries, except that we may be recognized as a creditor with respect to loans we have made to subsidiaries. If we are recognized as a creditor of a subsidiary, our claim

will still be subordinated to any indebtedness secured by assets of the subsidiary and any indebtedness of the subsidiary otherwise deemed superior to the indebtedness we hold.

We may have difficulty meeting our debt payment obligations if we do not continue to receive cash dividends from our subsidiaries and our financial condition could be materially and adversely affected as a result.

A significant number of shares of PLDT's voting stock are held by four shareholders, which may not act in the interests of other shareholders or stakeholders in PLDT.

As at December 31, 2025, the First Pacific and its Philippine affiliates (together, the "FP Parties"), NTT Communications and NTT DOCOMO and the JG Summit Group, collectively, beneficially own 57.19% in PLDT's outstanding common stock (representing 33.75% of our overall voting stock).

Additionally, all of PLDT's shares of voting preferred stock, which represent 40.98% of PLDT's total outstanding shares of voting stock as at December 31, 2025, are owned by a single stockholder, BTF Holdings, Inc. (BTFHI).

The FP Parties, NTT Communications, NTT DOCOMO, JG Summit Group and/or BTFHI may exercise their respective voting rights over certain decisions and transactions in a manner that could be contrary to the interests of other shareholders or stakeholders in PLDT. See *Note 1 – Corporate Information* to the accompanying audited consolidated financial statements in Item 7. "Financial Statements" for further discussion.

We are unionized and are vulnerable to work stoppages, slowdowns or increased labor costs.

As at December 31, 2025, PLDT has three employee unions, representing in the aggregate 7,533 employees, or 53%, of the employees of the PLDT Group. This unionized workforce could result in demands that may increase our operating expenses and adversely affect our profitability. Each of our different employee unions require separate collective bargaining agreements. If PLDT and any of its unions are unable to reach an agreement on the terms of their collective bargaining agreement or if PLDT were to experience widespread employee dissatisfaction, PLDT could be subject to collective bargaining deadlocks, strikes, work slowdowns or stoppages. Any of these events would be disruptive to our operations and could have a material adverse effect on our business.

Additionally, on July 3, 2017, PLDT received a Compliance Order from the Department of Labor and Employment (DOLE), in connection with the non-payment of statutorily required monetary benefits, including the 13th month pay by certain PLDT contractors to their employees, as well as the regularization of 7,344 contractor employees. On July 31, 2018, the CA promulgated a decision granting PLDT's request for an injunction against the Compliance Order and remanded the case back to the DOLE for further proceedings regarding the computation of the monetary awards, which amounted to Php51.8 million according to the regularization orders, and the determination of employees engaged in installation, repair and maintenance work who must be regularized. On April 5, 2019, PLDT filed a petition for review with the Supreme Court.

The Supreme Court resolved the consolidated Petitions in a Decision promulgated on February 14, 2024. The Decision affirmed the Court of Appeals in setting aside the Secretary of Labor's orders for PLDT to regularize the 7,344 workers of its contractors, except those workers performing "installation, repair and maintenance" services, whose regularization is subject to a remand of proceedings before the Regional Director of the DOLE. In setting aside the Secretary of Labor's orders, the Supreme Court ruled that the exercise of the Secretary's visitorial and enforcement powers is subject to the "basic tenets of appreciating evidence," and that it was improper to rely on the anecdotal evidence that was used as basis in the Secretary's orders because such evidence is "malleable and may be tailored to suit any narrative or conclusion." The remand will require the Regional Director of DOLE to determine the appropriateness of regularization of employees of contractors engaged in installation, repair, and maintenance, by undertaking the following: (a) to review and properly determine the effects of the regularization of the workers performing installation, repair, and maintenance services; (b) to review, compute, and properly determine, the monetary award on the labor standards violation, to which PLDT, and the concerned contractors are solidarily liable; and (c) to conduct further appropriate proceedings, consistent with this Decision. Motions for Reconsideration may be filed by the parties, subject to their receipt of the Supreme Court decision by official service. See Item 3. "Legal Proceedings" and *Note 26 – Provisions and Contingencies* to the accompanying audited consolidated financial statements in Item 7. "Financial Statements" for further discussion.

We cannot guarantee that PLDT or its subsidiaries will not be subject to similar proceedings or other labor-related regulatory activities, the results of which may have an adverse reputational and/or financial impact. While we believe that PLDT has a strong legal position in its pending labor cases, we note that labor tribunals are mandated to resolve cases in favor of employees in the case of any doubt.

The loss of key personnel or the failure to attract and retain highly qualified personnel could compromise our ability to effectively manage our business and pursue our growth strategy.

Our future performance depends on our ability to attract and retain highly qualified key technical, marketing, sales, and management personnel. The loss of key employees could result in significant disruptions to our business, and the integration of replacement personnel could be costly and time consuming, cause additional disruptions to our business and be unsuccessful. We cannot guarantee the continued employment of any of the members of our senior leadership team, who may depart our Company for any number of reasons, such as other business opportunities, differing views on our strategic direction or other personal reasons. Any inability to attract, retain or motivate our personnel could have a material adverse effect on our results of operations and prospects.

Adverse results of any pending or future litigation, internal or external investigations and/or disputes may impact PLDT's cash flows, results of operations and financial condition.

We are currently involved in various legal proceedings. Our estimate of the probable costs for the resolution of these claims have been developed in consultation with our counsel and is based upon our analysis of potential results. See Item 3. "Legal Proceedings" and *Note 26 – Provisions and Contingencies* to the accompanying audited consolidated financial statements in Item 7. "Financial Statements" for further discussion. While PLDT believes that the positions it has taken in these cases have strong legal bases, the final outcome of these cases may

prove to be different from its expectations. In addition, we cannot assure you that PLDT will not be involved in future litigation or other disputes, the results of which may materially and adversely impact its business and financial conditions. We have and may continue to incur significant expenses defending such suits or government charges and may be required to pay amounts or otherwise change our operations in ways that could materially adversely affect our operations or financial results.

Our financial condition and operating results will be impaired if we experience high fraud rates related to device financing, credit cards, dealers, or subscriptions.

Our operating costs could increase substantially as a result of fraud, including those arising from device financing, customer credit card, subscription or dealer fraud. If our fraud detection strategies and processes are not successful in detecting and controlling fraud, whether directly or by way of the systems, processes, and operations of third parties such as customers, national retailers, dealers, and others, the resulting loss of revenue or increased expenses could have a material adverse effect on our financial condition and operating results.

RISKS RELATING TO THE PHILIPPINES

Political and social instability in the Philippines may have a negative effect on the general economic conditions in the Philippines which could have a material adverse impact on our results of operations and financial condition.

The Philippines has, from time to time, experienced episodes of political uncertainty and unrest, including recent public and political protests arising from alleged misconduct involving the current and prior administrations, as well as ongoing legislative and institutional controversies. Over the past two decades, the Philippines has also faced hearings and investigations into graft and corruption involving senior government officials, impeachment proceedings against two former presidents and a chief justice of the Supreme Court, the nullification of the appointment of another chief justice, allegations of electoral fraud, and instances of extra-judicial killings. There can be no assurance that acts of election-related or other political violence will not occur in the future, and any such events could negatively impact the Philippine economy.

We may be affected by political and social developments in the Philippines and changes in the political leadership and/or government policies in the Philippines. Any major deviation from the policies of the previous administration or fundamental change of direction, including a change in the form of government, may lead to an increase in political or social uncertainty and instability. Such political or regulatory changes may include (but are not limited to) the introduction of new laws and regulations that could impact our business.

We cannot assure you that the political environment in the Philippines will be stable or that the current or future administration will adopt economic policies that are conducive to sustained economic growth or which do not materially and adversely impact the current regulatory environment for the telecommunications and other companies. An unstable political or social environment in the Philippines could negatively affect the general economic conditions and business environment in the Philippines which, in turn, could have a material and adverse impact on our business, financial position and financial performance.

Natural disasters, terrorist acts or acts of war could cause damage to our infrastructure and/or result in significant disruptions to our operations and financial condition.

Our business operations are subject to interruption by natural disasters such as flooding, typhoons, pandemics and epidemics, terrorist or other hostile acts, and other events beyond our control. The Philippines is particularly susceptible to natural hazards, including tropical cyclones, earthquakes and volcanic risks. Any of the aforementioned events could cause significant damage to our infrastructure upon which our business operations rely, resulting in degradation or disruption of service to our customers. While we maintain insurance coverage for most of these events, the potential impact of damage or loss of assets to our financial condition as well as liabilities associated with these events could exceed the insurance coverage we maintain. Our system redundancy may be ineffective or inadequate, and our disaster recovery planning may be insufficient for all eventualities. These events could also damage the infrastructure of the suppliers that provide us with the equipment and services that we need to operate our business and provide products to our customers. A natural disaster or other event causing significant physical damage could cause us to experience substantial losses resulting in significant recovery time and additional expenditures to resume operations. In addition, these occurrences could result in lost revenues from business interruption as well as damage to our reputation.

The Philippines has been subject to a number of terrorist attacks over the past decade. The Philippine army has been in conflict with the Abu Sayyaf organization which has been identified as being responsible for kidnapping and terrorist activities in the Philippines, and is also alleged to have ties to the Al-Qaeda terrorist network and, along with certain other organizations, has been identified as being responsible for certain kidnapping incidents and other terrorist activities particularly in the southern part of the Philippines. Furthermore, the Government and the Armed Forces of the Philippines (AFP) have been in conflict with members of several separatist groups seeking greater autonomy, including the Moro Islamic Liberation Front (MILF), the Moro National Liberation Front (MNLF) and the New People's Army (NPA). There have been numerous bombing incidents in Mindanao and elsewhere in the Philippines, which have resulted in death and injury to the civilian population as well as military and security personnel. An increase in the frequency, severity or geographic reach of these terrorist acts, violent crimes, bombings and similar events could have a material adverse effect on investment and confidence in, and the performance of, the Philippine economy. Any such destabilization could cause interruption to our business and materially and adversely affect our business, financial condition, and results of operations. These continued conflicts between the Government and separatist groups could lead to further injuries or deaths by civilians and members of the AFP, which could destabilize parts of the Philippines and adversely affect the Philippine economy. There can be no assurance that the Philippines will not be subject to further acts of terrorism or violent crimes in the future, which could have a material adverse effect on our business, financial condition, and results of operations.

Territorial disputes with China and a number of Southeast Asian countries may disrupt the Philippine economy and business environment.

The Philippines, China and several Southeast Asian nations have been engaged in a series of longstanding territorial disputes over certain areas in the West Philippine Sea, also known as the South China Sea. The Philippines maintains that its claim over the disputed territories is supported by recognized principles of international law consistent with the United Nations Convention on the Law of the Sea (UNCLOS). Over the years, tensions have periodically risen in disputed features such as the Scarborough Shoal and other areas within the Philippine exclusive economic zone, with maritime incidents, diplomatic protests, and overlapping patrols contributing to regional uncertainty. These developments have the potential to affect trade flows, investment sentiment, and bilateral relations.

In addition, heightened tensions in the Taiwan Strait have emerged as a broader regional geopolitical risk. Given the Philippines' geographic proximity to Taiwan and its strategic role in regional security dynamics, any escalation of cross-strait tensions – whether involving military activity, blockades, or disruptions to shipping lanes – could affect regional stability, trade routes, labor mobility, supply chains, and investor confidence. Such developments could indirectly impact the Philippine economy and may also disrupt the business environment in ways that affect our operations.

Should territorial disputes between the Philippines and other countries in the region continue or escalate further, the Philippines may experience disruptions across key sectors. These include potential impacts on the supply and prices of energy, food and other critical commodities; delays in the delivery of equipment and materials sourced from the affected routes; and volatility in capital markets, foreign-exchange conditions, and investment activity. Heightened geopolitical tensions could also give rise to more restrictive regulatory or governmental actions or reciprocal trade measures, particularly in the context of disputes involving China. Any such escalation may materially and adversely affect the Philippine economy and, in turn, our business, financial condition, and results of operations. There can be no assurance that these regional disputes or tensions will not intensify in the future.

If foreign exchange controls were to be imposed, our ability to meet our foreign currency payment obligations could be adversely affected.

In general, Philippine residents may freely dispose of their foreign exchange receipts and foreign exchange may be freely sold and purchased outside the Philippine banking system. However, the Monetary Board of the BSP has statutory authority, with the approval of the President of the Philippines, during a foreign exchange crisis or in times of national emergency, to:

a. suspend temporarily or restrict sales of foreign exchange;

b. require licensing of foreign exchange transactions; or

c. require the delivery of foreign exchange to the BSP or its designee banks for the issuance and guarantee of foreign currency-denominated borrowings.

The Philippine Government has, in the past, instituted restrictions on the conversion of the Philippine peso into foreign currencies and the use of foreign exchange received by Philippine companies to pay foreign currency-denominated obligations.

We cannot assure you that foreign exchange controls will not be imposed in the future. If imposed, these restrictions could materially and adversely affect our ability to obtain foreign currency to service our foreign currency obligations.

The credit ratings of the Philippines may restrict the access to capital of Philippine companies, including PLDT.

Historically, the Philippines' sovereign debt has been rated non-investment grade by international credit rating agencies. The Philippines has the following investment grade ratings of Moody's (Baa2, stable) and S&P Global (BBB, stable).

The Philippine Government's credit ratings directly affect companies domiciled in the Philippines as international credit rating agencies issue credit ratings by reference to that of the sovereign. No assurance can be given that Moody's, S&P Global, or any other international credit rating agency will not downgrade the credit ratings of the Philippine Government in the future and, therefore, Philippine companies, including PLDT. Any such downgrade could have a material adverse impact on the liquidity in the Philippine financial markets, on the ability of the Philippine Government and Philippine companies, including PLDT, to raise additional financing, and on the interest rates and other commercial terms at which such additional financing is available.

Developments outside of the Philippines, including U.S. policies related to global trade and tariffs could adversely affect our business, financial condition and results of operations.

The current international political environment, including existing and potential changes to U.S. policies related to global trade and tariffs, have resulted in some uncertainty surrounding the future state of the global economy. Since 2018, the U.S. began to increase or impose tariffs on many products, particularly from China, among other jurisdictions, including, but not limited to, solar panels, steel and aluminum products, consumer electronics, and industrial chemicals. In response, the European Union, China and other affected jurisdictions have introduced tariffs on U.S. goods. An escalating trade war may have material adverse effects on the power industry and our business may be impacted by these tariffs. Any further expansion in the types or levels of tariffs implemented has the potential to negatively impact our business, financial condition and results of operations. Additionally, there is a risk that the U.S. tariffs on imports are met with tariffs on U.S. produced exports and that a broader trade conflict could ensue, which has the potential to significantly impact global trade and economic conditions. Potential costs and any attendant impact on pricing arising from these tariffs and any further expansion in the types or levels of tariffs implemented could adversely affect our business, financial condition and results of operations. While there are ongoing discussions between the U.S. and China to reduce tariffs in phases, there is no certainty as to the timing and scale of the reduction in tariffs, and overall impact on global markets. Thus, economic disruption in other countries, even in countries in which we do not currently conduct business or have operations, could also adversely affect our businesses and results.

Item 7. Financial Statements

Our consolidated financial statements (pages F-1 to F-122) and supplementary schedules (pages S-1 to S-11) listed in the accompanying Index to Financial Statements and Supplementary Schedules on page 102 are filed as part of this annual report.

Item 8. Information on Independent Auditors and Other Related Matters

Independent Auditors' Fees and Services

The following table summarizes the fees paid or accrued for services rendered by SGV & Co., our independent auditors for the years ended December 31, 2025 and 2024:

	2025	2024
	(in millions)	
Total Audit Fees	Php52	Php51
Non-audit service fees:		
Other Assurance Services	6	7
Tax Services	—	1
All other services	5	5
Total Non-audit Fees	11	13
Total Audit and Non-audit Fees	Php63	Php64

Audit Fees. This category includes the audit of our annual financial statements and services that are normally provided by the independent auditors in connection with statutory and regulatory filings or engagements for those fiscal years. This category also includes fees with respect to our Sarbanes-Oxley 404 assessment in 2025 and 2024.

Other Assurance Services. This category consists primarily of assurance services for our Sustainability Report and other audit-related fees.

Tax Fees. This category includes tax services for ePLDT.

All Other Services. This category consists primarily of non-audit engagement fees with respect to our certain projects.

The fees presented above are net of out-of-pocket expenses incidental to our independent auditors' work, amount of which do not exceed 5% of the agreed-upon engagement fees. The fees and out-of-pocket expenses are exclusive of a 12% VAT.

Our Audit Committee (AC) pre-approved all audit and non-audit services as these are proposed or endorsed before these services are performed by our independent auditors.

Changes in and Disagreements with Independent Auditors on Accounting and Financial Disclosure

We have no disagreements with our independent auditors on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure.

PART III – CONTROL AND COMPENSATION INFORMATION

Item 9. Directors and Officers

The Board of Directors is principally responsible for PLDT's overall direction and governance. PLDT's Articles of Incorporation provide for 13 members of the Board, who shall be elected by the stockholders. At present, three of PLDT's 13 directors are independent directors. The Board holds office for a one-year period until their successors are elected, and are qualified in accordance with the By-Laws.

The name, age and period of service, of each of the current directors, including independent directors, of PLDT as at December 31, 2025 are as follows:

Name	Age	Period during which individual has served as such
Manuel V. Pangilinan	79	November 24, 1998 to present
Marilyn A. Victorio-Aquino	70	May 8, 2023 to present
Helen Y. Dee	81	June 18, 1986 to present
Robert Joseph M. de Claro[(1)]	54	February 27, 2025 to present
Ray C. Espinosa	69	November 24, 1998 to present
James L. Go	86	November 3, 2011 to present
Hidetada Hayashi[(2)]	55	September 16, 2025 to present
Menardo G. Jimenez, Jr.[(3)]	62	June 10, 2025 to present
Kazuyuki Kozu[(4)]	52	July 6, 2021 to September 15, 2025
Bernido H. Liu	62	September 28, 2015 to present
Retired Supreme Court Chief Justice Artemio V. Panganiban	89	April 23, 2013 to present
Alfredo S. Panlilio	62	June 8, 2021 to present
Kazutoshi Shimizu	49	August 13, 2024 to present
Bernadine T. Siy	66	June 8, 2021 to present
Marife B. Zamora[(5)]	72	November 14, 2016 to June 9, 2025

(1) Mr. Robert Joseph M. de Claro was elected as a director of the Company effective February 27, 2025 and shall serve the unexpired term of his predecessor in office, Atty. Santiago Dionisio R. Agdeppa.

(2) Mr. Hidetada Hayashi was elected as a director of the Company effective September 16, 2025 and shall serve the unexpired term of his predecessor in office, Mr. Kazuyuki Kozu.

(3) Mr. Menardo G. Jimenez was elected as a director of the Company effective June 10, 2025.

(4) Mr. Kazuyuki Kozu resigned as a member of the Board of Directors of the Company effective September 15, 2025.

(5) Ms. Marife B. Zamora ceased to be a member of the Board of Directors effective June 10, 2025.

The name, age, position and period of service of the executive officers of PLDT as at December 31, 2025 are as follows:

Name	Age	Position(s)	Period during which individual has served as such
Executive Officers:			
Manuel V. Pangilinan	79	Chairman of the Board	February 19, 2004 to present
		President and CEO	January 1, 2024 to present
Marilyn A. Victorio-Aquino	70	Corporate Secretary	January 25, 2022 to present
		Chief Legal Counsel	December 1, 2018 to December 31, 2024
		Senior Vice President	January 1, 2019 to present
		Senior Legal Adviser to the Chairman	January 1, 2025 to present
Victorico P. Vargas	73	Leadership Transition Officer	July 1, 2021 to present
		Business Transformation Office Head	January 1, 2016 to present
Menardo G. Jimenez, Jr.	62	Executive Vice President	September 17, 2024 to present
		Chief Operating Officer	September 17, 2024 to present
		Senior Vice President	December 9, 2004 to September 16, 2024
		Network Head	January 15, 2024 to September 16, 2024
		Consumer Business - Home Head	July 31, 2019 to April 1, 2022
Danny Y. Yu	64	Senior Vice President	November 17, 2022 to present
		Chief Financial Officer	May 3, 2023 to present
		Chief Risk Management Officer	May 3, 2023 to present
		PLDT Group Controller	November 17, 2022 to May 3, 2023
Gina Marina P. Ordoñez	64	Chief People Officer	March 21, 2019 to present
		Senior Vice President	May 1, 2019 to present
Jeremiah M. de la Cruz[(1)]	48	Senior Vice President	April 1, 2022 to July 1, 2025
		Consumer Business - Home Head	January 15, 2024 to May 15, 2025
		Consumer Business Head	April 1, 2022 to January 14, 2024
Joseph Ian G. Gendrano	49	Senior Vice President	August 10, 2022 to present
		Enterprise Business Head	January 15, 2024 to April 1, 2025
		Chief Technology Officer	January 1, 2023 to January 14, 2024
		Enterprise Business Head	November 16, 2022 to December 31, 2022
John Gregory Y. Palanca[(2)]	58	Senior Vice President	March 21, 2024 to present
		Sales and Development Head	August 15, 2023 to present
		Consumer Business - Home Head	May 16, 2025 to present
		First Vice President	August 15, 2023 to March 20, 2024
Patricio S. Pineda III[(3)]	56	Senior Vice President	April 2, 2025 to present
		Enterprise Business Head	April 2, 2025 to present
Luis S. Reñon	55	Senior Advisor to the Chairman	November 16, 2024 to present
		Senior Vice President	May 4, 2023 to present
		Internal Audit Head	July 1, 2018 to November 16, 2024
Leo I. Posadas	59	First Vice President	March 6, 2007 to present
		Treasurer	May 18, 2015 to present
Louella F. Calixtro[(4)]	53	First Vice President	November 16, 2025 to present
		Chief Procurement Officer	November 16, 2025 to present
Joan A. De Venecia-Fabul[(5)]	45	First Vice President	November 5, 2020 to present
		Chief Legal Counsel	January 1, 2025 to present
		Legal and Regulatory Affairs Group Head	January 1, 2025 to present
Patrick F. Santos[(6)]	59	First Vice President	November 1, 2024 to present
		Chief Information Security Officer	November 1, 2024 to present
		Cyber Security Operations Head	November 1, 2024 to present
Melissa V. Vergel De Dios	62	First Vice President	March 5, 2013 to present
		Chief Sustainability Officer	November 4, 2021 to present
		Investor Relations Head	March 6, 2007 to October 31, 2024
Gil Samson D. Garcia	54	First Vice President	November 8, 2018 to present
		Financial Reporting and Controllership Head	May 31, 2022 to present

(1) Mr. Jeremiah M. de la Cruz was separated from service effective July 1, 2025.
(2) Mr. John Gregory Y. Palanca was appointed as Senior Vice President and Consumer Business Home Head concurrent to his position as Sales and Development Head effective May 16, 2025.
(3) Mr. Patricio S. Pineda III was appointed as Senior Vice President and Enterprise Business Head of the Company effective April 2, 2025.
(4) Ms. Louella F. Calixtro was appointed as First Vice President and Chief Procurement Officer effective November 16, 2025.
(5) Atty. Joan A. De Venecia-Fabul was appointed as First Vice President, Chief Legal Counsel and Head of Legal and Regulatory Affairs Group of PLDT effective January 1, 2025.
(6) Mr. Patrick F. Santos was appointed as First Vice President/Chief Information Security Officer and Cybersecurity Operations Head effective November 1, 2024.

Three of our directors, namely, Retired Supreme Court Chief Justice Artemio V. Panganiban, Bernido H. Liu and Bernadine T. Siy, are independent directors who are neither officers nor employees of PLDT or any of its subsidiaries, and who are free from any business or other relationship with PLDT or any of its subsidiaries which could, or could reasonably be perceived to, materially interfere with the exercise of independent judgment in carrying out their responsibilities as independent directors. The independence standards/criteria are provided in our By-Laws and Corporate Governance Manual pursuant to which, in general, a director may not be deemed independent if such director is, or in the past five years had been, employed in an executive capacity by us or any company controlling, controlled by or under common control with us or he is, or within the past five years had been, retained as a professional adviser by us or any of our related companies, or he is not free from any business or other relationships with us which could, or could reasonably be perceived, to materially interfere with his exercise of independent judgment in carrying out his responsibilities as a director.

The following is a brief description of the business experiences of each of our directors, executive officers and advisors for at least the past five years:

Mr. Manuel V. Pangilinan, 79 years old, Filipino, has been a director of PLDT since November 24, 1998. He was appointed as Chairman of the Board of Directors of PLDT in February 2004 and as President and Chief Executive Officer in December 2023 with effect January 1, 2024. He also held the position of President and Chief Executive Officer of PLDT from January 1, 2016 until June 7, 2021, and served as President and Chief Executive Officer of Smart Communications, Inc. ("Smart") from January 1, 2016 until August 7, 2019. Mr. Pangilinan is the Chairman of the Governance, Nomination and Sustainability, Executive Compensation, Technology Strategy, and Data Privacy and Information Security Committees of the Board of Directors of PLDT. He also serves as Chairman and President of Metro Pacific Investments Corporation ("MPIC"), Chairman and CEO of Manila Electric Company ("Meralco"), and Chairman of PXP Energy Corporation and Philex Mining Corporation, and of several subsidiaries and affiliates of PLDT or MPIC, including, among others, Smart,

Digitel Mobile Philippines, Inc. ("DMPI"), Digital Telecommunications Phils. ("Digitel"), PLDT Communications & Energy Ventures, Inc., ePLDT, Inc., Beacon Electric Assets Holdings Inc., Philex Petroleum Corporation, Manila North Tollways Corporation, Maynilad Water Services Corporation, Landco Pacific Corporation, Metro Pacific Hospital Holdings, Inc., Medical Doctors Incorporated (Makati Medical Center), and Colinas Verdes Corporation (Cardinal Santos Medical Center). He is also the Chairman of MediaQuest Holdings Inc., TV5 Network, Inc., and PLDT-Smart Foundation.

Mr. Pangilinan founded First Pacific Company Limited ("First Pacific"), a Hongkong Stock Exchange-listed company, in 1981 and serves as its Managing Director and Chief Executive Officer. Within the First Pacific Group, he also holds the position of President Commissioner of P.T. Indofood Sukses Makmur Tbk, the largest food company in Indonesia.

Outside the First Pacific Group, Mr. Pangilinan is the Chairman of the Board of Trustees of San Beda College and the Chairman Emeritus of the Samahang Basketbol ng Pilipinas. He is also the Chairman of Philippine Business for Social Progress, the largest private sector social action organization made up of the country's largest corporations and a Co-Chairman of the Philippine Disaster Resilience Foundation, Inc., a non-stock, non-profit foundation established to formulate and implement a reconstruction strategy to rehabilitate and rebuild areas devastated by floods and other calamities.

Mr. Pangilinan graduated cum laude from the Ateneo de Manila University, with a Bachelor of Arts Degree in Economics. He received his Master's Degree in Business Administration from Wharton School of Finance & Commerce at the University of Pennsylvania, where he was a Procter & Gamble Fellow. He was conferred a Doctor of Humanities Degree (Honoris Causa) by the San Beda College (2002), Xavier University (2007), Holy Angel University (2009) and Far Eastern University (2010).

Atty. Marilyn A. Victorio-Aquino, 70 years old, Filipino, has been a member of the Board of Directors of PLDT since May 8, 2023. Atty. Victorio-Aquino concurrently serves as a Senior Vice President, Management Committee Member, Privacy Head, Corporate Secretary, and Senior Legal Advisor to the Chairman of PLDT. She has been a director of the Philippine Stock Exchange since June 2023.

She joined First Pacific Company Limited ("First Pacific") in 2012 as an Assistant Director and currently holds various positions in the Philippine subsidiaries and affiliates of First Pacific and Metro Pacific Investments Corporation (an affiliate of First Pacific), including President of First Coconut Manufacturing Inc., and director of Philex Mining Corporation ("Philex") and PXP Energy Corporation ("PXP"). She is also a director of Lepanto Consolidated Mining Company ("Lepanto"). Philex, PXP, and Lepanto are PSE-listed companies. She also serves as a director of Philex Gold Philippines, Inc., Silangan Mindanao Mining Company, Inc., Maya Bank, Inc, and Maya Philippines, Inc.

Prior to joining First Pacific, Atty. Victorio-Aquino retired as a Senior Partner at SyCip Salazar Hernandez and Gatmaitan Law Offices (SyCipLaw). Atty. Victorio-Aquino graduated cum laude (class salutatorian) from the University of the Philippines with a Bachelor of Laws Degree in 1980, placed second in the Philippine Bar Examinations, and was admitted to the Philippine Bar in 1981. She obtained her Bachelor of Arts degree from the University of Santo Tomas. She is a member of the International Pacific Bar Association, Women Lawyers Circle, Federacion International de Abogadas, Philippine Bar Association, and Integrated Bar of the Philippines.

Mr. Robert Joseph M. de Claro, 54 years old, Filipino, has been a director of PLDT since February 27, 2025. He officially assumed the role of President and Chief Executive Officer of the Social Security System (the "SSS") on December 6, 2024. Before becoming President and Chief Executive Officer of the SSS, he served as a member of the Social Security Commission (the "SSC"), representing the Employers sector. He also chaired the SSC Information Technology and Collection Committee and was a member of the SSC Audit Committee, SSC Risk Management and Investment Committee, and SSC Governance Committee. Additionally, Mr. de Claro represented the SSS in the Boards of the Union Bank of the Philippines, UBP Investment Management and Trust Corporation, and Ionics, Inc. He has held various leadership roles, including President and Chief Executive Officer of People4u, Inc., Operating Partner at FutureNow Business Services, Inc., President and General Manager of JMango Philippines, Inc., and General Manager, APAC for GlobalOne Solutions, Inc. and Cloud Sherpas.

Mr. de Claro holds a Bachelor of Science degree in Computer Science with a specialization in Information Technology from De La Salle University.

Ms. Helen Y. Dee, 81 years old, has been a director of PLDT since June 18, 1986. She is the Chairperson of House of Investments, Petro Energy Resources Corporation, Rizal Commercial Banking Corporation, all of which are PSE-listed companies. She is the Chairperson, Vice Chairperson or a director of several companies engaged in banking, insurance and real property businesses, which are listed on page 18 hereof. Ms. Dee received her Master's Degree in Business Administration from De La Salle University.

Atty. Ray C. Espinosa, 69 years old, Filipino, has been a director of PLDT since November 24, 1998, and is a member of the Technology Strategy Committee and Data Privacy and Information Security Committee of the Board of Directors of PLDT. He was Senior Advisor to the President and CEO of PLDT from January 28, 2019 until June 8, 2021. He was PLDT's Chief Corporate Services Officer from December 2016 until January 28, 2019, and previously served as President and CEO of ePLDT Inc. and its subsidiaries from July 2000 until May 2010 and as President and CEO of TV5 Network Inc. and Cignal TV Inc. from December 2009 until May 2013. He was the Deputy Chief Executive of Manila Electric Company from January 28, 2019 until May 27, 2019, and President and Chief Executive Officer from May 28, 2019 until May 31, 2023. He was the chairman of the Philstar Group of Companies from June 11, 2014 until August 17, 2023 and BusinessWorld Publication Corporation from September 16, 2013 until August 17, 2023. In June 2013, he joined First Pacific Company Limited as Associate Director.

Atty. Espinosa is a director of Metro Pacific Investments Corporation, Manila Electric Company, and PXP Energy Corporation, an independent director of EEI Corporation and chairman of its Risk Oversight Committee and member of its Executive Committee, and a lead independent director of Lepanto Consolidated Mining Company and chairman of its Audit Committee. He is an independent director of

Concreat Holdings Philippines, Inc. and chairman of its Nominations Committee and member of its Audit Committee. He is a trustee of the PLDT-Smart Foundation Inc. and the Beneficial Trust Fund of PLDT.

He has a Master of Laws Degree from the University of Michigan School of Law and a Bachelor of Laws Degree from the Ateneo de Manila University School of Law, and is a member of the Integrated Bar of the Philippines. He was a partner at SyCip Salazar Hernandez & Gatmaitan from 1982 to 2000, a foreign associate at Covington and Burling (Washington, D.C.) from 1987 to 1988, and a law lecturer at the Ateneo de Manila University School of Law from 1983 to 1985 and 1989. He placed first in the 1982 Philippine Bar Examinations.

Mr. James L. Go, 86years old, Filipino, has been a director of PLDT since November 3, 2011. He is a member of the Technology Strategy and Risk Committees and Advisor of the Audit Committee of the Board of Directors of PLDT. He is the Chairman of JG Summit Holdings, Inc. and a Board Advisor of Cebu Air, Inc. since January 1, 2023, the Chairman and Chief Executive Officer of Oriental Petroleum and Minerals Corporation, and the Chairman Emeritus of Universal Robina Corporation, Robinsons Land Corporation, and JG Summit Olefins Corporation. He is the Vice Chairman of Robinsons Retail Holdings, Inc. and a Director of the Manila Electric Company. He is also the President and Trustee of the Gokongwei Brothers Foundation, Inc. Mr. Go obtained his Bachelor of Science Degree and Master of Science Degree in Chemical Engineering from Massachusetts Institute of Technology, USA.

Mr. Hidetada Hayashi, 55 years old, Japanese, has been a director of PLDT since September 16, 2025. He joined NTT, Inc. in April 1994 and has over 30 years of experience in the telecommunications industry. He currently serves as the Managing Director of the Philippine Branch of NTT DOCOMO, INC.

Prior to this, he served as the Director of the Business Management Division of NTT DOCOMO GLOBAL, Inc. from 2024 to 2025, Executive Director of the Corporate Planning Department of NTT DOCOMO, INC. from 2022 to 2024, Chief Operating Officer of DOCOMO Communications Laboratories Europe GmbH from 2018 to 2021 and Chief Financial Officer of DOCOMO Pacific, Inc. 2008 to 2012.

Mr. Hayashi earned a Bachelor of Arts degree in Law from Chuo University, Tokyo in 1994.

Mr. Menardo G. Jimenez, Jr., 62 years old, Executive Vice President and Chief Operating Officer, served as the Network Head of PLDT from January 15, 2024 to September 16, 2024. He joined PLDT in December 2001 and served in various capacities as Corporate Communications and Public Affairs Group Head, Retail Business Group Head, Fixed Line Business Transformation Office Head, Human Resources Group Head, Fixed Line Business Transformation Office Head and Consumer Home Business Group Head. He holds directorships in several subsidiaries of PLDT. Prior to joining PLDT, he had a stint at GMA Network, Inc., where he served as head of a creative services and network promotions. Mr. Jimenez received his AB Economics degree from the University of the Philippines.

Mr. Bernido H. Liu, 62 years old, has been an independent director of PLDT since September 28, 2015 and is an independent member of the Audit, Governance, Nomination and Sustainability, Executive Compensation, Risk, and Data Privacy and Information Security Committees of the Board of Directors of PLDT. Concurrently, he is the Executive Chairman of GOLDEN ABC, Incorporated. ("GABC"), a fashion retail company that designs and sells its own clothing, personal care and accessory lines marketed and retailed under a dynamic portfolio of well-differentiated proprietary brands, namely Penshoppe, OXGN, ForMe, Memo, Regatta, and BOCU. He is also the Group Chairman of LH Paragon

Incorporated, a business holdings company which has under its management GABC and other companies in various industries, namely, Matimco Incorporated, Oakridge Realty Development Corporation, Clinica Prime, and Greentree Food Solutions, Inc.

Mr. Liu and GABC under his leadership have been recognized by different award-giving bodies. Awards include the Agora for Outstanding Achievement in Entrepreneurship from the Philippine Marketing Association, Ten Outstanding Young Men for Entrepreneurship from JCI Philippines, Global Retailer of the Year from the Philippine Retailers Association and the Department of Trade and Industry, and the ASEAN Business Awards' Priority Integration Sector Excellence Award for Retail. He has also been conferred the Pro Ecclesia et Pontifice, the highest honor the Pope bestows upon a lay person. Mr. Liu graduated with a Bachelor of Science Degree in Architecture from the University of San Carlos and completed the Executive Education Owner/President Management Program of the Harvard Business School.

Retired Chief Justice Artemio V. Panganiban, 89 years old, Filipino, has been an independent director of PLDT since April 23, 2013 and is serving as an independent member of the Audit, Governance, Nomination and Sustainability, and Executive Compensation Committees, and Chairman of the Risk Committee, of the Board of Directors of PLDT. He was appointed as Lead Independent Director effective March 21, 2019. He served as an independent member of the Advisory Board and an independent non-voting member of the Governance and Nomination Committee of the Board of Directors of PLDT from June 9, 2009 to May 6, 2013. Currently, he is also an independent director of Meralco, Petron Corporation, GMA Network, GMA Holdings, JG Summit Holdings, Inc. Asian Terminals, Inc. and RL Commercial REIT, Inc., and a non-executive director of Jollibee Foods Corporation, all of which are PSE-listed companies, as well as Senior Adviser of Metropolitan Bank and Trust Company, and adviser of Double Dragon Properties Corp. and Merry Mart Consumer Corp. He is an Independent Advisor of Metro Pacific Investments Corporation, a large non-listed company, and Independent Director of several large non-listed companies such as Asian Hospital, Inc., Metro Pacific Tollways Corporation, State Investment House, Inc., and State Properties Corporation. He is also the Chairman of the Board of Trustees of the Foundation for Liberty and Prosperity, and of the Board of Advisers of Metrobank Foundation, Inc., a trustee of Tan Yan Kee Foundation and Claudio Teehankee Foundation, President of the Manila Metropolitan Cathedral-Basilica Foundation and of the AIM-RVR Center, a member of the Advisory Board of World Bank (Philippines), Chairman-Emeritus of the Philippine Dispute Resolution Center, Inc., Chairman Emeritus of the Philippine National Committee of the Asean Law Association, and a column writer of the Philippine Daily Inquirer.

Hon. Panganiban served the Supreme Court of the Philippines for more than 11 years, first as Associate Justice (October 10, 1995 to December 20, 2005) and later, as Chief Justice (December 21, 2005 to December 6, 2006) during which he sat concurrently as Chairperson

of the Presidential Electoral Tribunal, Judicial and Bar Council and Philippine Judicial Academy. He has received over 250 awards in recognition of his role as jurist, practicing lawyer, professor, civic leader, Catholic lay worker and business entrepreneur, including "The Renaissance Jurist of the 21st Century" given by the Supreme Court on the occasion of his retirement from the Court, and the Pro Ecclesia et Pontifice Award given by Pope Francis last September 18, 2024. Hon. Panganiban graduated cum laude from Far Eastern University with a Bachelor of Laws Degree in 1960, and was conferred a Doctor of Laws Degree (Honoris Causa) by the University of Iloilo (1997), Far Eastern University (2002), University of Cebu (2006), Angeles University (2006) and Bulacan State University (2006). He was co-founder and past president of the National Union of Students of the Philippines.

Mr. Alfredo S. Panlilio, 62 years old, Filipino, has been a Director of PLDT since June 8, 2021 and Smart since August 8, 2019. He served as President and CEO of PLDT from June 8, 2021 and of Smart from August 8, 2019, and held leadership positions in the various subsidiaries of PLDT and Smart, until his retirement as President and CEO of PLDT and Smart on December 31, 2023. Despite his retirement as President and CEO of PLDT and Smart, Mr. Panlilio has remained as a Director of PLDT and Smart, and has continued to hold various leadership positions within the PLDT Group as Chairman of Maya Bank, Inc., Director of Multisys Technologies Corporation and Multipay Corporation, and Trustee of Asian Carriers Conference Inc. Mr. Panlilio was the Senior Vice President and Head of Customer Retail Services and Corporate Communications at Meralco from September 10, 2010 to June 30, 2019. He also held several leadership positions within the Meralco Group.

Mr. Panlilio is a Trustee of the Kapampangan Development Foundation and Philpop Musicfest Foundation. With PLDT as a longtime supporter of the Philippines' digital transformation, Mr. Panlilio is among the founding members under the Digital Infrastructure pillar of the Private Sector Advisory Council (PSAC), formed in July 2022. Mr. Panlilio sits as President of the MVP Sports Foundation, a Member of the FIBA Central Board, Second Vice President of FIBA Asia Central Board, First Vice President of the Philippine Olympic Committee and headed the FIBA Basketball World Cup 2023 local organizing committee. He is also the President of the Samahang Basketbol ng Pilipinas (SBP), the country's governing basketball federation, and is the Chairman of the National Golf Association of the Philippines (NGAP) and Director of the Philippine Badminton Association.

Mr. Panlilio holds a Bachelor of Science Degree in Business Administration (Computer Information Systems) from San Francisco State University. He obtained his Master in Business Administration at J. L. Kellogg School of Management of Northwestern University and the Hongkong University of Science and Technology.

Mr. Kazutoshi Shimizu, 49 years old, Japanese, has been a director of PLDT since August 13, 2024. He is the Vice President of Global Strategy and Corporate Planning of NTT DOCOMO BUSINESS, Inc. (formerly NTT Communications Corporation ("NTT Com")). He has played a pivotal role in the global business expansion of NTT Group during the last decade. He also held a senior position at the Global Business Office of NTT Holdings Company and had contributed to the growth of the NTT Group. Mr. Shimizu also served as the Vice President of NTT Com's Smart World Business from 2022 to 2024 and as a director of NTT Holdings' Global Business Office from 2011 to 2022.

Mr. Shimizu graduated with a Bachelor's Degree in Mechanical Engineering from the University of Tokyo (1998), and holds a Master's Degree in Mechanical Engineering from the University of Tokyo (2000), and a Master's Degree in Business Administration from London Business School, University of London (2007).

Ms. Bernadine T. Siy, 66 years old, Filipino, has been a director of PLDT since June 8, 2021. She is also a director of Epicurean Partners Exchange Inc. (EPEI), and of Fil-Pacific Apparel Corporation (FPAC), both leading players in the food service and apparel industry. She previously served as President and Chief Executive Officer of EPEI Inc. from 1994 to 2011, and President and Chief Executive Officer of FPAC from 1987 to 1997 and again, from 2004 to 2013. She has been a trustee in the board of Ateneo de Manila University since 2014, and currently holds the position of board chair. She is currently an independent director of Cebu Air, Inc. having been appointed in March 2021. She was also appointed as an independent director of JG Summit Holdings, Inc. last June 2024. She is a trustee in the board of the Foundation for Economic Freedom, an economic policy advocacy organization and a member of the Management Association of the Philippines. She was a Consultant to the Board of Directors of the Development Bank of the Philippines from November 2012 to June 2014. She obtained her Bachelor of Arts Degree in Economics, Magna Cum Laude from Ateneo de Manila University and a Master's Degree in Management from J.L. Kellogg Graduate School of Management of Northwestern University in Chicago, Illinois, USA.

Mr. Victorico P. Vargas, 73 years old is the Leadership Transition Officer of the Company. He has been an Associate Director of First Pacific since January 2016, overseeing First Pacific Group businesses operating in the Philippines and its region, with particular focus on leading the Business Transformation of PLDT. He is a director of Smart Communications Inc., Meralco, MGen Global Business Power, Maya Bank, Inc., PLDT Global Corp., PLDT Subic Telecom, Inc., PLDT Clark Telecom, Inc., Beacon Electric Asset Holdings, Inc., Beacon PowerGen Holdings, Inc., MQuest Ventures, Inc., Cignal TV, Inc., TV5 Network, Inc. and Media5 Marketing Corporation. Chairman of Hastings Holdings Inc., Philstar Global, Inc., Pilipino Star Ngayon, Inc., Pilipino Star Printing, and Philstar Daily, Inc. President and Member of the Board of Trustees of the First Pacific Leadership Academy, Trustee of the MVP Sports Foundation, PLDT-Smart Foundation, Inc. and Ideaspace Foundation and President of the PhilPop Music Fest Foundation. Mr. Vargas is the immediate past President of the Philippine Olympic Committee and is currently a member of the Board of Trustees of the said organization. Mr. Vargas is the Chairman of the Association of Boxing Alliances in the Philippines and was a former member of the Executive Committee of the Asian Boxing Confederation. He is one of the Executive Board Members of World Boxing Council and Chairman of the Philippine Basketball Association for seasons 2017-present. He is also the Vice President of the Samahang Basketbol ng Pilipinas. Prior thereto, Mr. Vargas was the President and Chief Executive Officer of Maynilad Water Services, Inc. since August 2010. He joined PLDT in 2000 as its Human Resources Group Head and through his stay at PLDT got involved in managing the PLDT Business Transformation Office, Asset Protection and Management Group, and the PLDT International Carrier Business. He has worked in senior roles at Union Carbide, Pepsi Cola, Colgate Palmolive and Citibank, NA (both in Manila and in Southeast Asia). Mr. Vargas was educated at Ateneo de Manila and University of Santo Tomas with a Bachelor of Science Degree in Psychology.

Mr. Danny Y. Yu, 64 years old, Senior Vice President, Chief Financial Officer and Chief Risk Management Officer, served as the PLDT Group Controller from November 17, 2022 to May 3, 2023. He concurrently serves as a director of Smart Communications, Inc., Digital Telecommunications (Phils.), Inc., and Digitel Mobile Phils., Inc. He likewise served as Senior Vice President and Chief Financial Officer, Chief Governance Officer and Chief Risk Officer of Philex Mining Corporation from September 2013 to August 2019, Chief Finance Officer of Digital Telecommunications Philippines, Inc. and Digitel Mobile Philippines, Inc. (Sun Cellular) from November 2011 to July 2013, Chief Financial Officer of ePLDT, Inc. from November 2010 to December 2011, Chief Financial Officer of PLDT Global Corporation from June 2004 to November 2010, Chief Financial Officer of Mabuhay Satellite Philippines Corporation & Aces Satellite Philippines Corporation from March 1999 to May 2004, and Vice President for Corporate Development of Fort Bonifacio Development Corporation from March 1997 to March 1999. He started his career at SGV & Co. where he was a senior auditor. Mr. Yu graduated Magna Cum Laude from the University of San Carlos with a Bachelor of Science in Commerce, Major in Accounting and holds a Master in Management from the Asian Institute of Management. He is also a Certified Public Accountant. In 2016, he was awarded the ING-FINEX CFO of the Year.

Ms. Gina Marina P. Ordoñez, 64 years old, Senior Vice President and Chief People Officer for PLDT, Inc. and its wireless subsidiary, Smart Communications, Inc., where she drives the strategic direction and execution of human capital initiatives, workplace design, and employee experience programs. By aligning people-centric strategies with business objectives, she aims to create a workplace where employees are empowered to do meaningful work and deliver organizational goals. She also contributed to the development and implementation of the PLDT Group Talent Management strategy, ensuring alignment with present and future business requirements. Throughout the pandemic, Gina served as Co-Chairperson of the MVP Group Vaccine Task Force, leading the planning and operations of COVID-19 vaccination efforts for employees and their families nationwide. She has been with the PLDT Group for over eight years, initially joining the Business Transformation Office (BTO) in 2016 to oversee process and quality management. She transitioned to the role of Smart People Group Head before being appointed as Chief People Officer for both PLDT and Smart organizations in 2019. Ms. Ordoñez was formerly Vice President for Service Operations and Quality Management at Makati Medical Center where she implemented best practices in service quality throughout the hospital, enhancing service delivery, operational efficiency, and end-to-end processes to improve patient satisfaction. She also served as Head of Customer Experience for Consumer Banking at Citi where she occupied several leadership roles over a span of 16 years. During her tenure, she attained a Six Sigma Black Belt certification. She is a registered Corporate Coach and Quality Management consultant, holding membership in the International Coach Federation. With more than 23 years of extensive experience, she has held leadership roles in People, Process, Customer Experience and Quality Management.

Mr. Joseph Ian G. Gendrano, 49 years old, Senior Vice President, has been in PLDT's service since May 2013. He served as the Enterprise Business Head of the Company before being appointed as a Senior Vice President and Chief Operating Officer of Kayana Solutions Inc. ("Kayana"). He is currently the President and Chief Executive Officer of Kayana. Prior to joining PLDT, he worked with Verizon Business, Cisco Systems and Goldman Sachs in the United States. He has held technical, sales, consulting and leadership roles in these organizations as well as gained industry experience in the global financial services vertical. He served as Vice President of Goldman Sachs' Network Voice and Multimedia Division and Chief Architect for Unified Communications platforms. Mr. Gendrano obtained his Bachelor of Science degree in Electronics and Communications Engineering from De La Salle University and Master of Science degree in Electrical Engineering, Major in Telecommunications and Networking from the University of Pennsylvania.

Mr. John Gregory Y. Palanca, 58 years old, Senior Vice President and Consumer Business Head and Sales and Development Head. He also served as the First Vice President and Regional Customer Development - Luzon Head of Smart from November 2020 to July 2022. Prior to his promotion to First Vice President, Mr. Palanca served as the Vice President and Regional Customer Development - Luzon Head of Smart from December 2017 to November 2020. Before Mr. Palanca's stint with Smart, he served as the Managing Director of PLDT Japan GK from June 2016 to December 2017, General Manager of PLDT Malaysia Sdn Bhd. from January 2014 to May 2016, General Manager of PLDT HK Ltd. from May 2011 to December 2013, Country President of Motorola Communications Phils. Inc. from January 2006 to January 2011, Vice President of Nextel, Next Mobile from January 2000 to January 2006, and Principal Consultant of Islanet Information Technology from January 1998 to January 2000.

Mr. Patricio S. Pineda III, 56 years old, Senior Vice President and Enterprise Business Head. Prior to joining the Company, Mr. Pineda served as the Chief Operating Officer of Kayana Solutions Inc. from 2024 to 2025, Strategic Advisor to Stealth Mode (Hong Kong) from 2023 to 2024, Managing Director and Global Head of Internet Industries Banking at Standard Chartered Bank (Hong Kong) from 2021 to 2023, Partner (Digital, Strategy and Transformation) at Prophet (Hong Kong) from 2017 to 2021, and Vice President for Global Client Advisors at Oracle Corporation (US) from 2011 to 2017. Mr. Pineda obtained his BS Management Engineering and AB Management Economics degrees, as a merit scholar, from the Ateneo de Manila University in 1990, and his Master's Degree in Business Administration (with honors) from the University of Chicago Booth School of Business in 1995.

Mr. Luis S. Reñon, 55 years old, Senior Advisor to the Chairman, joined PLDT in July 2018. Prior thereto, he was the Emerging Markets Chief Finance Officer of Pfizer Inc. handling teams across the Philippines, Thailand, Malaysia, Indonesia, Vietnam, and Pakistan. He started his professional career in the Audit and Business Advisory Division of Ernst & Young Manila and Singapore for six years. He then moved to Novartis Asia Pacific in Singapore as Regional Auditor and Team Leader, managing APAC auditors in conducting business review and compliance test of operations in Asia Pacific and Europe. He moved back to the Philippines in 2000 where he became the Head of Finance, Administration and Operations of Novartis' Animal Health Business Unit. He pursued a rewarding career in Wyeth Philippines and Pfizer, Inc., where he took on various roles with increasing responsibilities in Strategic Planning and Business Finance, as Pfizer's Country CFO in 2011 during the Pfizer-Wyeth integration and as Emerging Markets CFO in 2014. Mr. Reñon is a Certified Public Accountant. He completed his Bachelor's degree in Commerce, major in Accounting at Araullo University, and his Master's degree in Business Administration at the Ateneo de Manila University, where he garnered the Gold Medalist Award. He attended the Management Development Program of the Asian Institute of Management in 2005 and the Financial Excellence Program of Harvard Business School in the USA.

Mr. Leo I. Posadas, 59 years old, Senior Vice President and Treasurer of the PLDT Group and concurrent Treasury Head of PLDT and Smart, handles the treasury planning/management and treasury operations of several companies under the PLDT Group. He is a director and

Chief Financial Officer of PLDT Global Corporation, a director and Treasurer of PLDT Global Investments Holdings, a director and Vice President for Treasury of Mabuhay Investments Corporation, a director of PLDT Communication and Energy Ventures, a director of Philstar and Businessworld, and the Treasurer of the Vega Telecom group. He is also the Treasurer of Smart, ePLDT, Digital Telecommunications, Digitel Mobile, PLDT-Smart Foundation and several other subsidiaries of PLDT and Smart. Prior to joining PLDT in September 2000, he served as Treasury Manager of Total Petroleum Philippines, and as Manager for Foreign Exchange Management of San Miguel Corporation. Mr. Posadas received his Bachelor of Arts Degree in Economics and Bachelor of Science degree in Commerce Major in Management of Financial Institutions from De La Salle University.

Ms. Louella F. Calixtro, 53 years old, First Vice President and Chief Procurement Officer. She has been in PLDT's service since November 16, 2025. Before being appointed as First Vice President and Chief Procurement Officer of the Company, Ms. Calixtro served as Global Sourcing Strategy Director, Software, Offnet, DC Category, Liberty Blume Procurement Solutions at Liberty Global (Amsterdam, NL, London, UK, and Denver, USA) from 2024 to 2025, and Global Director, Liberty Procurement Services, IT and BPO from 2020 to 2024. She likewise held several leadership roles at VEON Ltd. (Amsterdam, NL) as Global Vendor and Contracts Director from 2017 to 2020, Director of Vendor Management Office from 2014 to 2017, and Senior Procurement Contracts and Vendor Manager from 2007 to 2016. Earlier in her career, Ms. Calixtro served as the Head of Contracts Support Services (Enterprise Sales/Customer Facing Function) at Globe Telecom, Inc. from 2004 to 2007.

Ms. Calixtro holds a Juris Doctor degree from the University of the Philippines College of Law, where she was a consistent merit scholar, and a Bachelor of Arts degree in Communications Research, graduating Cum Laude from the same institution. She is also a certified practitioner with certificates in Commercial and Vendor Contracting, Service Level Agreements, and Project Management. She also has a certificate in Capital Allocation and Business Control and Completion of Lead Forward Program for Senior Leaders.

Atty. Joan A. De Venecia-Fabul, 45 years old, First Vice President and PLDT Chief Legal Counsel and Head of Legal and Regulatory Affairs Group, was the Vice President and General Counsel of listed company Philex Mining Corporation from August 2015 to March 2019, and was concurrently its Data Protection Officer from August 2017 and Head of Human Resources from January 2019. She was the Vice President for the Public Relations and Information Services Group of the Home Development Mutual Fund from August 2013 to July 2015, and, prior to that, was Senior Associate at SyCip Salazar Hernandez & Gatmaitan, where she started her legal career.

Atty. De Venecia-Fabul is a professorial lecturer at the University of the Philippines College of Law, teaching Public International Law, as well as a regular lecturer in Mandatory Continuing Legal Education seminars. She graduated from the Ateneo de Manila University in 2001 with a Bachelor's Degree in Legal Management. She obtained her Bachelor of Laws degree from the University of the Philippines in 2005 as class valedictorian, cum laude, and Academic Excellence Awardee, and topped the Philippine Bar exam that same year. She holds a Master of Laws in International Legal Studies from New York University under a Fulbright Scholarship and Hugo Grotius Scholarship. In 2024, she obtained alumna status from the Wharton School under its Advanced Management Program.

Mr. Patrick F. Santos, 59 years old, First Vice President and Chief Information Security Officer and Cybersecurity Operations Head. Prior to joining PLDT, he held key technical leadership positions in Zuellig Pharma Asia Pacific Ltd. as Head of Network, Infrastructure, and Cybersecurity from April 2022 to August 2024 and Senior Director of Regional Information Technology from June 2016 to March 2022. He also served as a Senior Vice President and the Group Chief Information Officer of SPi Global Holdings, Inc. from January 2011 to January 2016. He obtained his Bachelor of Science Degree in Computer Science from Long Island University – C.W. Post Campus, Brookville New York U.S.A. in 1989 where he graduated with honors.

Ms. Melissa V. Vergel de Dios, 62 years old, First Vice President and Chief Sustainability Officer effective November 4, 2021 and concurrent Corporate Sustainability Office Head of the Company. She has been in PLDT's service since May 2001 and served as Investor Relations Head until October 2024, Property Management Center Head until May 2003, and Property and Facilities Management Center Head until September 2007. Prior to joining PLDT, she was the Chief Operating Officer of Wharton Credit Corp. and from June 2000 to May 2001 was the Group Chief Finance Officer of Global 3 Internet Holdings, Inc. She held various positions in San Miguel Group of Companies from 1984 to 2000. Ms. Vergel de Dios obtained her Bachelor of Science Degree in Marketing and Management and Bachelor of Arts degree in Economics from Assumption College.

Mr. Gil Samson D. Garcia, 54 years old, First Vice President and Financial Controllership Head. He served as Group CFO of the ePLDT Group from May 2015 to August 2023, and MVP Rewards & Loyalty Solutions, Inc. (MRSI) from September 2018 to August 2023. He served as Controller of PCEV from June 2022 to June 2023. He holds directorships in several subsidiaries of ePLDT. Prior to joining PLDT, he was a Senior Director until January 2007 of the Business Risk Services Group of SGV & Co. / Ernst & Young, where he gained a wide range of experiences, here and abroad, in external audit and business process review and advisory including Sarbanes Oxley (SOX) 404 evaluation & consultancy, risk management, corporate governance, and business fraud investigation, and fraud prevention and detection, among others. He graduated Cum Laude from the University of Santo Tomas with a Bachelor of Science Degree in Commerce, Major in Accounting. He is a CPA and a globally Certified Internal Auditor (CIA) and Certified Fraud Examiner (CFE). He completed the Management Development Program in the Asian Institute of Management School of Executive Education in cooperation with PLDT & Smart in August 2016, and the High Potential Program / Leadership Talent Assessment facilitated by Development Dimensions International in October 2020. He was certified as Executive Coach Level 3 by the Global Learning Solutions Singapore in October 2023.

Below is a list of directorships in other private and public companies of the director named below. All directorships of our other director are included in their respective biographies in the preceding pages.

Name of Director	Names of Companies	
	Public	**Private**
Helen Y. Dee	House of Investments (Regular Director/Chairman) Petro Energy Resources Corporation (Regular Director/Chairman) Rizal Commercial Banking Corporation (Regular Director/Chairman)	A.T. Yuchengco, Inc. (Regular Director/Chairman) AY Foundation, Inc. (Regular Director/Chairman/Trustee) AY Holdings, Inc. (Regular Director/Chairman) ET Yuchengco, Inc. (Regular Director/Chairman) GPL Holdings, Inc. (Regular Director/Chairman) Hi-Eisai Pharmaceuticals, Inc. (Regular Director/Chairman) Honda Cars, Kaloocan (Regular Director) Honda Cars Philippines, Inc. (Regular Director) Isuzu Philippines, Inc. (Regular Director) La Funeraria Paz Sucat (Regular Director/Chairman) Landev Corp. (Regular Director/Chairman) Luis Miguel Foods (Regular Director) Luisita Industrial Park Corporation (Regular Director) Malayan Colleges Laguna, Inc. (Trustee) Malayan Colleges of Mindanao Inc. (Regular Director/Chairman) Malayan Educational Systems, Inc. (Regular Director/Chairman) Malayan Insurance Co. Inc. (Regular Director/Chairman) Malayan High School of Science, Inc. (Regular Director/Chairman) Manila Memorial Park Cemetery, Inc.(Regular Director/Chairman) Mayahin Holdings Corporation (Regular Director/Chairman) MICO Equities, Inc. (Regular Director/Chairman) Pan Malayan Express, Inc. (Regular Director/Chairman) Pan Malayan Management and Investment Corporation (Regular Director/Chairman) Pan Malayan Realty Corporation (Regular Director/Chairman) Petrowind Energy, Inc. (Regular Director/ Chairman) Philippine Business for Education, Inc. (Regular Director/Trustee) Philippine Integrated Advertising Agency, Inc. (Regular Director) RCBC Land, Inc. (Regular Director) RCBC Leasing & Finance Corp (Regular Director/Chairman) RCBC Realty Corporation (Regular Director/Chairman) Shayamala Corporation (Regular Director/Chairman) Sunlife Grepa Financial, Inc. (Regular Director/Chairman) Xamdu Motors, Inc. (Regular Director/Chairman) YGC Corporate Services, Inc. (Regular Director/Chairman) Y Realty, Inc. (Regular Director) Yuchengco Center, Inc. (Regular Director/Chairman) US-Philippine Society - Director

Terms of Office

The directors of PLDT are elected each year to serve until the next annual meeting of stockholders and until their successors are elected and qualified, except in case of death, resignation, disqualification or removal from office. The term of office of all officers is coterminous with that of the Board of Directors that elected or appointed them.

Family Relationships

None of the directors/independent directors and officers of the Company or persons nominated to such positions has any family relationships up to the fourth civil degree either by consanguinity or affinity, except Mr. Manuel V. Pangilinan (Chairman) and Ms. Gina Marina P. Ordoñez (Chief People Officer) who are relatives to the fourth civil degree by consanguinity.

Legal Proceedings

The Company is not aware, and none of the directors/independent directors and officers or persons nominated for election to such positions has informed the Company, of any of the following events that occurred during the past five (5) years and up to the date of this Information Statement: (a) any bankruptcy petition filed by or against any business of which a director/independent director or officer or person nominated for election to any of such positions, was a general partner or executive officer either at the time of the bankruptcy or within two years prior to that time; (b) any conviction by final judgment in a criminal proceeding, domestic or foreign, or any criminal proceeding, domestic or foreign, pending against any director/independent director or officer or person nominated for election to any of such positions, except as noted below; (c) any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending or otherwise limiting the involvement of any director/independent director or officer or person nominated for election to any of such positions in any type of business, securities, commodities or banking activities; and (d) any finding by a domestic or foreign court of competent jurisdiction (in a civil action), the Securities and Exchange Commission or comparable foreign body, or a domestic or foreign exchange or electronic marketplace or self-regulatory organization, that any director/independent director or officer or person nominated for election to any of such positions, has violated a securities or commodities law or regulation, and the judgment has not been reversed, suspended, or vacated.

The following is a description of the complaints in which our Chairman, Manuel V. Pangilinan, our directors Ray C. Espinosa, James L. Go, Artemio V. Panganiban, and Alfredo S. Panlilio are respondents:

1. Messrs. Manuel V. Pangilinan, Ray C. Espinosa, James L. Go and Artemio V. Panganiban and other members of the Board of Directors and the President and CEO of Manila Electric Company, and the Commissioners of Energy Regulatory Board ("ERC") except former Chairman Agnes Devanadera, are respondents in a Complaint-Affidavit dated January 22, 2018, filed by the

NASECORE and Cellphone Owners and Users of the Philippines, Inc. ("COUP") with the OMB and docketed as OMB-C-C-18-0042 (the "Complaint").

The Complaint charges the respondents with the crime of Syndicated Estafa under Section 1 of Presidential Decree No. 1689 in relation to Paragraph 2(a) of Article 315 of the Revised Penal Code and violation of Section 3 (e) of Republic Act No. 3019 (Anti-Graft and Corrupt Practices Act) in connection with the investments made by Meralco in its subsidiaries and affiliates and in its joint ventures with other corporations for businesses which are not related to Meralco's electric distribution business.

The Complaint alleges that Meralco's investments, participations, business interests, and infusion of funds in other companies, either as parent corporation or as a joint venture, are violative of its legislative franchise (RA 9209) and the EPIRA Law (RA 9136). It further alleges that Meralco allegedly conspired with the four (4) ERC Commissioners in committing Syndicated Estafa and with violating Section 3(e) of Anti-Graft and Corrupt Practices Act, to make said prohibited investments, thereby resulting to over-charging and over-recoveries by Meralco against its customers.

As directed in the OMB's Order dated February 20, 2018, the members of the Board of Directors and the President and CEO of Meralco (the "Private Respondents") timely filed their Counter-Affidavits on March 12, 2018. In their Counter-Affidavits, the Private Respondents strongly denied the commission of any wrongdoing as Meralco's investment activities are allowed by and fully compliant with all applicable laws, rules and regulations, and do not impact negatively on its operations or customers. They argued that its legislative franchise (RA 9209) and the EPIRA Law (RA 9136) do not prohibit, restrict or bar Meralco from making investments in other companies, including generation companies.

Meralco is likewise not required (pursuant to Section 26 of EPIRA) to plow back up to 50% of the net income derived from such investments in other companies since Meralco's investments in generation companies and other subsidiaries or entities do not constitute related business undertakings that utilize Meralco's rate base assets. Meralco's investments in other companies are not sourced from its revenues, but rather, from its net profits and retained earnings, and the disposition and use of such profits by Meralco are not subject to regulation by the ERC or any other agency.

Considering the foregoing, the elements of the crime of Syndicated Estafa are not present. No fraud was committed against Meralco customers since Meralco and/or Private Respondents or any of them never committed any fraudulent act, or employed false pretenses or fraudulent means to the prejudice or detriment of any party. There is no fraud or swindling whatsoever, there is also no syndicate to speak of, and Private Respondents did not participate in or agree to any criminal design with the ERC Commissioners.

On May 4, 2018, Meralco filed a Manifestation with Motion for Early Resolution of even date. Another Motion to Resolve and Dismiss was also filed by MERALCO on June 2, 2021. In a Joint Resolution dated February 22, 2022, the Ombudsman has dismissed the cases. As at December 31, 2025, there has been no appeal received.

2. Mr. Alfredo S. Panlilio and PLDT Inc. ("PLDT") are respondents in a Complaint-Affidavit dated September 29, 2022, filed by Mr. Edmon G. Fullante with the Office of the City Prosecutor - Quezon City ("OCP QC") and docketed as XV-03-INV-22I-07791 (the "Complaint").

   The Complaint charges PLDT and Mr. Panlilio for Quasi-Delict in connection with a motorcycle accident Mr. Fullante figured in involving a PLDT cable.The Complaint alleges that PLDT and Mr. Panlilio are responsible for the damages suffered by Mr. Fullante as a result of the accident. As directed in the OCP QC's Subpoena dated May 2, 2023, PLDT and Mr. Panlilio filed their Counter-Affidavits on May 29, 2023.

   During the preliminary investigation on May 29, 2023, Mr. Fullante executed and filed an Affidavit of Desistance with an attached Release, Waiver, and Quitclaim, alleging that the case was filed due to a misunderstanding, that he is voluntarily withdrawing the case, and that he is recanting all his allegations in the Complaint against PLDT and Mr. Panlilio.

   In a Resolution dated June 1, 2023, the OCP QC dismissed the Complaint. No motion for reconsideration or appeal has been received as at this date.

Audit; Governance, Nomination and Sustainability; Executive Compensation; Risk; Technology Strategy; and Data Privacy and Information Security Committees

Our Board of Directors (Board) is authorized under the By-Laws to create committees, as it may deem necessary, to assist in the effective performance of specific functions and responsibilities which may be delegated by the Board. We have six Board committees, namely, the Audit; Governance, Nomination and Sustainability; Executive Compensation; Technology Strategy; Risk; and Data Privacy and Information Security Committees. Each of these committees has a Board-approved written charter that provides for such committee's composition, membership qualifications, functions and responsibilities, conduct of meetings, and reporting procedure to the Board.

Audit Committee

Our Audit Committee (AC) is composed of three members, all of whom are independent directors. The AC members are Retired Supreme Court Chief Justice Artemio V. Panganiban, Mr. Bernido H. Liu and Ms. Bernadine T. Siy, who is the chairperson of this committee. The AC is supported by three advisors, namely, Mr. Hidetada Hayashi and Mr. James L. Go, who are non-independent directors, and Ms. Corazon S. de la Paz-Bernardo, a former member of our Board. All the members of our AC are financially literate. Ms. Siy holds a master's degree in Management with majors in Finance and Accounting from the J.L. Kellogg Graduate School of Management of Northwestern University in Chicago, Illinois, USA. Ms. Corazon S. de la Paz-Bernardo has expertise in accounting and financial management. She is a

former Chairman and Senior Partner of Joaquin Cunanan & Company, now Isla Lipana & Co., a member firm of PricewaterhouseCoopers (PwC).As provided in the AC charter, the primary purpose of the AC is to assist the Board in fulfilling its oversight responsibility for:

- the integrity of PLDT's accounting and financial reporting principles and policies, and system of internal controls, including the review of material related party transactions, and the integrity of PLDT's financial statements and the independent audit thereof;
- PLDT's compliance with legal and regulatory requirements; and
- the Company's audit process and the performance of the internal audit organization and the external auditors (including the external auditors' qualifications and independence).

To carry out its direct responsibility for the appointment, setting of compensation, retention and removal of the external auditor, the AC has the following duties and powers:

- review and evaluate the qualifications, performance and independence of the external auditor and its lead audit partner;
- select and appoint, remove or replace the external auditor;
- review and approve, in consultation with the head of the internal audit organization and the head of the finance organization, all audit and non-audit services to be performed by the external auditor and the fees to be paid for such services, and ensure disclosure of any allowed non-audit services in PLDT's annual report;
- periodically review fees for non-audit services paid to the external auditor and disallow non-audit services that will conflict with the external auditor's duties to PLDT or pose a threat to the external auditor's independence;
- ensure that the external auditor prepares and delivers annually a statement as to its independence, discuss with the external auditor any relationships or services disclosed in such statement that may impact the objectivity, independence or quality of services of said external auditor and take appropriate action in response to such statement to satisfy itself of the external auditor's independence;
- based on the external auditor's statement submitted at least annually, review the external auditor's internal quality control procedures for any material issues raised by recent internal quality control review or peer review of the external auditor, or by any inquiry or investigation by government or professional authorities within the preceding five years, regarding one or more independent audits carried out by the external auditor and steps taken to deal with any such issues;
- ensure that the external auditor or its lead audit partner having the primary responsibility for the audit of PLDT's financial accounts is rotated at least once every five years or such shorter or longer period provided under applicable laws and regulations;
- advise the external auditor that it is expected to provide the AC a timely analysis of significant/critical financial reporting issues and practices;
- obtain assurance from the external auditor that the audit was conducted in a manner consistent with certain procedures to be followed in any audit of financial statements required under applicable rules; and
- resolve disagreements between management and the external auditor regarding financial reporting.

The AC has the authority to retain or obtain advice from special counsel or other experts or consultants in the discharge of its responsibilities without the need for Board approval.

Audit Committee Report

Further to our compliance with applicable corporate governance laws and rules, we confirm for 2025 that:

- Each voting member of the Audit Committee is an independent director as determined by the Board of Directors;
- We had a total of 10 meetings during the year, eight of which were joint meetings with the Audit Committees of Smart and Digitel, including one joint meeting conducted with the Risk Committee;
- We have reviewed and approved for retention the Audit Committee Charter, amended and adopted by the Board on January 28, 2025, until the next review in 2026;
- We have reviewed and approved the PLDT Internal Audit Group's risk-based annual plan for their regular audits, including updates thereto, and discussed the results of their reviews;
- Based on a review of SGV & Co.'s performance and qualifications, including consideration of Management's recommendation, we approved the appointment of SGV & Co. as the PLDT Group's independent auditor;
- We have discussed with SGV & Co. the overall scope and plan for their integrated audit of the PLDT and Subsidiaries', or PLDT Group's, financial statements and internal controls over external financial reporting, and the results of their examinations;
- We have reviewed and approved all audit and non-audit services provided by SGV & Co. to the PLDT Group, and the related fees for such services, and concluded that the non-audit fees are not significant to impair their independence;

- We have discussed with SGV & Co. the matters required to be discussed by the prevailing applicable Auditing Standard, and we have received written disclosures and the letter from SGV & Co. as required by the prevailing applicable Independence Standards (Statement as to Independence) and have discussed with SGV & Co. its independence from the PLDT Group and the PLDT Group's Management;

- We were apprised of updates on enterprise risk management and major risk exposures and mitigations through our attendance to meetings of the Risk Committee, from which we are also members;

- We have discussed with the Chief Legal Counsel, Regulatory and Tax Management Heads on the significant legal matters and updates on the Company's compliance with regulations and applicable laws;

- We have discussed with relevant Business Unit heads the status of their initiatives to address key audit observations, and other significant updates in their areas;

- In the performance of our oversight responsibilities, we have reviewed and discussed the unaudited consolidated quarterly financial statements and reports in the first three quarters of 2025 and the audited consolidated financial statements of the PLDT Group as at and for the year ended December 31, 2025 with the PLDT Group's Management, which has the primary responsibility for the financial statements, and with SGV & Co., the PLDT Group's independent auditor, who is responsible for expressing an opinion on the conformity of the PLDT Group's audited financial statements with PFRS Accounting Standards; and

- Based on the reviews and discussions referred to above, in reliance on PLDT Group's Management and SGV & Co. and subject to the limitations of our role, we recommended to the Board of Directors and the Board has approved, the inclusion of the PLDT Group's audited financial statements as at and for the year ended December 31, 2025 in the PLDT Group's Annual Report to the Stockholders and to the Philippine Securities and Exchange Commission on Form 17-A.

Governance, Nomination and Sustainability Committee

Our Governance, Nomination and Sustainability Committee (GNSC) is composed of five voting members, all of whom are members of our Board, and two non-voting members. Three of the voting members are independent directors, namely, Retired Supreme Court Chief Justice Artemio V. Panganiban, Mr. Bernido H. Liu, and Ms. Bernadine T. Siy. The two other voting members are non-executive director, Mr. Hidetada Hayashi and executive director, Mr. Manuel V. Pangilinan, who is the chairman of this committee. The two non-voting members are the Chief People Officer, Ms. Gina Marina P. Ordoñez and the Chief Sustainability Officer, Ms. Melissa V. Vergel de Dios.

The primary purpose of the GNSC is to assist the Board in the performance of the following functions:

- establish the Company's corporate governance framework, principles and policies aligned with business objectives, and oversee their implementation, including the implementation of the Conflict of Interest and Expanded Whistleblowing Policies, and the implementation of continuing education and communication programs on good governance;

- develop and implement an evaluation process for the annual review of the performance of the Board, the Board Committees and the individual directors, including the President and CEO;

- implement a selection process and succession plan to ensure that the Board has an effective and balanced mix of knowledge, expertise, experience and diversity in terms of, among others, age, gender, business and industry experience and ethnicity, and review the qualifications of persons nominated to other positions requiring appointment by the Board;

- identify persons qualified to become members of the Board and/or the Board Committees;

- assess the effectiveness of the Company's nomination and selection process for the Board and Board Committees, which includes access to external sources;

- establish the Company's sustainability strategy, framework, programs and policies and oversee their implementation; and

- oversee and provide guidance on the Company's social and environmental investments, approaches, and commitments, underpinned by initiatives that aim to assess and manage the impact of Company operations.

Executive Compensation Committee

Our Executive Compensation Committee (ECC) is composed of five voting members, all of whom are members of our Board of Directors, and one non-voting member. Three of the voting members are independent directors, namely, Retired Supreme Court Chief Justice Artemio V. Panganiban, Mr. Bernido H. Liu, and Ms. Bernadine T. Siy. The two other voting members are non-executive director, Mr. Hidetada Hayashi and executive director, Mr. Manuel V. Pangilinan, who is the chairman of this committee. The non-voting member is the Chief People Officer, Ms. Gina Marina P. Ordoñez.

The primary purpose of the ECC is to assist the Board in the performance of the following functions:

- oversee the development of a compensation philosophy or policy consistent with the strategy, culture and control environment of PLDT;

- oversee the development and administration of PLDT's executive compensation programs, including long-term incentive plans and equity-based plans for officers and executives;

- oversee the development and administration of the Company's performance management framework to monitor and assess the performance of Management;

- oversee the succession plan for officers, including the CEO; and

- oversee the development and implementation of professional development programs for officers.

Risk Committee

Our Risk Committee (RC) is composed of five voting members, all of whom are members of our Board, and one non-voting member. Three of the voting members are independent directors, namely, Mr. Bernido H. Liu, Ms. Bernadine T. Siy, and Retired Supreme Court Chief Justice Artemio V. Panganiban, who is the chairman of this committee. The two other voting members are non-executive directors, namely, Mr. Hidetada Hayashi and Mr. James L. Go. The non-voting member is the Chief Risk Management Officer, Mr. Danny Y. Yu.

The primary purpose of the RC is to assist the Board in fulfilling its governance functions relating to risk management, which include the following:

- oversee management's adoption and implementation of a system for identifying, assessing, monitoring and managing key risk areas;
- review management's reports on PLDT's major risk exposures; and

1) review management's plans and actions to minimize, control or manage the impact of such risks.

Technology Strategy Committee

Our Technology Strategy Committee (TSC) is composed of four voting members and one non-voting member. The voting members are executive director, Mr. Manuel V. Pangilinan, who is the chairman of this committee, and three non-executive directors, Atty. Ray C. Espinosa, Mr. James L. Go, and Mr. Hidetada Hayashi. The non-voting member is an executive director and the Chief Operating Officer, Mr. Menardo G. Jimenez, Jr.

The primary purpose of the TSC is to assist the Board in the performance of the following functions:

- review and approve the strategic vision for the role of technology in PLDT's overall business strategy, including the technology strategy and roadmap of PLDT;
- fulfill its oversight responsibilities for PLDT's effective execution of its technology-related strategies; and
- ensure the optimized use and contribution of technology to PLDT's business and strategic objectives and growth targets

Data Privacy and Information Security Committee

Our Data Privacy and Information Security Committee (DPISC) is composed of five voting members, all of whom are members of our Board. The DPISC members are independent director, Mr. Bernido H. Liu, non-executive directors, Atty. Ray C. Espinosa and Mr. Hidetada Hayashi, and executive directors, Atty. Marilyn A. Victorio-Aquino and Mr. Manuel V. Pangilinan, who is the chairman of this committee.

The primary purpose of the DPISC is to assist the Board in the performance of its oversight function and provide strategic direction to governance functions relating to data privacy and information security, including, to:

- promote effective data privacy, information and cybersecurity governance;
- review and approve the Company's strategic plans on data privacy, information and cybersecurity;
- ensure accountability for compliance with regulatory standards and best practices on data privacy, information and cybersecurity;
- foster a culture of privacy, information and cybersecurity; and
- oversee management's adoption and implementation of a system for identifying, assessing, monitoring and managing enterprise-wide data privacy, information and cybersecurity risks.

Advisory Committee

Our Advisory Board/Committee is composed of Mr. Benny S. Santoso, Mr. Christopher H. Young, and Mr. Roberto C. Yap, S.J, as independent advisor. The Advisory Board/Committee members have no voting rights, and provide guidance and suggestions, as necessary, on matters deliberated upon during Board meetings.

Item 10. Executive Compensation and Stock Option Plan

Executive Compensation

The following table is the list of the directors and executive officers, including the CEO, of PLDT as at December 31, 2025:

Name	Position(s)
Manuel V. Pangilinan	Director, Chairman of the Board, President and Chief Executive Officer
Marilyn A. Victorio-Aquino	Director, Senior Vice President, Corporate Secretary and Senior Legal Adviser to the Chairman
Robert Joseph M. de Claro[(1)]	Director
Helen Y. Dee	Director
Ray C. Espinosa	Director
James L. Go	Director
Hidetada Hayashi[(2)]	Director
Menardo G. Jimenez, Jr.[(3)]	Director, Executive Vice President and Chief Operating Officer

Name	Position(s)
Kazuyuki Kozu[4]	Director
Bernido H. Liu	Independent Director
Retired Supreme Court Chief Justice Artemio V. Panganiban	Independent Director
Alfredo S. Panlilio	Director
Kazutoshi Shimizu	Director
Bernadine T. Siy	Independent Director
Marife B. Zamora[5]	Director
Danny Y. Yu	Senior Vice President, Chief Financial Officer and Chief Risk Management Officer
Victorico P. Vargas	Leadership Transition Officer
Gina Marina P. Ordoñez	Senior Vice President, Chief People Officer
Joseph Ian G. Gendrano	Senior Vice President
Jeremiah M. Dela Cruz[6]	Senior Vice President
John Gregory Y. Palanca[7]	Senior Vice President, Consumer Business Group Head
Patricio S. Pineda III[8]	Senior Vice President, Enterprise Business Group Head
Luis S. Reñon	Senior Advisor to the Chairman
Leo I. Posadas	First Vice President and Treasurer
Louella F. Calixtro[9]	First Vice President, Chief Procurement Officer
Joan A. De Venecia A. Fabul[10]	First Vice President, Chief Legal Counsel
Patrick F. Santos[11]	First Vice President, Chief Information Security Officer
Melissa A. Vergel de Dios	First Vice President and Chief Sustainability Officer
Gil Samson D. Garcia	First Vice President, Financial Reporting and Controllership

(1) Mr. Robert Joseph M. de Claro was elected as a director of the Company effective February 27, 2025 and shall serve the unexpired term of his predecessor in office, Atty. Santiago Dionisio R. Agdeppa.

(2) Mr. Hidetada Hayashi was elected as a director of the Company effective September 16, 2025 and shall serve the unexpired term of his predecessor in office, Mr. Kazuyuki Kozu.

(3) Mr. Menardo G. Jimenez was elected as a director of the Company effective June 10, 2025.

(4) Mr. Kazuyuki Kozu resigned as a member of the Board of Directors of the Company effective September 15, 2025.

(5) Ms. Marife B. Zamora ceased to be a member of the Board of Directors effective June 10, 2025.

(6) Mr. Jeremiah M. de la Cruz was separated from service effective July 1, 2025.

(7) Mr. John Gregory Y. Palanca was appointed as Senior Vice President and Consumer Business Home Head concurrent to his position as Sales and Development Head effective May 16, 2025.

(8) Mr. Patricio S. Pineda III was appointed as Senior Vice President and Enterprise Business Head of the Company effective April 2, 2025.

(9) Mr. Louella F. Calixtro was appointed as First Vice President and Chief Procurement Officer effective November 16, 2025.

(10) Atty. Joan A. De Venecia-Fabul was appointed as First Vice President, Chief Legal Counsel and Head of Legal and Regulatory Affairs Group of PLDT effective January 1, 2025.

(11) Mr. Patrick F. Santos was appointed as First Vice President/Chief Information Security Officer and Cybersecurity Operations Head effective November 1, 2024.

The following table below sets forth the aggregate amount of compensation paid in 2025 and 2024 and estimated amount of compensation expected to be paid in 2026 to: (1) the President and CEO and four most highly compensated officers of PLDT, as a group, namely, Marilyn A. Victorio-Aquino, Menardo G. Jimenez, Jr., Gina Marina P. Ordoñez and Danny Y. Yu; and (2) all other executive officers, other officers and directors, as a group.

	2026 Estimate	2025 Actual	2024 Actual
	(amounts in million Php)		
President and CEO and four most highly compensated executive officers:			
Salary[1]	148	144	155
Bonus[2]	19	19	19
Other compensation[3]	97	226	95
	264	389	269
All other executive officers, other officers and directors as a group (excluding the President and CEO and four most highly compensated executive officers):			
Salary[1]	543	564	550
Bonus[2]	81	86	80
Other compensation[3]	416	962	514
	1,040	1,612	1,144

(1) Basic monthly salary.

(2) Includes longevity pay, mid-year bonus, 13th month and Christmas bonus.

(3) Includes Variable Pay/Short-term Incentive Plan, or STIP, and other payments. Variable Pay/STIP is based on an annual incentive system that encourages and rewards both individual and group/team performance and is tied to the achievement of Corporate/Unit/Customer Satisfaction Objectives. It covers regular officers and executives of the Company and is based on a percentage of their Guaranteed Annual Cash Compensation. Included in the 2025 figure is the amount of award under the Long-Term Incentive Plan (LTIP).

Each of the directors of the Company is entitled to a director's fee of Php250,000 for each meeting of the Board of Directors attended. In addition, the directors who serve in the committees of the Board of Directors, namely, the Audit, Governance, Nomination and Sustainability, Executive Compensation, Technology Strategy, and Risk Committees and Data Privacy and Information Security Committee, are each entitled to a fee of Php125,000 for each committee meeting attended.

Except for the fees mentioned above, the directors are not compensated, directly or indirectly, for their services as such directors. The aggregate amount of *per diems* paid to the directors for their attendance in Board and Board Committee meetings is included in other compensation in the above table. The total amount of *per diems* paid in 2025 and 2024 were approximately Php62 million and Php85 million, respectively. The total amount of *per diems* estimated to be paid in 2026 is approximately Php67 million.

There are no agreements between PLDT Group and any of its key management personnel providing for benefits upon termination of employment, except for such benefits to which they may be entitled under PLDT Group's retirement and incentive plans.

Long-Term Incentive Plan

As noted above, we have established the LTIP to provide incentive compensation to key officers, executives and other eligible participants who are consistent performers and contributors to the Company's strategic and financial goals.

See *Note 3 – Management's Use of Judgments, Estimates and Assumptions*, *Note 5 – Income and Expenses, Note 23 – Accrued Expenses and Other Current Liabilities* and *Note 25 – Pension and Other Employee Benefits* to the accompanying audited consolidated financial statements in Item 7. "Financial Statements" for related discussion.

Item 11. Security Ownership of Certain Beneficial Owners, Directors and Executive Officers

Security Ownership of Certain Record and Beneficial Owners

The following table sets forth the record owners and, to the best knowledge of the Board of Directors and Management of the Company, the beneficial owners of more than five percent of the Company's outstanding shares of Common Stock and Voting Preferred Stock, the number of shares owned by, and percentage of shareholdings of each of them, as at December 31, 2025.

Title of Class	Name and Address of Record Owner and Relationship With Issuer	Citizenship	Name of Beneficial Owner and Relationship with Record Owner	Number of Shares Held	Percentage of Common Stock	Percentage of Voting Stock
Common	Philippine Telecommunications Investment Corporation[1] 10th Floor Net One Building, 26th Street Bonifacio Global City, Fort Bonifacio, Taguig City Major Stockholder	Philippine Corporation	Same as Record Owner	26,034,263 [2]	12.05	7.11
Common	Metro Pacific Resources, Inc.[3] c/o Corporate Secretary Unit 10-3 and 10-4 10th Floor Net One Building, 26th Street corner 3rd Avenue, Fort Bonifacio, Taguig City Major Stockholder	Philippine Corporation	Same as Record Owner	21,556,676 [2]	9.98	5.89
Common	NTT DOCOMO, INC.[4] 11-1 Nagata-Cho, 2-Chome Chiyoda Ku, Tokyo 100-6150, Japan Major Stockholder	Japanese Corporation	See Footnote 7	22,796,902 [5]	10.55	6.23
Common	NTT Communications Corporation[6] Otemachi Place West Tower 33F 2-3-1 Otemachi, Chiyoda-ku Tokyo 100-8019, Japan Major Stockholder	Japanese Corporation	See Footnote 7	12,633,487	5.85	3.45
Common	JG Summit Group[8] 43/F Robinsons Equitable Tower ADB Avenue corner Poveda Road, Ortigas Center, Pasig City Major Stockholder	Philippine Corporation	See Footnote 8	24,342,455	11.27	6.65
Common	Social Security System[9] 9/F SSS Building East Avenue, Quezon City Major Stockholder	Philippine Corporation	See Footnote 9	9,613,282	4.45	2.63
Common	PCD Nominee Corporation[10] 29/F BDO Equitable Tower 8751 Ayala Ave. cor. Paseo de Roxas St., Makati City 1226 Major Stockholder	Philippine Corporation	See Footnote 10	85,395,902	38.14	22.51
Common	J.P. Morgan Hongkong Nominees Limited[11] (various accounts) c/o HSBC Securities Services 7/F HSBC Centre 3058 5th Ave. West BGC, Taguig City Major Stockholder	Hong Kong Corporation	See Footnote 10	11,515,131	5.33	3.15
Voting Preferred	BTF Holdings, Inc.[12] Ramon Cojuangco Building, Makati Avenue, Makati City	Philippine Corporation	Same as Record Owner	150,000,000	—	40.98

(1) Based on a resolution adopted by the Board of Directors of Philippine Telecommunications Investment Corporation, or PTIC, the Chairman of the Board of PTIC, Mr. Manuel V. Pangilinan, has the continuing authority to represent PTIC at any and all meetings of the stockholders of a corporation in which PTIC owns of record or beneficially any shares of stock or other voting security, and to sign and deliver, in favor of any person he may deem fit, a proxy or other power of attorney, with full power of delegation and substitution, authorizing his designated proxy or attorney-in-fact to vote any and all shares of stock and other voting securities owned of record or beneficially by PTIC at any and all meetings of the stockholders of the corporation issuing such shares of stock or voting securities.

(2) In addition to the 26,034,263 and 21,556,676 common shares owned of record respectively by PTIC and Metro Pacific Resources, Inc., ("MPRI"), both of which are Philippine affiliates of First Pacific Company Limited, ("First Pacific"), 7,653,703 common shares representing approximately 3.54% of the outstanding common stock of PLDT, are owned by another Philippine affiliate of First Pacific and registered under the name of PCD Nominee Corporation. The common shares owned by PTIC, MPRI and the other Philippine affiliate of First Pacific (referred to herein as "First Pacific Group") collectively represents 25.57% of the outstanding common stock of PLDT as at December 31, 2025.

(3) Based on a resolution adopted by the Board of Directors of MPRI, Mr. Manuel V. Pangilinan has been appointed as proxy or duly authorized representative of MPRI to represent and vote the PLDT shares of common stock of MPRI in the Annual Meeting.

(4) Based on publicly available information, NTT DOCOMO, INC., ("NTT DOCOMO"), is a wholly-owned subsidiary of Nippon Telegraph and Telephone Corporation ("NTT"). Based on a certification signed by a duly authorized officer of NTT DOCOMO, Mr. Tetsunori Higashida and Mr. Hidetada Hayashi are authorized to execute for and on behalf of NTT DOCOMO, endorsements, transfers and other matters relating to the PLDT shares of common stock held by NTT DOCOMO.

(5) In addition to the 22,796,902 common shares owned on record by NTT DOCOMO, NTT DOCOMO also owns 8,533,253 ADSs whose underlying common shares represent approximately 3.95% of the outstanding common stock of PLDT. The common shares and the underlying common shares of the ADS owned by NTT DOCOMO collectively represents 14.50% of the outstanding common stock of PLDT as at December 31, 2025.

(6) Based on publicly available information, NTT Communications Corporation ("NTT Communications"), is a wholly-owned subsidiary of NTT. Based on a certification signed by a duly authorized officer of NTT Communications, Mr. Hisashi Fujishima or Mr. Takuma Mouri is authorized to execute for and on behalf of NTT Communications, endorsements, transfers and other matters relating to the PLDT shares of common stock held by NTT Communications.

(7) In publicly available reports filed by NTT Communications and NTT DOCOMO, it is stated that because of NTT's ownership of all the outstanding capital stock of NTT Communications and of NTT DOCOMO, NTT, NTT Communications and NTT DOCOMO may be considered to constitute a "group" within the meaning of Rule 18.1.5.C of the Amended Implementing Rules and Regulations of The Securities Regulation Code. Therefore, each of them may be deemed to have beneficial ownership of the 43,963,642 shares in aggregate held by NTT Communications and NTT DOCOMO, which collectively represents 20.35% of the outstanding common stock of PLDT as at December 31, 2025.

(8) The shareholders comprising the JG Summit Group are JG Summit Holdings, Inc. ("JGS") which owns of record 24,255,732 shares, and JG Digital Equity Ventures Inc. or JGDEV (formerly Express Holdings Inc.) which owns 86,723 shares or a total of 24,342,455 shares, representing 11.27% of the outstanding common stock of PLDT. Based on a certification signed by a duly authorized officer of JGS, under the By-Laws of JGS, each of the Chairman of JGS, Mr. James L. Go and President of JGS, Mr. Lance Y Gokongwei is authorized to vote the 24,255,732 common shares of PLDT owned by JGS and to appoint and/or sign proxies in behalf of JGS in connection with the Annual Meeting. Based on Section 2(d) of Article IV of the By-Laws of JGDEV, the Chairman and President, Mr. Lance Gokongwei is authorized to vote the PLDT common shares of JGDEV and to appoint and/or sign proxies in behalf of JGDEV.

(9) In addition to the 9,613,282 shares owned on record by the SSS, SSS also beneficially owned 2,570,823 shares of PLDT common stock held of record by PCD as at December 31, 2025. The total beneficial shareholdings of SSS is 12,184,105 shares of PLDT common stock representing 5.64% of the outstanding common stock of PLDT as at December 31, 2025. Based on a resolution adopted by the Board of Directors of the SSS, Mr. Robert Joseph M. de Claro, as PCEO/Vice Chairperson of the SSS, has been authorized to represent and vote the shares of PLDT common stock of SSS in the Annual Meeting of stockholders of PLDT.

(10) PCD Nominee Corporation ("PCD"), is the registered owner of shares held by participants in the Philippine Depository and Trust Co. ("PDTC), a private company organized to implement an automated book entry system of handling securities transactions in the Philippines. Under the PDTC procedures, when an issuer of a PDTC-eligible issue will hold a stockholders' meeting, the PDTC will execute a pro-forma proxy in favor of its participants for the total number of shares in their respective principal securities account as well as for the total number of shares in their client securities account. For the shares held in the principal securities account, the participant concerned is appointed as proxy with full voting rights and powers as registered owner of such shares. For the shares held in the client securities account, the participant concerned is appointed as proxy, with the obligation to constitute a sub-proxy in favor of its clients with full voting and other rights for the number of shares beneficially owned by such clients.

Based on available information, none of the owners of the PLDT common shares registered under the name of PCD, owned more than 5% of PLDT's outstanding common stock as at December 31, 2025, except for The Hongkong and Shanghai Banking Corporation Ltd. Clients Account, which owned approximately7.65% of PLDT's outstanding common stock as at such date. PLDT has no knowledge if any beneficial owner of the shares under The Hongkong and Shanghai Banking Corporation Ltd Clients Account and Citibank N.A. owned more than 5% of PLDT's outstanding common stock as at December 31, 2025.

This account also includes 7,653,703 PLDT common shares beneficially owned by a Philippine affiliate of First Pacific, and 2,570,823 shares of PLDT common stock beneficially owned by the Social Security System.

(11) J.P. Morgan Hong Kong Nominees Limited (formerly JP Morgan Asset Holdings (HK) Limited) holds shares as nominee of J.P. Morgan Chase Bank, successor depositary under the Common Stock Deposit Agreement, dated October 14, 1994, as amended on February 10, 2003, between J.P. Morgan Chase Bank and the holders of ADRs, evidencing ADSs, representing shares of common stock of PLDT (the "Deposit Agreement"). Under the Deposit Agreement, if the depositary does not receive voting instructions from a holder of ADRs, such holder will be deemed to have instructed the depositary to provide a discretionary proxy to a person designated by PLDT for the purpose of exercising the voting rights pertaining to the shares of common stock underlying the ADS of such holder of ADRs, except that no discretionary proxy will be given with respect to any matter as to which substantial opposition exists or which materially and adversely affects the rights of the holders of such ADRs.

This account also includes 8,533,253 PLDT common shares underlying ADS beneficially owned by NTT DOCOMO.

(12) A wholly-owned company of the Board of Trustees for the Account of the Beneficial Trust Fund Created Pursuant to the Benefit Plan of PLDT Co. Based on a resolution adopted by the Board of Directors of BTF Holdings, Inc., the Chairman of the Board of PLDT has been appointed as proxy or duly authorized representative of BTF Holdings, Inc. to represent and vote the PLDT shares of voting preferred stock of BTF Holdings, Inc. in the Annual Meeting.

Except as stated above and in the related footnotes, the Board of Directors and Management of the Company have no knowledge of any other person who, as at December 31, 2025, was directly or indirectly the beneficial owner of, or who has voting power with respect to, shares comprising more than five percent of the Company's outstanding Common Stock and Voting Preferred Stock as at December 31, 2025.

As at December 31, 2025, approximately 79.78% of the outstanding voting stock and 88.89% of the outstanding capital stock of PLDT were owned by Philippine persons.

As a result of their respective stockholdings, the FP Parties and/or NTT Communications and/or NTT DOCOMO and/or BTFHI are able to influence our actions and corporate governance, including (i) elections of our directors; and (ii) approval of major corporate actions, which require the vote of holders of common and voting preferred stocks.

Additionally, the FP Parties, NTT Communications, NTT DOCOMO and PLDT entered into a Cooperation Agreement, dated January 31, 2006, pursuant to which, among other things, certain rights of NTT Communications under the Stock Purchase and Strategic Investment Agreement dated September 28, 1999, or the Strategic Agreement, and the Shareholders Agreement dated March 24, 2000, or the Shareholders Agreement, were extended to NTT DOCOMO. As a result of the Cooperation Agreement, NTT Communications and NTT DOCOMO, in coordination with each other, have contractual rights relating to a number of major decisions and transactions that PLDT could make or enter into.

Specifically, PLDT may not take any of the following actions described without the approval of NTT DOCOMO and NTT Communications, acting in coordination with each other (however, NTT DOCOMO and NTT Communications may not withhold their consent to such actions in circumstances where PLDT proposes to invest in a business that competes with Nippon Telegraph and Telephone Corporation and its subsidiaries and where the Board of Directors has among other things, approved the transaction):

- capital expenditures in excess of US$50 million;

- any investments, if the aggregate amount of all investments for the previous 12 months is greater than US$25 million in the case of all investments to any existing investees and US$100 million in the case of all investments to any new or existing investees, determined on a rolling monthly basis; or

- any investments in a specific investee, if the cumulative value of all investments made by us in that investee is greater than US$10 million in the case of an existing investee and US$50 million in the case of a new investee.

PLDT also may not issue common stock or stock that is convertible into common stock except where NTT Communications and NTT DOCOMO have first been offered the opportunity to purchase their pro rata portion of PLDT's shares of common stock.

PLDT is also aware that each of NTT Communications and NTT DOCOMO has agreed (pursuant to the Shareholders Agreement in the case of NTT Communications and pursuant to the Cooperation Agreement in the case of NTT DOCOMO) to use its best efforts to procure that PLDT not take the following actions without the consent of First Pacific and certain of its affiliates, as well as other parties bound by the provisions of the Shareholders Agreement:

- new business activities other than those we currently engage in;

- merger or consolidation;

- winding up or liquidation of PLDT; or

- applying to a court to order a meeting of creditors or to sanction any compromise or arrangement between creditors and shareholders of PLDT.

As PLDT is not a party to the Shareholders Agreement, the contractual rights held by NTT Communications, NTT DOCOMO, First Pacific and certain of First Pacific's affiliates are not directly enforceable against PLDT.

Pursuant to amendments effected by the Cooperation Agreement to the Stock Purchase and Strategic Investment Agreement and the Shareholders Agreement, upon NTT Communications and NTT DOCOMO and their respective subsidiaries owning in the aggregate 20% or more of PLDT's shares of common stock and for as long as they continue to own in the aggregate at least 17.5% of PLDT's shares of common stock then outstanding, NTT DOCOMO has additional rights under the Stock Purchase and Strategic Investment Agreement and Shareholders Agreement, including that:

- NTT DOCOMO is entitled to nominate one additional NTT DOCOMO nominee to the board of directors of each of PLDT and Smart;

- PLDT must consult NTT DOCOMO no later than 30 days prior to the first submission to the board of PLDT or certain of its committees of any proposal of investment in an entity that would primarily engage in a business that would be in direct competition or substantially the same business opportunities, customer base, products or services with business carried on by NTT DOCOMO, or which NTT DOCOMO has announced publicly an intention to carry on;

- PLDT must procure that Smart does not cease to carry on its business, dispose of all of its assets, issue common shares, merge or consolidate, or effect winding up or liquidation without PLDT first consulting with NTT DOCOMO no later than 30 days prior to the first submission to the board of PLDT or Smart, or certain of its committees; and

- PLDT must first consult with NTT DOCOMO no later than 30 days prior to the first submission to the board of PLDT or certain of its committees for the approval of any transfer of Smart's common capital stock by any member of the PLDT Group to any person who is not a member of the PLDT Group.

Security Ownership of Directors and Executive Officers

The following are the number of PLDT common shares owned of record and/or beneficially by the directors/independent directors, CEO and other executive officers of PLDT as at December 31, 2025:

Name of Record and Address	Citizenship	Title of Class	Number of shares	Amount of Holdings (Based on par value)	Percentage of Class
Manuel V. Pangilinan Chairman of the Board, President and Chief Executive Officer	Filipino	Common	373,521 (1)	Php1,867,605	0.172882
Marilyn A. Victorio-Aquino Director, Senior Vice President Corporate Secretary and Senior Legal Adviser to the Chairman	Filipino	Common	27,395 (1)	136,975	0.012680
Robert Joseph M. de Claro(2) Director	Filipino	Common	1,401	7,005	0.000648
Helen Y. Dee Director	Filipino	Common	53,735 (3)	268,675	0.024871
Ray C. Espinosa Director	Filipino	Common	44,743 (1)	223,715	0.020709
James L. Go Director	Filipino	Common	982,724 (1)	4,913 ,620	0.454847
Hidetada Hayashi(4) Director	Japanese	Common	5	25	0.000002
Menardo G. Jimenez, Jr.(5) Director, Executive Vice President and Chief Operating Officer	Filipino	Common	8,044 (1)	40,220	0.003723
Kazuyuki Kozu Director	Japanese	Common	1 (7)	5	0.000000
Bernido H. Liu Independent Director	Filipino	Common	1	5	0.000000
Retired Supreme Court Chief Justice Artemio V. Panganiban Independent Director	Filipino	Common	7,771 (1)	38,855	0.003597
Alfredo S. Panlilio Director	Filipino	Common	11,505 (1)	57,525	0.005325
Kazutoshi Shimizu Director	Japanese	Common	1	5	0.000000
Bernadine T. Siy Independent Director	Filipino	Common	1,500 (1)	7,500	0.000694
Marife B. Zamora(8) Director	Filipino	Common	60 (7)	300	0.000028
Victorico P. Vargas Leadership Transition Officer	Filipino	Common	17,950 (9)	89,750	0.008308
Danny Y. Yu Senior Vice President Chief Financial Officer and Chief Risk Management Officer	Filipino	Common	—	—	—
Gina Marina P. Ordoñez Senior Vice President Chief People Officer	Filipino	Common	5,141 (8)	25,705	0.002379
Jeremiah M. de la Cruz(10) Senior Vice President	Filipino	Common	— (11)	—	—
Joseph Ian G. Gendrano Senior Vice President	Filipino	Common	897 (9)	4,485	0.000415
John Gregory Y. Palanca(12) Senior Vice President	Filipino	Common	793 (8)	3,965	0.000367
Patricio S. Pineda III(13) Senior Vice President	Filipino	Common	—	—	—

Luis S. Reñon[11] Advisor to the Chairman	Filipino	Common	55 [8]	275	0.000025
Leo I. Posadas Senior Vice President and Treasurer	Filipino	Common	9,705 [12]	48,525	0.004492
Louella F. Calixtro[15] First Vice President and Chief Procurement Officer	Filipino	Common	—	—	—
Joan A. De Venecia-Fabul[16] First Vice President and Chief Legal Counsel	Filipino	Common	244 [9]	1,220	0.000113
Patrick F. Santos[17] First Vice President and Chief Information Security Officer	Filipino	Common	—	—	—
Melissa V. Vergel De Dios First Vice President and Chief Sustainability Officer	Filipino	Common	4,025 [9]	20,125	0.001863
Gil Samson D. Garcia First Vice President and Head - Financial Reporting and Controllership	Filipino	Common	33 [9]	165	0.000015

[1] *Includes PLDT common shares that have been lodged with the Philippine Depositary and Trust Co. ("PDTC").*
[2] *Mr. Robert Joseph M. de Claro was elected as a director of the Company effective February 27, 2025 and shall serve the unexpired term of his predecessor in office, Atty. Santiago Dionisio R. Agdeppa.*
[3] *Includes 25,227 shares held by Hydee Management and Resources Corporation, 26,260 shares thru RCBC Trust for the account of Michelle Y. Dee-Santos and 1,865 shares thru RCBC Trust for the account of Ms. Michelle Y. Dee &/or Ms. Johanna Y. Dee and/or ITF Mr. Luis Miguel Santos and 245 shares under the name of Helen Y. Dee. Except for 21,957 certificated shares held by Hydee Management Resources Corporation the rest are thru PCD Nominee Corporation.*
[4] *Mr. Hidetada Hayashi was elected as a director of the Company effective September 16, 2025 and shall serve the unexpired term of his predecessor in office, Mr. Kazuyuki Kozu.*
[5] *Mr. Menardo G. Jimenez was elected as a director of the Company effective June 10, 2025.*
[6] *Mr. Kazuyuki Kozu resigned as a member of the Board of Directors of the Company effective September 15, 2025.*
[7] *As at date of resignation.*
[8] *Ms. Marife B. Zamora ceased to be a member of the Board of Directors effective June 10, 2025.*
[9] *Lodged with PDTC.*
[10] *Mr. Jeremiah M. de la Cruz was separated from service effective July 1, 20205.*
[11] *As at date of separation.*
[12] *Mr. John Gregory Y. Palanca was appointed as Senior Vice President and Consumer Business Home Head concurrent to his position as Sales and Development Head effective May 16, 2025.*
[13] *Mr. Patricio S. Pineda III was appointed as Senior Vice President and Enterprise Business Head of the Company effective April 2, 2025.*
[14] *Includes 140 shares for the account of Jose Antonio G. Posadas under PCD Nominee Corporation.*
[15] *Mr. Louella F. Calixtro was appointed as First Vice President and Chief Procurement Officer effective November 16, 2025.*
[16] *Atty. Joan A. De Venecia-Fabul was appointed as First Vice President, Chief Legal Counsel and Head of Legal and Regulatory Affairs Group of PLDT effective January 1, 2025.*
[17] *Mr. Patrick F. Santos was appointed as First Vice President/Chief Information Security Officer and Cybersecurity Operations Head effective November 1, 2025.*

Change in Control

There has been no change in control of the Company since the beginning of 2025 and the Board of Directors and Management of the Company are not aware of any existing, pending, or potential transaction which may result in such change in control.

Item 12. Certain Relationships and Related Party Transactions

Related Party Transactions

PLDT, in the ordinary course of business, engages in transactions with some of its stockholders, its subsidiaries and affiliates, and directors and officers and their close family members.

PLDT has in place a Material Related Party Transactions (MRPT) Policy in accordance with the Company's CG Manual and in compliance with Philippine SEC Memorandum Circular No.10, Series of 2019 or the Rules on Material Related Party Transactions for Publicly Listed Companies. The Company's MRPT Policy covers transactions of PLDT and the other members of the PLDT Group that meet or exceed the materiality threshold of ten percent (10%) of PLDT's total consolidated assets. It defines the processes, controls and safeguards for the proper handling, including review, approval and disclosure, of related party transactions (RPT) in accordance with applicable laws and regulations. Each Material RPT shall be subject to prior review by the Audit Committee, composed of independent directors, to determine whether the same meets the following standards: (a) it is on arm's length terms, and (b) it is in the best interest of the Company and its shareholders, considering relevant factors and circumstances. A copy of the MRPT Policy is posted on the PLDT website: https://cms.pldt.com/drupal/sites/default/files/corporategovernancedocs/2022-01/material-related-party-transactions-policy.pdf. This website does not form part of this annual report on Form 17-A.

Related party transactions involving an amount below the specified materiality threshold shall be covered by our Guidelines on the Proper Handling of Related Party Transactions.

For a detailed discussion of our material related party transactions, see *Note 24 – Related Party Transactions* to the accompanying audited consolidated financial statements in Item 7. "Financial Statements".

Except for the transactions discussed in *Note 24 – Related Party Transactions* to the accompanying audited consolidated financial statements in Item 7. "Financial Statements", there were no other material related party transactions during the last three financial years, nor are there any material transactions currently proposed between PLDT and any: (i) director, officer, direct or indirect owner of 10% or more of the outstanding shares in PLDT; (ii) close family member of such director, officer or owner; (iii) associates of PLDT; (iv) enterprises controlling,

controlled by or under common control with PLDT; or (v) enterprises in which a substantial interest in the voting power is owned, directly or indirectly, by any director, officer or owner of 10% or more of the outstanding shares in PLDT or any close family member of such director, key officer or owner, or collectively, the Related Parties.

PART IV – CORPORATE GOVERNANCE

Item 13. Corporate Governance: Structure, Policies and Processes

Our Corporate Governance framework defines how we strive to create sustainable value for the Company, fulfill our commitments to our stakeholders, and develop a strong corporate culture. It is grounded on our core governance principles of integrity, accountability, transparency, and fairness, and embodied in the governance structure, policies, processes and standards set out in PLDT's Articles of Incorporation, By-Laws, Manual on Corporate Governance ("CG Manual"), Code of Business Conduct and Ethics ("Code of Ethics") and Corporate Shared Value Statement ("CSV Statement").

The Company continuously seeks to raise the standards of its business conduct through its compliance with applicable governance rules and benchmarking with international best practices. PLDT complies with governance and sustainability standards of the Philippines as a public company listed in the Philippine Stock Exchange ("PSE") and applicable rules and governance standards of the United States as a foreign private issuer with American Depositary Shares listed and traded in the New York Stock Exchange ("NYSE"). PLDT benchmarks with the governance standards of Hong Kong being an associated company of First Pacific Company Ltd., which is listed in the Hong Kong Stock Exchange.

Governance Structure

Board of Directors. Our Board of Directors ("Board") is composed of 13 members, with 10 non-executive directors, which include three independent directors, and three executive directors. Three directors, including one independent director, are female. All the directors are qualified and competent members with diverse and complementing skills, expertise, experience, and knowledge in their respective fields or industries, such as telecommunications, Information and Communication Technology ("ICT"), accounting and finance, banking, insurance, investments, consumer and retail industry, infrastructure and property development, legal and public administration, and environment and natural resources. At least five of our non-executive directors have extensive experience in the telecommunications industry.

Chairman of the Board. Our Chairman, Mr. Manuel V. Pangilinan, provides leadership for the Board and ensures that the Board works effectively and performs its duties responsibly. He presides and facilitates discussions in Board meetings focusing on strategic matters, risk management, key issues and governance concerns that will affect the business operations. The Chairman ensures that the lines of communication and the flow of information between Management and the Board are maintained and that the Board receives accurate, timely, relevant, insightful, concise, and clear information to enable it to make sound decisions.

Independent Directors. Three of our directors, namely, Retired Supreme Court Chief Justice Artemio V. Panganiban, Mr. Bernido H. Liu and Ms. Bernadine T. Siy, are independent directors who are neither officers nor employees of PLDT or any of its subsidiaries, and who are free from any business or other relationship with PLDT or any of its subsidiaries which could, or could reasonably be perceived to, materially interfere with the exercise of independent judgment in carrying out their responsibilities as independent directors. The directors' independence standards/criteria are provided in our By-Laws and CG Manual. On June 10, 2025, the Board reappointed Retired Supreme Court Chief Justice Panganiban as PLDT's Lead Independent Director. The functions of the lead independent director include, among others, serving as an intermediary between the Chairman and the other directors, as needed, convening and leading meetings of the non-executive directors, and contributing to the performance evaluation of the Chairman, as may be required.

Term Limit of Independent Directors. As a rule, our independent directors shall only serve for a maximum of nine consecutive years reckoned from 2012 (the "Term Limit"). However, consistent with applicable regulations, in case the stockholders who have a legal right to vote for the election of directors desire to re-elect an independent director beyond the Term Limit for meritorious justifications, PLDT upholds the stockholders' legal right and discloses the meritorious justifications for retaining an independent director beyond the Term Limit during its Annual Stockholders' Meeting ("ASM"). Pursuant to the Code of Corporate Governance for Publicly Listed Companies ("CG Code"), in 2025, based on meritorious justifications disclosed during its ASM, stockholders exercised their legal right to re-elect independent directors, Hon. Panganiban and Mr. Liu for another term of one year. On January 26, 2026, the Securities and Exchange Commission ("SEC") issued Memorandum Circular ("MC") No. 7, Series of 2026 on the Term Limit of Independent Directors, to take effect on February 01, 2026, or at the next stockholders' meeting. Cognizant of the mandate of the SEC MC, the Company is taking steps to comply with the amended rules.

Advisory Board/Committee. Our Board is supported by an Advisory Board/Committee composed of Mr. Benny S. Santoso, Mr. Christopher H. Young, and Mr. Roberto C. Yap, S.J., as independent advisor. The Advisory Board/Committee members have no voting rights, but provide guidance and suggestions, as necessary, on matters deliberated upon during Board meetings.

Board Charter. Our Board adopted its Charter on November 09, 2017. The Charter is intended to serve as guide for the Board and each director in the performance of their functions and fiduciary duties. It sets out the Board's structure, powers, duties and responsibilities, and identifies corporate actions requiring Board and stockholders' approval. The Board Charter is available on the website: https://cms.pldt.com/drupal/sites/default/files/docs/board-of-directors-charter.pdf.

Board Duties and Responsibilities. The primary responsibility for ensuring good corporate governance in PLDT is vested in our Board. The Board has the authority and responsibility to exercise the corporate powers, conduct the business and control the properties of the Company. Directors are expected to perform their duties diligently and in good faith and devote sufficient time and attention for such purposes. The Board and the directors are bound to act in the best interest of the Company and for the common benefit of its stockholders and other stakeholders.

To ensure a high standard of governance for the Company, the Board performs the following functions and duties with the assistance of the Board Committees:

- *Corporate Governance.* The Board, with the assistance of the Governance, Nomination and Sustainability Committee, establishes the Company's corporate governance framework, principles and policies aligned with business objectives, and oversees their implementation, including the implementation of the Conflict of Interest and Expanded Whistleblowing Policies, and the implementation of continuing education and communication programs on good governance.

- *Determination and review of Company Vision, Mission, and strategic objectives.* The Board, in coordination with Management, determines the Vision, Mission and strategic objectives of the Company and reviews the same annually in relation to corporate performance in its annual strategic planning session with Management.

- *Management oversight.* The Board exercises oversight on Management in its execution of the strategic direction and implementation of the policies set by the Board. Included in the Board's annual assessment is an evaluation of the performance of the President and Chief Executive Officer ("CEO") and Management with criteria on development and implementation of the Company's long-term objectives, business strategies, plans and budgets consistent with the Vision, Mission, Values, Principles and overall corporate strategy; anticipation of current and emerging trends; and ensuring that the Company's resources are well managed, among other assessment criteria.

- *Sustainability, Corporate Shared Value and Stakeholder Engagement.* The Board, through the Governance, Nomination and Sustainability Committee, establishes and oversees the implementation of the Company's sustainability strategy, framework, programs and policies. It oversees and provides guidance on the Company's social and environmental investments, approaches, and commitments, underpinned by initiatives that aim to assess and manage the impact of Company operations. It oversees the Company's disclosure of material and reportable information regarding non-financial and sustainability matters, including the Annual and Sustainability Report, among others that cover the management and progress of economic, environmental, social and governance aspects of the business. The Board likewise ensures that the Company has an investor relations program to engage with its shareholders and the investing community at large, as well as programs to interact and communicate with various stakeholders, including the communities where the Company operates.

- *Financial reporting, internal control, internal audit and independent audit.* The Board, with the assistance of the Audit Committee, carries out its oversight responsibilities for the Company's financial reporting, internal control system, internal audit and independent audit mechanisms, and reviews material related party transactions.

- *Enterprise risk management.* The Board, with the assistance of the Risk Committee, fulfills its oversight responsibilities for the Company's assessment and management of enterprise risks, and reviews and discusses with Management the Company's major risk exposures and the corresponding risk mitigation measures. The Board likewise reviews, on an annual basis, the Company's capital and debt structure and its compatibility with the Company's strategic goals and associated risk appetite.

- *Technology.* The Board, with the assistance of the Technology Strategy Committee, reviews and approves the Company's technology strategy and roadmap, and capital expenditures for network and technology.

- *Data Privacy and Information Security.* The Board, with the assistance of the Data Privacy and Information Security Committee, oversees data privacy, information security, and cybersecurity governance, reviews and approves the Company's strategic plans on data privacy, information and cybersecurity, oversees the adoption and implementation of a system for identifying, assessing, monitoring, and managing enterprise-wide data privacy, information and cybersecurity risks, including its framework, structure, policies, standards, and processes.

- *Succession planning, professional development, and executive compensation.* The Board, through its Executive Compensation Committee, reviews the criteria for employment, promotion, and professional development plans for Senior Management, keeps track of their performance, and evaluates their potential for other critical roles and leadership paths. A succession planning process is facilitated within the PLDT Group referred to as the critical talent program. The Board is assisted by the Executive Compensation Committee in developing the compensation philosophy or policy of the Company consistent with its strategy, culture, and control environment.

- *Selection process for directors and appointment of officers.* The Board, with the assistance of the Governance, Nomination and Sustainability Committee, implements a selection process and succession plan to ensure that the Board has an effective and balanced mix of knowledge, expertise, experience, and diversity in terms of, among others, age, gender, business and industry experience and ethnicity, and reviews the qualifications of officers to be appointed or promoted. External sources, such as professional search firms, director databases and/or other reputable sources are accessible and may be used, as appropriate, to further enhance the search for and widen the base of potential nominees.

- *Annual Board assessment.* The Board conducts an annual self-assessment to evaluate the performance of the Board as a whole, the Board Committees and the individual directors, including the President and CEO. Each Board Committee likewise conducts an annual self-assessment of its performance.

Board Meetings. Our Board meets approximately once a month, following a schedule set at the end of the preceding year. Board meeting materials are provided to each director at least five business days before each Board meeting. The Board holds executive sessions with independent directors and non-executive directors, excluding executive directors at least once a year and at such other times as the Board may deem necessary or appropriate. Each director attends and actively participates in all meetings of the Board, except when justifiable causes, identified in the Board Charter, prevent a director from attending. A director who is absent in more than fifty percent (50%) of all Board meetings during his/her term, or in any 12-month period within his/her incumbency, without justifiable cause, may be disqualified for purposes of the succeeding election.

Directorships in Other Corporations. Our Board follows a performance-based standard in determining whether directorships in other companies compromise the capacity of a director to serve or perform his/her duties and responsibilities diligently and efficiently. Differences in individual capabilities and the nature and demands of directorships in other companies are given due consideration in determining fitness and capacity to serve on our Board. Before accepting a directorship in another company, directors notify the Board and carefully consider the effect of accepting such directorship on his/her ability to serve and perform duties and responsibilities diligently and efficiently as a director of the Company.

Board Committees

*Audit Committee ("AC").*Our AC is composed of three members, all of whom are independent directors. The AC members are Retired Supreme Court Chief Justice Artemio V. Panganiban, Mr. Bernido H. Liu and Ms. Bernadine T. Siy, who is the chairperson of this committee. The AC is supported by three advisors, namely, Mr. Hidetada Hayashi and Mr. James L. Go, who are non--independent directors, and Ms. Corazon S. de la Paz-Bernardo, a former member of our Board. All the members of our AC are financially literate.
Ms. Siy holds a master's degree in Management with majors in Finance and Accounting from the J.L. Kellogg Graduate School of Management of Northwestern University in Chicago, Illinois, USA. Ms. Corazon S. de la Paz-Bernardo has expertise in accounting and financial management. She is a former Chairman and Senior Partner of Joaquin Cunanan & Company, now Isla Lipana & Co., a member firm of Pricewaterhouse Coopers ("PwC"). The AC assists the Board in fulfilling its oversight responsibility for: (i) the integrity of the Company's accounting and financial reporting principles and policies, and system of internal controls, including the integrity of financial statements and the independent audit thereof; (ii) the Company's compliance with legal and regulatory requirements; and (iii) the Company's audit process and the performance of the internal audit organization and the external auditor (including the external auditor's qualifications and independence). For efficiency, the Board has determined that in lieu of creating a distinct Related Party Transaction Committee, the AC's functions shall include the review of material related party transactions and significant unusual transactions, in accordance with the materiality threshold set in the Material Related Party Transactions Policy and the Guidelines on the Proper Handling of Related Party Transactions or by the Board. The purposes, duties and powers of the AC are set out in the AC Charter which is published on the website: https://cms.pldt.com/drupal/sites/default/files/corporategovernancedocs/2025-01/amended-ac-charter-01-28-25.pdf.

Governance, Nomination and Sustainability Committee ("GNSC"). Our GNSC is composed of five voting members, all of whom are members of our Board, and two non-voting members. A majority of the voting members of the GNSC are independent directors, namely, Retired Supreme Court Chief Justice Artemio V. Panganiban, Mr. Bernido H. Liu, and Ms. Bernadine T. Siy, and the two other voting members are non-executive director, Mr. Hidetada Hayashi and executive director, Mr. Manuel V. Pangilinan, who is the chairman of this committee. The two non-voting members are the Chief People Officer, Ms. Gina Marina P. Ordoñez and the Chief Sustainability Officer, Ms. Melissa V. Vergel De Dios. The GNSC assists the Board in the performance of its functions to: (i) establish the Company's corporate governance framework, principles and policies aligned with business objectives, and oversee their implementation and the implementation of continuing education and communication programs on good governance; (ii) develop and implement an evaluation process for the annual review of the performance of the Board, the Board Committees and the individual directors, including the President and CEO;
(iii) review and evaluate the qualifications of the persons nominated to the Board and to other positions requiring appointment by the Board; (iv) identify persons qualified to become members of the Board and/or the Board Committees; (v) assess the effectiveness of the Company's nomination and selection process for the Board and Board Committees, which includes access to external sources; (vi) establish the Company's sustainability strategy, framework, programs, and policies and oversee their implementation; and (vii) oversee the Company's social investments and commitments to making meaningful impact to communities. The purposes, duties, and powers of the GNSC are set out in the GNSC Charter which is published on the website: https://cms.pldt.com/drupal/sites/default/files/corporategovernancedocs/2025-02/gnsc-charter-nov5-2020.pdf.

Executive Compensation Committee ("ECC"). Our ECC is composed of five voting members, all of whom are members of our Board of Directors, and one non-voting member. A majority of the voting members are independent directors, namely, Retired Supreme Court Chief Justice Artemio V. Panganiban, Mr. Bernido H. Liu and Ms. Bernadine T. Siy. The two other voting members are non-executive director, Mr. Hidetada Hayashi and executive director, Mr. Manuel V. Pangilinan, who is the chairman of this committee. The non-voting member is the Chief People Officer, Ms. Gina Marina P. Ordoñez. The ECC assists the Board in the performance of its functions to: (i) oversee the development of a compensation philosophy or policy consistent with the strategy, culture, and control environment of PLDT; (ii) oversee the development and administration of the Company's executive compensation programs, including long-term incentive plans and equity-based plans for officers and executives; (iii) oversee the development and administration of the Company's performance management framework to monitor and assess the performance of Management led by the CEO; (iv) oversee the succession plan for officers, including the CEO; and (v) oversee the development and implementation of professional development programs for officers. The purposes, duties, and powers of the ECC are set out in the ECC Charter which is published on the website:
https://cms.pldt.com/drupal/sites/default/files/corporategovernancedocs/2022-05/amended-ecc-charter-mar22-2022.pdf.

Risk Committee ("RC"). Our RC is composed of five voting members, all of whom are members of our Board of Directors, and a non-voting member. Three of the voting members are independent directors, namely, Mr. Bernido H. Liu, Ms. Bernadine T. Siy, and Retired

Supreme Court Chief Justice Artemio V. Panganiban, who is the chairman of this committee. The two other voting members are non-executive directors, namely, Mr. Hidetada Hayashi and Mr. James L. Go. The non-voting member is the Chief Risk Management Officer, Mr. Danny Y. Yu. The RC assists the Board in the performance of its functions to: (i) oversee Management's adoption and implementation of a system for assessing, monitoring, and managing key risk areas; (ii) review Management's reports on the Company's major risk exposures; and (iii) review Management's plans and actions to minimize, control or manage the impact of such risks. The purposes, duties and powers of the RC are set out in the RC Charter which is published on the website: https://cms.pldt.com/drupal/sites/default/files/corporategovernancedocs/2022-05/amended-rc-charter-mar22-2022.pdf.

Technology Strategy Committee ("TSC"). Our TSC is composed of four voting members and one non-voting member. The voting members are executive director, Mr. Manuel V. Pangilinan, who is the chairman of this committee, and non-executive directors, Atty. Ray C. Espinosa, Mr. James L. Go, and Mr. Hidetada Hayashi. The non-voting member is an executive director and the Chief Operating Officer, Mr. Menardo G. Jimenez, Jr. The TSC assists the Board in the performance of its functions to: (i) review and approve the strategic vision for the role of technology in PLDT's overall business strategy, including the technology strategy and roadmap of PLDT; (ii) fulfill its oversight responsibilities for PLDT's effective execution of its technology-related strategies; and (iii) ensure the optimized use and contribution of technology to PLDT's business and strategic objectives and growth targets. The purposes, duties, and powers of the TSC are set out in the TSC Charter which is published on the website: https://cms.pldt.com/drupal/sites/default/files/corporategovernancedocs/2022-04/amended-tsc-charter-mar22-2022.pdf.

Data Privacy and Information Security Committee ("DPISC"). Our DPISC is composed of five voting members. The members are non-executive directors, Atty. Ray C. Espinosa, Mr. Hidetada Hayashi and independent director, Mr. Bernido H. Liu; as well as executive directors, Atty. Marilyn A. Victorio-Aquino, and Mr. Manuel V. Pangilinan, who serves as chairman of this committee. The DPISC assists the Board in the performance of its oversight functions relating to data privacy, information and cybersecurity, including to (i) promote effective data privacy, information and cybersecurity governance; (ii) review and approve the Company's strategic plans on data privacy, information and cybersecurity; (iii) ensure accountability for compliance with regulatory standards and best practices on data privacy, information and cybersecurity; (iv) foster a culture of privacy, information and cybersecurity; and (v) oversee Management's adoption and implementation of a system for identifying, assessing, monitoring and managing enterprise-wide data privacy, information and cybersecurity risks. The purposes, duties, and powers of the DPISC are set out in the DPISC Charter which is published on the website: https://cms.pldt.com/drupal/sites/default/files/corporategovernancedocs/2025-02/dpisc-charter-nov5-2020.pdf.

President & CEO and Management. The President and CEO has general care, management, and administration of the business operations of the Company. He ensures that the business and affairs of the Company are managed in a sound and prudent manner and that operational, financial, and internal controls are adequate and effective to ensure reliability and integrity of financial and operational information, effectiveness and efficiency of operations, safeguarding of assets and compliance with laws, rules, regulations, and contracts. He provides leadership for Management in developing and implementing business strategies, plans and budgets to the extent approved by the Board. To enable the members of the Board to properly fulfill their duties and responsibilities, the CEO provides the Board with a balanced and understandable account of the Company's performance, financial condition, results of operations and prospects on a regular basis. He directs Management to provide the Board/directors with adequate and timely information about the matters to be taken up in their Board meetings and, upon the request of any director or the Board, to make presentations on specific topics and respond to further inquiries in relation thereto during Board meetings. He ensures that the directors have independent access to Management. The President and CEO: (i) communicates and implements the Company's Vision, Mission, values and overall strategy and promotes the appropriate enhancement in the organization or its stakeholder engagement in relation to the same; and (ii) serves as the link between internal operations and external stakeholders. Management formulates, under the oversight of the Audit Committee, financial reporting and internal control systems, rules and procedures.

To ensure effective checks and balances when the roles of Chairman and President are held by the same person, and in order for the Board to benefit from independent views and exercise objective and independent judgment on all corporate affairs, the following safeguards are in place: (a) the duties and responsibilities of the Chairman and the President & CEO are clearly defined in the Company's CG Manual; (b) the Board is supported by the following in its exercise of independent oversight over Management: three Independent Directors, and seven other non-executive Directors, the Audit Committee composed entirely of Independent Directors, and the Executive Compensation Committee, Risk Committee and Governance, Nomination and Sustainability Committees with Independent Directors constituting the majority of their respective voting members; and (c) Company policies and procedures established to manage conflicts of interests.

Corporate Secretary. The Corporate Secretary assists the Board in the conduct of its meetings, including the preparation of the schedule and agenda of Board meetings, and ensures that all Board procedures, rules and regulations are observed by the directors, and Management provides the Board with complete and accurate information necessary for judicious decision-making. The Corporate Secretary is responsible for the safekeeping and preservation of the integrity of the minutes of the meetings of the Board and Board Committees, as well as other official records of the Company, and contributes to the flow of information between the Board and Management, the Board and its Committees, and the Board and the Company's stakeholders, including stockholders.

Chief Audit Executive/Internal Audit Head. The Chief Audit Executive/Internal Audit Head oversees and is responsible for the internal audit activities of the Company, including any portion thereof that is outsourced to a third-party service provider. The AC reviews the appointment, removal and replacement of the Chief Audit Executive/Internal Audit Head who reports functionally to the AC and administratively to the President and CEO.

Internal Audit Organization. The internal audit organization determines whether the Company's structure of risk management, internal control and governance processes are adequate and functioning, and provides reasonable assurance that, among others, significant financial, management, and operating information are accurate, reliable, and timely, and employees and contractors act in compliance with policies, procedures, and applicable laws, regulations and governance standards. It provides independent and objective assurance and advisory

services across operations, assets and personnel of the Company. It evaluates the adequacy and effectiveness of governance, risk management and control processes. It also provides recommendations on revenue opportunities, cost savings, and operational improvements. The internal audit organization complies with the Global Internal Audit Standards, as verified by an independent quality assessor through an external quality assessment review conducted at least once every five years.

External Auditor. The Company's external auditor is appointed by the AC which reviews its qualifications, performance, and independence. To ensure objectivity in the performance of its duties, the external auditor, or its lead audit partner having the primary responsibility for the audit of PLDT's financial accounts, is subject to the rules on rotation and change, every five years, general prohibitions on hiring of staff of the external auditor, and full and appropriate disclosure to, and prior approval by, the AC of all audit and non-audit services and related fees. Approval of non-audit work by the external auditor is principally tested against the standard of whether such work will conflict with its role as an independent auditor or would compromise its objectivity or independence as such.

Chief Data Privacy Officer. The Chief Data Privacy Officer ("CDPO") heads the Risk and Privacy Office and is tasked to: (i) ensure the PLDT Group's compliance with data privacy laws, regulations, and best practices; (ii) provide direction and coordinate closely with PLDT Group business units to ensure effective implementation of data privacy strategies including policies, procedures, processes, and compliance review; and (iii) collaborate with data privacy regulatory agencies on behalf of the PLDT Group. The CDPO likewise provides regulatory and technical support for data privacy-related matters and functions to the DPISC.

Chief Financial Officer. The Chief Financial Officer ("CFO") is responsible for overseeing the Company's financial operations and decision-making based on short and long term strategic financial objectives. The CFO works closely with the President and CEO in establishing best practices in the implementation and communication of finance functions, programs and operations covering business finance, financial controllership, tax management and advocacy, treasury, and revenue assurance and fraud risk management. The CFO likewise oversees asset management, strategic investor relations functions, compliance with relevant public disclosure requirements and financial standards, and the development of strategic plans to improve the Company's overall financial health and long-term viability.

Chief Governance Officer. The Chief Governance Officer monitors compliance with the provisions and requirements of corporate governance laws, rules and regulations, reports violations and recommends the imposition of disciplinary actions for such violations, and the adoption of measures to prevent its repetition, subject to further review and approval by the Board, through the GNSC. The Chief Governance Officer assists the Board and the GNSC in the performance of their governance functions, including the implementation of corporate governance rules and policies, proper onboarding of new directors, and conduct of corporate governance trainings for directors and officers, and collaborates with other responsible departments of the Company to: (i) monitor, review, evaluate and ensure compliance with relevant laws and regulations; (ii) ensure the integrity and accuracy of documentary submissions to regulatory agencies; and (iii) address compliance issues. Under the supervision and direction of the Chief Governance Officer, the Corporate Governance Office assists in the communication and implementation of the corporate governance policies adopted by the Board.

Chief Information Security Officer. The Chief Information Security Officer ("CISO") heads the Cyber Security Operations Group and is tasked to: (i) improve, develop and implement information and cybersecurity-related policies, processes and technologies; (ii) ensure enterprise-wide alignment and oversight of compliance with applicable cybersecurity laws, regulations and standards; (iii) provide executive oversight of cybersecurity regulatory compliance and cybercrime case management; (iv) provide executive oversight and strategic direction for collaboration with government agencies and private sector entities, with such regulatory coordination and external engagement, in support of national and industry-wide initiatives against cyber threats and/or cybercrime; and (v) ensure alignment of cybersecurity policies and practices across PLDT and Smart. The CISO likewise provides strategic, regulatory, and technical guidance for cybersecurity-related matters and functions to the DPISC.

Chief Legal Counsel. The Chief Legal Counsel leads the legal and regulatory affairs of the PLDT Group, composed of PLDT and its subsidiaries. The Chief Legal Counsel supports the PLDT Group's corporate activities and directs the formulation and implementation of legal strategies, policies, standards, and guidelines designed to promote compliance with applicable laws, rules, and regulations. The Chief Legal Counsel oversees the identification, assessment, and mitigation of legal and regulatory risks across the PLDT Group, including the management of material disputes, investigations, and claims, and the supervision of the review, negotiation, and documentation of significant contracts, transactions, and corporate actions. The Chief Legal Counsel also manages regulatory compliance across the PLDT Group through engagement and coordination with relevant regulatory agencies and national and local government units, monitoring of regulatory developments and issuances affecting the business, and the implementation of internal controls and processes intended to manage regulatory exposure and support timely compliance with applicable requirements. In addition, the Chief Legal Counsel leads initiatives to promote legal and regulatory awareness across the PLDT Group, including the development and conduct of compliance education and training programs, in coordination with relevant business units, to help foster a culture of compliance. Where appropriate, the Chief Legal Counsel coordinates with internal stakeholders and external counsel and advisers to promote consistent interpretation and application of legal and regulatory requirements and disciplined management of legal and regulatory matters across the PLDT Group.

Chief People Officer. The Chief People Officer ("CPO") leads the effective implementation of people-focused strategies, programs, and operations across the organization. The CPO oversees Talent Management, Organizational Planning, and Human Resources Operations, including key areas such as Workplace Experience and Labor Relations. The CPO fosters a high-performing workplace by optimizing organizational structures, policies, processes, and people analytics, and drives a robust talent strategy focused on building a skilled, resilient workforce and an agile workplace across the Group. The CPO serves as a non-voting member of the Board's ECC and GNSC.

Chief Risk Management Officer. The Chief Risk Management Officer ("CRMO") is tasked to: (i) plan the overall strategy of the different risk management units of the PLDT Group; (ii) review risk management activities and controls of the operational units; (iii) review internal and external factors that can negatively affect the PLDT Group risk profile; (iv) influence, and when necessary, challenge material risk

decisions and initiatives; (v) monitor that risks are within the bounds of the risk appetite of the PLDT Group; and (vi) review and escalate critical risks to Management, the Risk Committee and the Board, as necessary, advising them on requisite actions.

Group Enterprise Risk Management Department. The Group Enterprise Risk Management Department ("GRMD") provides support to the CRMO by implementing an integrated risk management program with the goal of identifying, analysing and managing the PLDT Group's risks to an acceptable level so as to enhance opportunities, reduce threats, and sustain competitive advantage. The implementation of the enterprise risk management ("ERM") process ensures that critical risks are well understood and effectively managed across all functions and units within the PLDT Group. This is achieved through the operationalisation of the Enterprise Risk Management Framework ("ERMF"), a standardised approach to risk identification, assessment and management. The ERMF is aligned with the ISO 31000 Risk Management Standard, Committee of Sponsoring Organizations of the Treadway Commission ("COSO")'s ERM Framework, risk considerations found in the S&P Global Corporate Sustainability Assessment, and GRI Standards. The GRMD manages execution of the Three Lines of Defense Model to ensure that all layers of the organization contribute to managing enterprise risks through the implementation of identified controls and mitigation strategies. The GRMD likewise facilitates the risk assessment exercise of Management, implements activities to build an effective culture of risk management across the organization, and communicates and reports significant risk exposures, including business risks, control issues and risk mitigation plans to the Risk Committee. The GRMD Head supervises the ERM process and spearheads the development, implementation, and improvement of ERM processes and documentation, and communicates the top risks and status of implementation of risk management strategies and action plans to the CRMO, CEO, and the Risk Committee.

Chief Sustainability Officer. The Chief Sustainability Officer ("CSO") heads the Corporate Sustainability Office and is responsible for developing and managing the Company's overall sustainability strategy and roadmap, which is aligned with global Environmental, Social and Governance ("ESG") practices and reflects the Company's commitment to doing business responsibly. The CSO ensures the enterprise-wide alignment to the Company's sustainability roadmap through the integration of sustainability metrics in the organization's key performance indicators. In addition, the CSO oversees the Company's compliance with relevant sustainability-related laws, regulations, standards and frameworks. The CSO is also tasked with shaping the corporate sustainability narrative. This includes the preparation and disclosure of the Annual and Sustainability Report in accordance with globally recognized sustainability standards and reporting frameworks. The CSO engages with stakeholders through materiality assessments, strategic partnerships, and participation in forums to share the Company's sustainability journey and progress.

The CSO regularly provides updates to the President and CEO, and the Board, through the GNSC, on the progress of initiatives supporting the Company's material areas and sustainability roadmap. The CSO likewise informs the Board of the latest sustainability-related developments, standards, applicable laws and regulations, and evolving market expectations. The CSO identifies sustainability-related risks and the corresponding mitigating measures which are presented to the Board through the RC.

Policies and Practices

The Company promotes a culture of good corporate governance through the implementation of its CG Manual, Code of Ethics, and related corporate governance policies.

CG Manual. Our CG Manual, which was approved and adopted by the Board on May 12, 2017, in accordance with the CG Code issued under SEC MC No. 19, Series of 2016, defines our corporate governance framework and structure. Together with PLDT's Articles of Incorporation and By-Laws, it assigns and delineates functions and responsibilities, and entrusts powers, authorities, and resources for the execution of such functions and responsibilities. The CG Manual provides, among other matters, the composition and responsibilities of the Board, the Company's duties towards its shareholders in general, its minority shareholders and its other stakeholders, and the Company's obligation to comply with applicable disclosure rules. A copy of the CG Manual is published on the website: https://cms.pldt.com/drupal/sites/default/files/corporategovernancedocs/2022-01/pldt-manual-on-corporate-governance.pdf.

Code of Ethics. Our Code of Ethics defines the Company's corporate governance principles of integrity, accountability, transparency, and fairness, which the Company shall observe in the conduct of its business. It sets the governance and ethical standards that shall govern and guide all business relationships of the Company, its directors, officers, and employees. The implementation of the Code of Ethics is reinforced by enabling policies such as the Conflict of Interest Policy, Supplier/Contractor Relations Policy, Expanded Whistleblowing Policy, Gifts, Entertainment and Sponsored Travel Policy, as well as the Policy on Gift-Giving Activities which, in conjunction with the Code of Ethics, embody the Company's anti-corruption policy. The Company's CG policies, including the Code of Ethics, are reviewed at least once every two years to ensure that they are appropriate for PLDT, benchmarked with global best practices, and compliant with applicable laws and regulations. On September 17, 2024, the Board reviewed and approved the updated Code of Ethics that is aligned with applicable international best practices on corporate governance and sustainability. A copy of the Code of Ethics is published on the website: https://cms.pldt.com/drupal/sites/default/files/corporategovernancedocs/2024-09/pldt-code-of-business-conduct-and-ethics_0.pdf.

Whistleblowing complaints are reported periodically to the Board's GNSC, whose voting members are composed of a majority of Independent Directors; and the AC, composed entirely of Independent Directors. The Company's Whistleblowing Hotlines/Facility: +63 (2) 88888-CGO (246) and CGOHotline@pldt.com.ph are accessible to employees and external parties, including suppliers and contractors, to receive complaints involving illegal or unethical conduct and related concerns in the Company. The Whistleblowing Hotlines/Facility include a confidential intranet whistleblowing reporting system provided by an independent third party. Reporters may also visit the CGO located at the 6th Floor, Makati General Office Building, De la Rosa corner Legaspi Streets, Makati City. Confidentiality is observed in the handling of whistleblowing complaints and whistleblowers and witnesses are protected from retaliation.

Material Related Party Transactions Policy. PLDT's Material Related Party Transactions ("MRPT") Policy was adopted in 2019 in accordance with the Company's CG Manual and in compliance with SEC MC No.10, Series of 2019 or the Rules on Material Related Party Transactions for Publicly Listed Companies. The Company's MRPT Policy covers transactions of PLDT and the other members of the

PLDT Group that meet or exceed the materiality threshold of ten percent (10%) of PLDT's total consolidated assets. It defines the processes, controls and safeguards for the proper handling, including review, approval and disclosure, of such related party transactions ("RPT") in accordance with applicable laws and regulations. Each Material RPT shall be subject to prior review by the Audit Committee, composed of independent directors, to determine whether the same meets the following standards: (a) it is on arm's length terms, and (b) it is in the best interest of the Company and its shareholders, considering relevant factors and circumstances. A copy of the MRPT Policy is published on the website: https://pldt.com/docs/default-source/corporate-governance-files/policies/material-related-party-transactions-policy.pdf.

Incentive-based Compensation Clawback Policy. Approved by the PLDT Board and effective from October 02, 2023, the Incentive-based Compensation Clawback Policy ("Clawback Policy") was instituted to implement the recovery of erroneously awarded incentive-based compensation from current or former PLDT executive officers, including Executive Directors, in the event that the Company is required to prepare an accounting restatement, provided that such incentive-based compensation was received during the three completed fiscal years immediately preceding the date the Company is required to prepare the accounting restatement. As a foreign private issuer with American Depositary Shares listed and traded on the NYSE under the symbol "PHI", the Clawback Policy complies with applicable NYSE Listing Standards and US Securities laws and regulations. A copy of the Clawback Policy is published on the website: https://cms.pldt.com/drupal/sites/default/files/corporategovernancedocs/2023-12/Incentive-based-Compensation-Clawback-Policy.pdf.

As applicable, PLDT's key subsidiaries have adopted corporate governance rules and policies similar in substance and form to the foregoing corporate governance policies and suited to their particular business environments and contexts. They have likewise appointed their respective corporate governance or compliance officers.

Training and Education. The Company provides orientation and continuous training for its Board, Management, and employees. At the start of the service of a new director, the Chairman, President and CEO, CFO, Corporate Secretary and Chief Governance Officer give a newly appointed director a briefing on the Company's structure, business and the responsibilities of the Board and its Committees and how each operates. The new director is also furnished with copies of all relevant information about the Company and policies applicable to directors, including the Company's Articles of Incorporation, By-Laws, Annual Report, CG Manual, Code of Ethics, and the Charters of the Board Committees. Updates on business and governance policies and requirements principally from the Philippine SEC, PSE, United States Securities and Exchange Commission ("US SEC"), and NYSE, and new laws applicable or relevant to the Company and its business, particularly on financial reporting and disclosures and corporate governance, are presented in Board meetings or furnished to the directors. The Company conducts an Annual In-House Corporate Governance Enhancement Session for its directors and officers that provides an opportunity for leadership to engage in discussion with international and local experts on relevant topics, including emerging trends and technologies, new laws, and best business practices. For employees, the Company conducts orientation and periodic training and refresher sessions on Company policies, including corporate governance policies, information and cybersecurity, data privacy, business continuity and resilience, sustainability, internal controls, diversity, gender-based sexual harassment, leadership, skills-building, and wellness and development, supplemented with appropriate communication materials and feedback mechanisms.

Monitoring and Evaluation. PLDT monitors and evaluates the effectiveness of its corporate governance through the annual performance self-assessment conducted by the Board, Board Committees, and individual Directors, the periodic review of the effectiveness of the implementation of the Company's corporate governance policies, the annual compliance evaluation conducted by Management and other tools employed to monitor the implementation of corporate governance policies, including the entity level controls assessment.

- Evaluation system to determine compliance with the CG Code and CG Manual

PLDT monitors and evaluates compliance with the CG Code and CG Manual through a cross-functional evaluation system whereby the heads of the various business and support groups/units conduct an evaluation of their group's/unit's compliance using an evaluation questionnaire consisting of the governance standards set out in the CG Code and CG Manual which are applicable and relevant to their respective functions. The results of the evaluation are consolidated as input to the Company's Integrated Annual Corporate Governance Report ("IACGR") submitted to the Philippine SEC and PSE. Based on the results of the evaluation, the Company undertakes appropriate measures to further advance its corporate governance standards and practices.

In 2025, PLDT was recognized by the Institute of Corporate Directors, in cooperation with the SEC and PSE, as a top performing Philippine Publicly Listed Company as it achieved the ASEAN Corporate Governance Scorecard ("ACGS") Four Golden Arrow Award.. The Four Golden Arrow Award is an improvement from the Company's Three Golden Arrow Award in previous years. PLDT was also named among the ASEAN Capital Markets Forum's (ACMF) ASEAN Asset Class PLCs, reflecting its strong adherence to the governance standards and best practices embodied in the ACGS. The ACGS evaluates the performance of companies in the areas of rights and equitable treatment of shareholders, sustainability and resilience, disclosure and transparency and responsibilities of the Board, among other criteria.

- Measures undertaken to fully comply with adopted leading practices on good corporate governance

2025 Activities

In addition to the Company's governance structure, policies, and practices that meet international standards on good corporate governance, the following governance activities were undertaken by the PLDT Board in 2025:

1. 11 Board meetings, including one organizational Board meeting; an ASM; and 35 Board Committee meetings;

2. conduct of its ASM on June 10, 2025, with attendance of stockholders who own or hold a total of 314,595,605 shares representing 85.94% of the total shares of Common Stock and Voting Preferred Stock ("Voting Shares") based on the attendance record and proxy report, as at Record Date, April 14, 2025;

3. Board, Board Committee, and Individual Directors' performance assessment for 2024, including a review of the performance of the President & CEO and Management presented to the Board through the GNSC on August 07, 2025;

   Members of the Board and the Board Committees accomplished their respective Self-Assessment Questionnaires which have the following criteria: (a) for the Board: Board Composition and Independence, Governance, Roles and Responsibilities, Internal Control, Code of Conduct and other CG Policies, Stewardship, Resources and Support. Internal Governance, Reporting and Disclosure, and Shareholders and Stakeholders Engagement; on the President/CEO and Management: development and implementation of long-term objectives, business strategies, plans and budgets consistent with the Company's vision, mission, values, principles, and overall strategy; leadership; and effectivity in the implementation of Board objectives, strategies and budgets; (b) for the Board Committees: the respective purposes, functions and duties of the Committees; and (c) for the individual Directors: Specific Duties and Responsibilities of a Director, including understanding of the Company's Mission/Vision and values, independent judgment, and attendance and active participation at meetings;

4. use of external sources, such as professional search firms, director databases and/or other reputable sources to further enhance the search for and widen the base of potential nominees;

5. review and screening of the qualifications of director/independent director nominees in preparation for the Annual Meeting of Stockholders, and thereafter, as appropriate;

6. review of the qualifications of the PLDT Officers appointed/re-appointed at the Organizational Meeting of the Board following the Annual Meeting of Stockholders and thereafter, as appropriate;

7. review of the Company's CG Manual, Conflict of Interest Policy, Policy on Gifts, Entertainment and Sponsored Travel, Policy on PLDT's Gift-Giving Activities, Supplier/Contractor Relations Policy, and Expanded Whistleblowing Policy which remain compliant, are appropriate for the needs of Company, and are aligned with the updated Code;

8. review and approval of the Biodiversity Policy on March 20, 2025, and the Energy Management Policy, and Water Policy on November 11, 2025;

9. Board's approval for the Company's compliance plan with the Extended Producer Responsibility Act, (Republic Act No.11898) entailing the registration of the Company as an Obliged Enterprise, and the approval of the Company's engagement of a third-party assurer and Producer Responsibility Organization;

10. review of the PLDT Group Top Risks, including cybersecurity and climate-related risks, as identified by Management;

11. discussion of legal and regulatory and risk management updates arising from the passage of the Konektadong Pinoy Bill into law (Republic Act No.12234) and the issuance of its Implementing Rules and Regulations;

12. submission of the Company's Integrated Annual Corporate Governance Report (IACGR) CY2024 containing disclosures of compliance with the recommendations in the CG Code, and confirmation of compliance with the Company's CG Manual which contains certain corporate governance standards under the US Securities Exchange Act and the NYSE Listed Company Manual, in addition to relevant provisions from the CG Code;

13. conduct of its Annual In-House Corporate Governance Enhancement Session for PLDT's Board and Management on November 18, 2025 with the SEC-approved topics and speakers: "Winning with AI: Embracing Change and Optimizing Decisions at Scale" by keynote speaker, Ms. Cassie Kozyrkov, Google's first Chief Decision Scientist; and "SuperCreativity: Leading in the Age of AI" by keynote speaker, Mr. James Taylor, speaker and advisor to Fortune 500 CEOs;

14. conduct of orientation and refresher training programs on Company policies, including corporate governance, diversity and inclusion, data privacy and cybersecurity, and skills-building, and technology-related courses, among others; and

15. review, approval and publication of the Company's Annual and Sustainability Report for 2024, which also contains the Corporate Governance Report, and ERM Report.

- Compliance with the CG Manual

In compliance with the respective memorandum circulars of the SEC and the PSE, PLDT filed its IACGR on May 30, 2025, and confirmed its compliance with its CG Manual that contains relevant provisions of the CG Code and certain corporate governance standards under the US Securities Exchange Act and NYSE Listed Company Manual.

- Plans to further improve the corporate governance standards of the Company

For 2026, the Company aims to further advance its governance standards and practices, including the strengthening of internal controls and benchmarking of its policies and processes, in accordance with the Recommendations of the CG Code, the mandate of the Revised Corporation Code, and the results and feedback obtained from the Company's monitoring and evaluation system in order to continuously achieve the Company's strategic objectives, create value for all its stakeholders, and sustain its long term viability.

Sustainability Commitment

Tightly linked to the Company's corporate governance philosophy is its commitment to sustainability and doing business responsibly. The PLDT Group aspires to achieve industry leadership in sustainability by embedding this in its strategy and operations. Such reinforces the Company's purpose and is underpinned by the inclusion of sustainability-related targets in the organization's performance and compensation program, which includes executive directors, the C-suite, and all other executives.

The performance metrics for sustainability cover the Company's various materiality areas, including but not limited to, climate action such as initiatives focused on the operation resource efficiency including those that aim to reduce energy consumption and Green House Gas ("GHG") emissions, water management, circularity and waste management, employee and customer welfare, diversity and inclusion, cybersecurity and data privacy, and business ethics.

In developing its sustainability roadmap, the PLDT Group is guided by 12 material areas identified as most important to the Group by its various stakeholders through a materiality assessment process. These are anchored on four pillars: Connection, Conservation, Concern, and Commitment. The Group also aligns with globally recognized standards and benchmarks for its sustainability reporting and periodic communication on ESG progress.

The PLDT Group endeavors to continuously use its industry leadership and influence to create lasting value, drive positive impact, and inspire action to ensure, not only the Group's long-term existence, but also act as stewards of the planet for the next generation.

Details of the PLDT Group's sustainability roadmap and information are set out in the 2024 Annual and Sustainability Report published on the corporate website:
https://cms.pldt.com/drupal/sites/default/files/irannualandsustainablereports/2024%20Annual%20and%20Sustainability%20Report_Final.pdf

Corporate Shared Value

The Corporate Shared Value ("CSV") Statement is the articulation of our belief that helping to deliver positive impact to the lives of the Filipino people is an integral part of our business. The CSV Statement enumerates the broad responsibilities that PLDT assumes as it operates and conducts its business. A copy of the CSV Statement is published on the website at https://main.pldt.com/corporate-governance-in-pldt/our-stakeholders. Pursuant to the CSV Statement, the PLDT Group's social programs leverage its technology and digital services and the volunteer spirit of its employees to implement programs on education, livelihood, disaster resilience, environment, agriculture, internet safety and sports that aim to enable the digital inclusion of Filipinos and create meaningful connections among communities towards a sustainable future. The Company's CSV programs and activities are reported in the Sustainability Report released annually since 2016.

Stakeholder Engagement

In fulfilling our commitments to our stakeholders, we are guided by the Company's General Practice on Stakeholder Engagement ("GP on Stakeholder Engagement"), CSV Statement and our Code of Ethics. The GP on Stakeholder Engagement aims to promote a culture of good governance by the observance of the Company's core principles of integrity, accountability, fairness and transparency in dealings with its stakeholders. Together with our Code of Ethics, the GP on Stakeholder Engagement is the articulation of our belief in empowering Filipinos across sectors through meaningful connections that can help improve their overall well-being. We believe that as we seek to enhance value for our shareholders, we have a responsibility to provide quality products and services for our customers, develop the talents and skills of our employees, work with our suppliers and business partners in an ethical and mutually beneficial manner, and enable our communities for nation-building.

Investors/Shareholders. PLDT upholds transparency and fairness in all its dealings with investors and shareholders. It respects, promotes and upholds shareholder rights such as: the right to vote; pre-emptive right; the right to inspect corporate books and records, including minutes of Board meetings and stock registries, subject to certain conditions; right to timely receive relevant information, whether in printed or digital form; right to dividends; and appraisal right. Our minority shareholders have the right to nominate candidates for directors, including independent directors, and have the right to cumulative voting which enables minority shareholder representation in the Board. Shareholders representing at least a majority of the shares of the corporation issued and outstanding and entitled to vote may grant Directors with compensation and approve the amount thereof at any annual or special meeting. In 2025, except for our executive directors, directors did not receive stock options, performance incentives, bonuses, or any other form of compensation from the Company.

Shareholders are encouraged to attend annual and/or special meetings whether purely in-person, hybrid, or virtual-only. The Company apprises shareholders ahead of time of their right to appoint a proxy, in case they cannot personally attend and exercise their voting rights in such meetings. Shareholders are also given an opportunity to ask questions and raise their concerns in such meetings. The 2025 ASM was held on June10, 2025 in person. Shareholders who were unable to attend in person were able to exercise their voting rights through duly accomplished proxies.

Aligned with governance best practices, PLDT ensures timely and accurate disclosures of material information that may impact the Company's share price or shareholder interests. In 2025, key developments highlighted through our regular quarterly results disclosures and investor briefings included achieving positive free cash flow as at 9M2025 ahead of our 2026 target and the inauguration of VITRO Sta. Rosa, the country's first operational AI-ready hyperscale data center. The Company also made separate disclosures during the year relating to

Maya's profitability (in which PLDT holds an approximate 38% equity stake) and PLDT's inclusion in the S&P Global Sustainability Yearbook 2025, where it was named global telecom "Industry Mover" PLDT regularly conducts quarterly analysts' and investors' briefings to discuss financial and operating results, podcasts of which are posted in the Investor Relations section of the PLDT website: https://main.pldt.com/investor-relations. In addition, the Company publishes on its website: https://main.pldt.com/investor-relations/press-releases-and-disclosures the appropriate - reference materials, disclosures and press releases, among others, covering significant topics of interest to the Shareholders. As warranted, the Company conducts special briefings to discuss other important company developments. Our Investor Relations Group has regular engagements and meetings with fund managers, investors, and analysts which may include access to PLDT Group's Top Management. Shareholders who wish to raise matters or concerns relating to the business of the Company, their investments and rights, may elevate such matters to the Corporate Secretary, the Head of Investor Relations, or concerned members of PLDT's Management or the Board.

Customers. PLDT serves a broad range of customers from individuals, residential, micro, small and medium enterprise (SME) and large enterprise, including the public sector. We continuously endeavor to provide best-in-class experiences to fulfill our customers' needs and expectations on responsive products and services, quality of service, pricing, application, service provisioning process, repair and restoration service, and billing and payment services. We engage with our customers through various traditional and digital touchpoints and empower them to resolve their concerns through self-help channels with the end view of knowing and understanding their product and service needs, promptly addressing their concerns and identifying areas where we may further enhance customer experience.

Employees. PLDT respects the rights of its employees, among which are the right to self-organization, safe and healthy working conditions, professional development, and community-building social activities. We offer opportunities for leader-led, employee-owned, and digital-enabled people programs all aligned with our mission to deliver best-in-class employee experience. Career advancement opportunities are also adequately available within a performance and merit-based system. Compensation and incentives are determined based on performance and accomplishments, and dedicated staff, facilities, and digital or social platforms are made available to support the Company's training, development, and engagement programs.

Suppliers. PLDT maintains mutually beneficial relationships with like principled suppliers that uphold PLDT's core values of fairness, accountability, integrity, and transparency in their own business practices. Suppliers undergo a qualification process before they engage in business with PLDT. Among the criteria for qualification are financial and technical capability, compliance with applicable laws, including those pertaining to industrial relations, environment, health and safety, intellectual property rights, cybersecurity, data privacy and sustainability. Our purchases, as a general rule, are made on the basis of competitive bidding among qualified suppliers. We adopt industry best practices, including digitalizing our procurement process of supplier onboarding, bidding, contracting and purchase order issuance, among others, with the aim of strengthening our procurement governance. This comprehensive approach ensures increased transparency, efficiency, and accountability at every stage of the procurement process. An overview of the Supplier Qualification Process and Supplier Code of Conduct are published on the website: https://cms.pldt.com/drupal/sites/default/files/corporategovernancedocs/2024-05/pldt-group-supplier-qualification-process.pdf; and Microsoft Word - Supplier Code of Conduct Infographic_CleanDraft_7132023-v2, respectively.

Creditors. PLDT protects the rights of its creditors by publicly disclosing all material information, such as earnings results and risk exposures relating to loan covenants. Our disclosure controls and procedures also include periodic reports to our creditors such as our latest certified financial statements, no default certification, and certification on compliance with financial ratio limits. PLDT's credit has been rated at investment grade by two major international credit-rating agencies as at yearend 2025.

Communities. PLDT strives to engage local communities where it operates through corporate citizenship programs that support the business while contributing to nation-building and the achievement of the United Nations Sustainable Development Goals (UN SDGs). We uphold a community engagement strategy that is inclusive, collaborative, ethical and sustainable. Leveraging on core businesses and infrastructure, we act as enabler in the promotion of digital inclusion in communities in the areas of disaster resilience, education, internet safety and online child protection, inclusion, and livelihood.

Regulators. PLDT operates within relevant legislative and regulatory frameworks and complies with the requirements thereunder which are applicable to it. We participate in public policy forums, conferences and hearings conducted by government and regulatory agencies on policies and regulations that have implications and affect the operations of the telecommunications industry. PLDT also participates in legislative hearings relative to initiatives and proposed legislation in the fields of ICT, corporate governance, cybersecurity, digital transformation, and labor-related matters. Our investments in network infrastructure and technologies, and advocacy to provide the widest coverage and superior quality of service at affordable prices are aligned with and support the Government's initiatives and objectives set out in various laws.

Enterprise Risk Management

PLDT Group Top Risks. The GRMD, under the leadership of the CRMO, promulgates and encourages the adoption of a standard risk evaluation process focused on the need to properly identify, analyse, evaluate, treat, and monitor risks that may affect the achievement of business objectives. This is achieved through the operationalisation of the Enterprise Risk Management Framework ("ERMF"), a standardised approach to risk identification, assessment and management. The ERMF is aligned to the ISO 31000 Risk Management Standard, COSO's ERMF, risk considerations found in the S&P Global Corporate Sustainability Assessment, and GRI Standards. A risk assessment exercise was undertaken by Management to identify and prioritise the most important risks affecting the PLDT Group for 2025. The top risks, listed in no particular order of criticality, are: (i) increased competition in a transforming market, (ii) targeted CAPEX upgrades enabling growth, (iii) managing cash flow and financial commitments, (iv) compliance in an evolving regulatory environment, (v) maintaining cyber & fraud resilience in an AI-threatened landscape, (vi) optimizing vendor value for strategic gains, (vii) governance and management of data environments, (viii) governing organizational change to meet evolving market needs, (ix) impact of climate change and environment-related conditions on business operations and financial statements, and (x) operationalising the ESG agenda. Risk management activities are continuously monitored and reviewed to ensure that critical risks are appropriately addressed across the organisation.

PART V - EXHIBITS AND SCHEDULES

Item 14. Exhibits and Reports on SEC Form 17-C

Exhibits

See Exhibit 1 – Sustainability Report.

Reports on SEC Form 17-C (Current Reports)

We reported the following items on SEC Form 17-C during the last two quarters of 2025:

	Items Reported	Date Filed
1.	Notice of Analysts' Briefing to discuss the Company's First Half 2025 Financial and Operating Results.	July 29, 2025
2.	Press release regarding the Company's unaudited consolidated financial results for the six (6) months ended June 30, 2025.	August 12, 2025
3.	Declaration of a cash dividend of Php2,437,500.00 on all of the outstanding shares of Voting Preferred Stock of the Company for the quarter period ending October 15, 2025 and payable on October 15, 2025 to the holder of record as at September 15, 2025.	August 12, 2025
4.	Declaration of a cash dividend of Php12,420,000.00 on all of the outstanding shares of unlisted Series IV Cumulative Non-Convertible Redeemable Preferred Stock of the Company for the quarter period ending September 15, 2025 and payable on September 15, 2025 to the holder of record as at August 26, 2025.	August 12, 2025
5.	Declaration of a regular cash dividend of Php48.00 per outstanding share of Common Stock of the Company payable on September 10, 2025 to the holders of record as at August 28, 2025.	August 12, 2025
6.	PLDT Inc.'s Consolidated Statements of Financial Position as at June 30, 2025 and December 31, 2024.	August 12, 2025
7.	Presentation materials in connection with the teleconference to discuss the Company's Financial and Operating Results for the six months ended June 30, 2025.	August 12, 2025
8.	Approval by the Board of Directors of PLDT Inc. ("PLDT") of PLDT's subscription to additional common shares in Kayana Solutions Inc. ("Kayana").	August 12, 2025
9.	Clarification of news article entitled "PLDT sets lower capex for 2026" as posted in PhilSTAR.com on August 18, 2025.	August 18, 2025
10.	Separation from service of Ms. Jeanine R. Rubin, a First Vice President of Company, due to her availment of the Company's Manpower Reduction Program, effective September 1, 2025.	September 1, 2025
11.	Update on PLDT's subscription of additional common shares in Kayana Solutions Inc.	September 1, 2025
12.	Resignation of Mr. Kazuyuki Kozu as director of the Company, effective at the close of business on September 15, 2025 and the Board elected Mr. Hidetada Hayashi as director of the Company to hold office effective immediately and for the unexpired term of his predecessor in office, Mr. Kozu.	September 16, 2025
13.	Voluntary retirement of Ms. Bernadette C. Salinas, a First Vice President of PLDT Inc., effective October 1, 2025.	October 1, 2025
14.	Response to the letter of the PSE dated October 1, 2025 requesting PLDT Inc. to clarify and/or confirm information in relation to the news article entitled "ePLDT says 12th data center set to be the largest; study to finish this year" as posted in BusinessWorld (Online Edition) on October 1, 2025.	October 1, 2025
15.	Notice of Analysts' Briefing to discuss the Company's Financial and Operating Results for the Nine Months ended September 30, 2025.	October 29, 2025
16.	Press release regarding the Company's unaudited consolidated financial results for the nine months ended September 30, 2025.	November 11, 2025
17.	Declaration of a cash dividend of Php12,285,000.00 on all of the outstanding shares of Series IV Cumulative Non-Convertible Redeemable Preferred Stock of the Company for the quarter period ending December 15, 2025 and payable on December 15, 2025 to the holder of record as at November 25, 2025.	November 11, 2025
18.	Presentation materials for the Analysts' Briefing to discuss the Company's Nine Months 2025 Financial and Operating Results.	November 11, 2025
19.	Response to the letter of the PSE dated November 17, 2025 requesting PLDT Inc. to clarify and/or confirm information in relation to the news article entitled "PLDT eyes REIT for $1-billion data centers, calling AI asset 'painful' to sell" as posted in Manila Bulletin (Online Edition) on November 17, 2025.	November 17, 2025
20.	Separation from service of Mr. John John R. Gonzales, a First Vice President of PLDT Inc., due to his availment of the Company's Manpower Reduction Program, effective December 1, 2025.	November 28, 2025
21.	Declaration of a Cash dividend of Php2,437,500.00 on all of the outstanding shares of Voting Preferred Stock of the Company for the quarter period ending January 15, 2026 and payable on January 15, 2026 to the holder of record as at December 16, 2025.	December 2, 2025
22.	Confirmation of appointment of (a) Ms. Louella F. Calixtro as First Vice President and Chief Procurement Officer effective November 16, 2025 and (b) Mr. Sesinando G. Milla III as Vice President and Head of NFM Energy Management effective August 16, 2025. Extension of employment of Atty. Marilyn A. Victorio-Aquino as Senior Legal Advisor to the Chairman, concurrent to her roles as Executive Committee Member, Senior Vice President and Privacy Head, and Corporate Secretary, until December 31, 2026. She is also an incumbent Director of the Company.	December 2, 2025
23.	Separation from service of the following officers of the Company: (a) Ms. Katrina L. Abelarde, a First Vice President of the Company, effective January 1, 2026, due to her availment of the Company's Manpower Reduction Program; and (b) Mr. Albert Mitchell L. Locsin, a First Vice President of the Company, effective January 1, 2026, due to his voluntary retirement.	December 29, 2025