



# UNLEASHING LONG-TERM **POSITIVE FORCE**



2023 SUSTAINABILITY REPORT









## ABOUT THE COVER

As we seek new avenues of growth and profitability; we aim to achieve “Escape Velocity” – whatever speed it takes to break free from formidable gravity that restrains the telco industry from attaining the growth it aspires for. In so doing, we go back to our core and reignite positive forces within us. These forces that define our purpose, forces that bind and connect us deeply to the world around us, and forces that will propel us to conquer the next great domain. 2023 was a year of seizing opportunities, gaining further momentum, and unleashing together positive forces that drive a lasting and meaningful impact.

# ABOUT THE REPORT

GRI 2-1, 2-2, 2-3, 2-5

The PLDT 2023 Sustainability Report is a narrative of the PLDT Group's environmental, social, and governance (ESG) management performance from January 1 to December 31, 2023, as reviewed and approved by the Board of Directors through its Governance, Nomination, and Sustainability Committee (GNSC).

This report encompasses highlights of the ESG journey of PLDT Inc. (PLDT), subsidiaries Smart Communications, Inc. (Smart), ePLDT, Inc. (ePLDT), PLDT Global Corporation (PGC), and Multisys Technologies Corporation (Multisys), associates Maya Philippines, Inc. (Maya), and social outreach arm PLDT-Smart Foundation (PSF).

This report serves as PLDT and Smart's Communication on Progress on the continuing adoption of the principles of the United Nations Global Compact on human rights, labor, environment, and anti-corruption. This report demonstrates our alignment with the frameworks of the Global Reporting Initiative (GRI) Standards 2021: Core option, the Sustainability Accounting Standards Board (SASB), the Task Force on Climate-Related Financial Disclosures (TCFD), Taskforce on Nature-related Financial Disclosures (TNFD), the Ten Principles of United Nations Global Compact (UNGC), and GSMA ESG Metrics for Mobile.

Significant portions of this report have been assured by external and independent firm, SyCip, Gorres, Velayo & Co. (SGV), a member firm of Ernst & Young International Ltd. Disclosures with limited coverage have been particularly specified and qualified with explanatory notes.

Unless the context indicates or otherwise requires, references to "we," "us," "our" or "PLDT Group" in this annual report mean the parent unit PLDT Inc. and its selected subsidiaries, and references to "PLDT" mean solely as a unit, excluding subsidiaries.

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# WE ARE PLDT

## Our Purpose

We are a Filipino company inspiring innovation and meaningful connections through generations.

## Our Vision

We aspire to be a happy space using technology to empower and build bridges of collaboration across sectors and communities towards a sustainable future.

## Our Mission

Our people deliver meaningful connections and experiences for our customers to live a fuller life.

## PRINCIPLES

**Accountability.** We take full responsibility for our actions and decisions.

**Integrity.** We are ethical and law-abiding.

**Fairness.** We uphold justice and equity.

**Transparency.** We uphold truthfulness and are open to scrutiny.

## OUR VALUES

### The Customer is our North Star.

- We all work together for customer happiness.
- We go the extra mile to build meaningful connections.
- We enable our employees to drive great customer experiences.

### We trust each other to do the right thing.

- We empower and equip our people to make decisions.
- We are transparent yet respectful with each other, even in difficult conversations.
- We keep our promises.

### We are one.

- We seek out the voices of others before making our voices heard.
- We tap into each other's uniqueness to turn our differences into strengths.
- We check our biases regularly.

### Our people are our family.

- We have fun at work and celebrate big or small achievements together.
- We invest time in building ourselves and those around us.
- We create a safe space to be our best selves at work.

### Malasakit is our strength.

- We prioritize the well-being of our people.
- We go out of our way to help those in need.
- We care for the business like it's our own.

### Together, we can do great things at speed.

- We innovate, fail fast, and pause to learn.
- We make choices that enable quick execution.
- We collaborate and build partnerships.



# BUSINESS UNITS

GRI 2-1, 2-2, 2-6

The PLDT Group is composed of various business units, subsidiaries, affiliates, and associates. Each unit is empowered to continuously drive sustainability and create long-term value for all our stakeholders.



## PLDT HOME

PLDT Home is the country's fastest fixed network and digital services provider, offering broadband data services that run through a Fiber-to-the-Home (FTTH) network and covers more than 17.5 million homes in 70% of the towns and 91% of municipalities in the Philippines, as of December 31, 2023. Its network consists of over 1.1 million kilometers of fiber optic cables, with over 0.2 million cable kilometers of international fiber, 0.9 million kilometers of domestic fiber, and about 6.3 million fiber ports.

PLDT Home's FTTH network can deliver up to 10 Gbps of symmetrical internet speeds or equal upload and download speeds that translate to unlimited, uninterrupted video streaming, lag-free gaming, and seamless internet browsing experience at home. PLDT Home offers broadband plans that deliver unlimited access to high-speed internet and complete Smart Home ecosystem of relevant solutions and devices, building on the pillars of Connectivity, Entertainment, and Security.



## SMART

Smart is PLDT's wholly owned wireless business unit. With over 57.8 million subscribers, as of the end of 2023, Smart serves 97% of the country's cities and municipalities and covers 97% of the country's population through 4G/LTE, 5G, and other networks. Smart's wireless broadband network supports HSPA+, LTE-Advanced, and 5G to provide an improved data experience for subscribers.

Smart's thrust is to support the country's growing digital economy and provide the best customer experience for the increasingly digital Filipino lifestyle.



## PLDT ENTERPRISE

PLDT Enterprise is the preferred digital services partner of enterprises of all sizes, enabling clients with solutions for their digital communications needs—from the internet, data networking, voice communication, and data center to solutions for mobility, managed IT data, cybersecurity, collaboration, and productivity. It is composed of several business units focused on core business segments to deliver an array of solutions that help business owners adapt to evolving technological needs.





### ePLDT

ePLDT, a wholly owned subsidiary of PLDT, is the industry-leading provider of digital business solutions in the Philippines. It develops end-to-end ICT technologies for enterprises across the country and the Asia-Pacific region by delivering digital business solutions that align with global standards. Its products and services include Cloud, Cyber Security, Managed IT Services, and purpose-built Data Center facilities.

ePLDT has the largest data center footprint in the country — with 10 facilities nationwide that offer over 8,900 ready rack capacity and over 27MW of aggregated I.T. power. These world-class data centers enable the caching of popular content, resulting in reduced latency, which improves customer experience. An 11th data center, Vitro Sta. Rosa, which caters to hyperscale requirements, will be ready to launch by 2024 and will bring the total data center capacity to 99.5 MW.



### PLDT GLOBAL

PLDT Global is PLDT's full-fledged international marketing, sales, and operating services arm. It offers a wide range of products and services, including those beyond telecommunications. With presence in the Philippines, the United States of America, Hong Kong, and other countries, it provides diverse telecommunications solutions and other relevant customer services to Filipinos offshore.



### PLDT GLOBAL ENTERPRISE

PLDT Global Enterprise is the Philippines' principal ICT and digital services provider. It focuses on providing offshore businesses with customizable end-to-end industry solutions through its global network and Points-of-Presence (POPs) in key countries and cities around the world.



### MULTISYS

Multisys is a software solutions company backed by a team of full-stack developers and elite programmers. Operating for over 12 years now, it holds 14 copyrighted solutions. It has more than 2,500 partners that provide system automation and integration services to enable ease of business across the Philippine archipelago and beyond. Its copyrighted platforms and solutions help private companies operate more efficiently and assist government agencies in delivering faster and more effective services to the public.



### MAYA

Maya is an end-to-end digital payments ecosystem enabler in the Philippines. It provides merchant solutions across all types of enterprises. It serves all consumer segments through e-wallet offerings and on-ground agent networks. In this unique ecosystem, Maya grows its digital banking business, giving more underserved businesses and consumers access to essential financial services. Through Maya Bank, a digital bank established in 2021, Maya provides a mobile-first digital banking service using its e-wallet and technology platforms.

# OUR SUSTAINABILITY JOURNEY ROADMAP

GRI 2-1, 2-2, 2-6

The PLDT Group defines Sustainability as doing business responsibly. As we aspire to achieve long-term growth and profitability, we operate with a consciousness of our social and environmental impact and aim to continuously generate positive value within our organization and across sectors and generations of our stakeholders.

Our sustainability roadmap is defined by four pillars — Connection, Conservation, Concern, and Commitment. These pillars have been deliberately crafted with a holistic view of our business impact and industry landscape, and in support of our commitment to contribute to the achievement of the UN SDGs.

With an ambition to achieve industry leadership on ESG performance in the region, we identify sustainability as a key driver of our business strategy and integrate measurable ESG targets into our organizational key performance indicators. We work

towards continuously improving our ESG performance based on our materiality assessment, developing policies and action plans, capacitating our employees through learning campaigns and consultative engagements, benchmarking with industry peers, and facilitating the sharing of best practices with our supply and value chain stakeholders.

Our Board of Directors oversee our ESG strategy, policies, and performance, through its GNSC, as we present our progress on a quarterly basis. Annually, we submit a sustainability report to the Philippine Securities and Exchange Commission and contribute pertinent ESG data to First Pacific Company Ltd, one of our largest shareholders, for its reporting to the Hong Kong Stock Exchange.

We aim to align with global best practices, so we produce ESG reports based on internationally recognized reporting standards and corporate assessment frameworks.





# INSTITUTIONALIZED ALLIANCES



## **Global System for Mobile Communications Association (GSMA)** **[www.gsma.com](http://www.gsma.com)**

PLDT and Smart actively benchmark with the GSMA to ensure continuous alignment with industry best practices, particularly on focus areas that support and enhance our materiality framework. These include participating in dialogues and knowledge-transfer sessions on innovations, operational resource efficiency, climate action, circularity, and child protection, among others.



## **Climate Disclosure Project (CDP)** **[www.cdp.net](http://www.cdp.net)**

The PLDT Group aligns with the disclosure framework and requirements of the CDP for guidance on adopting science-based targets for our decarbonization roadmap and in continuously improving our climate risk management and disaster resilience strategies.

**WE SUPPORT**



## **United Nations Global Compact (UNGC)** **[www.unglobalcompact.org](http://www.unglobalcompact.org)**

PLDT and Smart are registered Participants in the UNGC. Such participation underscores our commitment to embed global principles on environment, human rights, labor, and anti-corruption into the conduct of our business.



## **International Telecommunication Union (ITU)** **[www.itu.int](http://www.itu.int)**

PLDT and Smart are active members of the ITU, participating in relevant industry and multi-stakeholder alliances to develop standards, harmonize policies, and foster the universality of access to information and communications technology



**International Financial Reporting Standards Foundation (IFRS Foundation)**  
[www.ifrs.org](http://www.ifrs.org)

PLDT is a member of the IFRS. We support and align with the foundation's goal of fostering high-quality, understandable, enforceable and globally accepted accounting and sustainability disclosure standards. We also continue to support the country's adoption of a single set of high-quality global accounting standards.



**Task Force on Climate-Related Financial Disclosures (TCFD)**  
[www.fsb-tcf.org](http://www.fsb-tcf.org)

PLDT is a pioneering member and local supporter of the TCFD. This commitment augments our roadmap of integrating nature and climate into our decision-making, operational strategy, and disclosures.



**Sustainability Accounting Standards Board (SASB)**  
[www.sasb.org](http://www.sasb.org)

PLDT is the first telecom operator in the world and the first company in the Philippines and the Asia Pacific to become an SASB alliance member. The program supports the need for more decision-useful and cost-effective sustainability disclosures. Membership in SASB shows our sustainability commitment to investors.



**Taskforce on Nature-Related Financial Disclosures (TNFD)**  
[www.tnfd.global](http://www.tnfd.global)

PLDT supports the TNFD, which develops and deliver a risk management and disclosure framework in response to evolving nature-related risks and opportunities. We continue to learn from TNFD's work which builds on seven principles: market usability, science-based, nature-related risks, purpose-driven, integrated and adaptive, climate-nature nexus, and globally inclusive.



# 2023 SUSTAINABILITY: AT A GLANCE

## CONNECTION PILLAR

GRI 201-1, TC-TL-000.A, TC-TL-000.B, TC-TL-000.C, TC-TL-000.D

**3.7M**

Broadband  
Subscribers

**4.9**

Exabyte Mobile Network  
Data Traffic

**57.8M**

Mobile  
Subscribers

**PHP 85.1B**

CAPEX Investment

**3.8M**

Fixed Line  
Subscribers

**PHP 564M**

Community Investment

**OVER 1.1 CABLE KM**

Fiber Footprint (Domestic and International)

### PLDT Home

**70% FIBER PRESENCE**

of cities and 91% of municipalities covered

### ePLDT

#### Sustainable Data Centers

2% improvement in  
PUE and 20% - 27% RE

**Vitro Sta. Rosa**  
designed to be  
a green data  
center

### SMART

Best 5G Coverage and  
Availability - OpenSignal

Over  
**74.7K**

base stations  
nationwide

**97%**

Population coverage  
with LTE and 5G  
networks

### MAYA Bank

**3M**

Depositors

**PHP 25B**

Deposit Balance

**PHP 22B**

Cumulative Loans Disbursed



### PLDT Enterprise

#### Pilipinas Cloud

First sovereign  
cloud

#### "Preferred" Partner Status

from Cisco, Fortinet,  
Microsoft, and Google

### PLDT Global

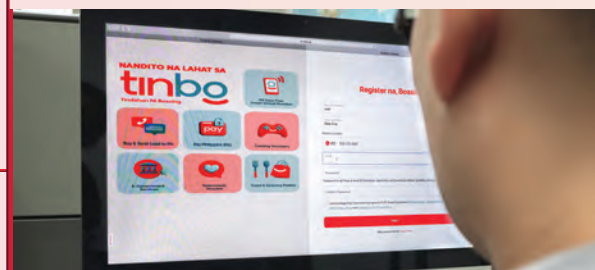
Introduced **SIM-LESS**

and online mobile number

#### Launched

**TinBO (Tindahan ni Bossing)**


a one-stop online gateway for  
overseas Filipinos



### MAYA

**#1** Merchant  
Acquirer

**#1** Digital  
Bank in PH

CONCERN PILLAR		CONSERVATION PILLAR	
15,592 Total in number of employees		194 m³ of rainwater collected and recycled	
PHP 24,644M Employee wages and benefits		19,577 MWh of electricity generated and consumed from renewable energy	
99.94% PLDT and Smart employees upskilled and reskilled		11,378 metric tons of GHG avoided through the use of renewable energy	
ZERO CASES Work-related employee fatality Work-related hazards that pose high consequence employee injury		323 metric tons of used lead acid batteries properly treated by DENR-accredited TSD facility	
Achieved Leader status in the Global Child Forum Benchmarking  CHILD RIGHTS AND ONLINE PROTECTION	Blocked 905K URLs linked to online child sexual abuse and exploitation materials (CSAEM)	 Pioneer member PHILIPPINE ALLIANCE FOR CLIMATE ACTION	
CUSTOMER SATISFACTION Attained year-over-year double-digit improvements on transactional net promoter scores for our fixed and wireless brands			
		Supporter of TASKFORCE ON NATURE-RELATED FINANCIAL DISCLOSURES (TNFD)	
COMMITMENT PILLAR			
PHP 142M GRI 201-1 Economic Value Distributed		ZERO Confirmed incidents of corruption	
PHP 33B Payment to providers of capital		18B blocked attempts to access malicious domains	
PHP 7B Taxes paid to the government		Anti-corruption company policy-communicated to 100% of all accredited vendors	



# MESSAGE FROM THE CHAIRMAN AND CEO

GRI 2-22

## To our Stakeholders

For decades, PLDT has achieved industry leadership by being constantly aware of, and responsive to, market changes. We strive to be strategic in our choices and purposeful in our actions.

Business models today face challenges. Living in a rapidly evolving world, we are part of an essential global industry that is now navigating an era of diminishing growth. Every telecom company needs to seek new avenues of growth and profitability; thus, our aim to achieve “Escape Velocity”, in layman’s terms, whatever speed it takes to break free from formidable gravity that restrains the telco industry—both locally and globally—from attaining the growth it aspires for. And in so doing, we hope to unleash a long-term positive force.

With a view towards ensuring the Company’s existence and relevance for many years to come, we have invested resources and energies to innovate. An integral element of this is ensuring that we embed sustainability in all aspects of our business. We developed a sustainability roadmap that helps us understand what holds the most value for our stakeholders to identify what we can do to create the most meaningful impact.

Aware that the Philippines is among the countries that will potentially receive the most impact from climate change, we are committed to take action to fight climate change and its impacts. Accordingly, we have been resolute as we join other global companies in setting decarbonization targets. Additionally, we have announced our support to the global Net Zero Ambition and the Philippine Nationally Developed Contribution with its focus on adapting and adjusting to the impact of changing climate.

Our focus on delivering and enabling digitalization is key to these efforts.





At PLDT,  
we measure business  
success in equal  
parts by how well we  
**improve the lives of  
our people** and how  
we work to **preserve  
our planet for future  
generations.**

Digitalization enables various industries, sectors, and organizations to innovate, create and execute tactical plans for climate mitigation, decarbonization, and adaptation for the resilience of people and communities.

Equally important is our focus on the social impact of our business to the nation, as we strive to help address social inequality by narrowing the digital divide. Programs for poverty reduction and job creation are greatly enabled by connectivity, which facilitates the efficient sharing of information and ideas, whether for education or business. By providing much needed connectivity, PLDT is able to support the Philippine Development Plan, particularly various campaigns that aim to equip Filipinos with skills to participate and compete in the digital economy, as the country aims for inclusive growth.

We at PLDT reiterate our commitment to supporting the Philippine Government's sustainable development agenda, and remain an enabler of business growth and economic prosperity. We also affirm our continued support to the United Nations Global Compact and its ten principles on Human Rights, Labor, Environment, and Anti-Corruption.

Sustainability and doing business responsibly have been, and will always be, at the core of PLDT's past, and in its future. Our decisions demonstrate that ethics remain firmly at the center of our business, even as we navigate through advanced technologies, such as Artificial Intelligence. We believe that humanity should always be at the heart of technology.

At PLDT, we measure business success in equal parts by how well we improve the lives of our people and how we work to preserve our planet for future generations. We look forward to having your continued support throughout our sustainability journey.

**Manuel V Pangilinan (SGD.)**

Chairman, President and CEO



# MESSAGE FROM THE CHIEF SUSTAINABILITY OFFICER

GRI 2-22

## Dear Stakeholders

In 2023, we continued to pave the path to a collective, sustainable future with the intent of unleashing a long-term positive force.

Recognizing the power of collaboration, we, as an organization, focused our energies on driving our sustainability agenda together. We built our commitments as one team, institutionalizing concepts and the practice of sustainability by making them part of our organizational key performance indicators (KPIs). This has been an effective approach in engaging internal partners and working with each one to embed sustainability in our day-to-day operations.

For the environment, our decarbonization roadmap aims for a 40% reduction in Scope 1 and 2 GHG emissions by 2030 against a 2019 baseline. This roadmap involves initiatives using renewables and green network technology, with the long-term goal of having a sizable, if not fully, renewable power mix.

During the year, we executed a supply partnership with Green Core Geothermal, Inc., the retail electricity supplier arm of First Gen Corporation (First Gen), to access geothermal energy to power seven facilities located in Cebu, Samar, Capiz, and Iloilo. These facilities will source their renewable energy supply from Energy Development Corporation (EDC), First Gen's subsidiary that provides 100% renewable energy. PLDT's wireless subsidiary, Smart Communications, has fully integrated an AI-based 'green radio' network solution across its wireless radio sites, marking a significant stride in eco-friendly innovation. This initiative not only reduces energy consumption and CO2 emissions but also results in substantial cost savings. Our ICT subsidiary, ePLDT, continues to operate environmentally friendly data centers focusing on energy efficiency and contracting renewable energy as a power source.

2023 saw the PLDT Group begin to scale up our 'Be Kind. Recycle.' (BKR) campaign promoting responsible e-waste management and circularity. Starting out as

We look ahead at the work before us with **confidence and faith** in our team, the organization, our leaders, our partners, and our stakeholders — all driven by a shared vision of what we want **tomorrow to be for our children and our children's children.**



a collection drive at the PLDT and Smart main offices in Makati, BKR has since grown such that our e-waste collection bins are now available in select Smart mall stores, part of our PLDT Home sales activities, and with engagements on the Enterprise front and with the Makati Medical Center. To support BKR on the transport, treatment and disposal of the e-waste collected, we partnered with the Department of Environment and Natural Resources as well as the United Nations Industrial Development Organization (UNIDO) and invested in a TSD (Treatment Storage and Disposal) facility in Barangay Bakakeng in Baguio City. As part of this program, we aim to increase awareness regarding the dangers of e-waste, make collection more accessible to the public, and support circularity by enabling upcycling and recycling of e-waste, diverting these from landfills and mitigating soil contamination.

Our Business Units also promoted digitalization and circularity as they continued expanding our portfolio of value-packed digital solutions, strengthening partnerships, and investing in community programs that support digital literacy, education, skilling programs, financial inclusion platforms, and e-commerce solutions, among others.

Meanwhile, our People Group has been actively cultivating a culture of diversity and inclusion in the workplace. As members of the Philippine Business Coalition for Women Empowerment (PBCWE), PLDT and Smart reviewed our organization using PBCWE's Gender Equality Assessment Results and Strategies (GEARS) which ranked us with "Leading Practice" status in terms of flexible work, professional development, addressing gender-based concerns, sexual harassment, and domestic violence.

At the same time, we are active members of the Philippine Business and Disability Network (PBDN) which is a local platform for learning, collaboration, and support for disability inclusion advocates.

The partnership helps to promote awareness among our people of the need for understanding and sensitivity to disabilities, tendencies for unconscious bias, various types of discrimination, and how all these can be avoided and addressed in the workplace.

Also worth highlighting are our collaborative efforts on cybersecurity and reinforcing safeguards for the most vulnerable users of the internet, children. To fight against online sexual abuse or exploitation of children (OSAEC), we have also forged a partnership with global cyber security leader, Palo Alto Networks, to fortify our Child Protection Platform and strengthen its capacity to detect and block URLs linked to child sexual abuse materials (CSAM) both on the domain and content level. Such partnership complements our continuing subscription to the CSAM intelligence data of the Internet Watch Foundation and Project Arachnid of the Canadian Centre for Child Protection. We continue to work closely with the Department of Information and Communications Technology (DICT), law enforcement and legislators for a whole-of-nation response to this serious problem endangering children.

We continue to use UNICEF's Mobile Operators Child Rights Impact Self-Assessment (MO-CRIA) tool as it guides us in assessing child rights impact in our community engagements, human resources, product, sales, marketing, procurement, network, and security operations.

All our initiatives follow a governance framework that guarantees transparency and accountability, inspired by the leadership of our Chairman and the Board of Directors. We aim to allow our core values to manifest in the quality of relationships internally within the organization and externally with our various stakeholders, guided by our Manual on Corporate Governance and the Code of Business Conduct and Ethics, and the different policies promulgated throughout the organization.

Recognizing the sphere of influence that our organization holds and being a strong advocate of partnering for the achievement of global sustainability goals, we continue to work with our suppliers and industry partners to champion sustainable business practices together in order to make an even more meaningful impact.

Our bias towards partnering is evident in our biodiversity management projects that support our environmental stewardship. In these collaborations, we leverage the use of communications technology to attain the project objectives.

For instance, we have partnerships with Huawei and Ericsson for different biodiversity monitoring projects and research work to help conserve and unlock the potential of nature-based climate solutions and biodiversity hotspots in the country.

Much more needs to be done, and we are determined to stay the course no matter how long or hard the journey may be.

The work done so far has not remained unnoticed. In 2023, PLDT was included in TIME Magazine's World's Best Companies – the only Philippine telco on the list and was ranked highest among the six cited Philippine companies in terms of sustainability. Also for 2023, PLDT was named most valuable brand in the Philippines based on an independent study by Brand Finance. The study further indicated that PLDT posted the highest Sustainability Perceptions Value among all brands listed in its rankings. For our efforts on child protection, PLDT was recognized as a "Leader" in the Global Child Forum's global children's rights and business benchmark in collaboration with the Boston Consulting Group.

We celebrate the accolades received and the milestones achieved in 2023 and are grateful to all who have worked hard to get us to this point. We are thankful for your support and participation, and we seek your continued engagement in the coming year.

We look ahead at the work before us with confidence and faith in our team, the organization, our leaders, our partners, and our stakeholders -- all driven by a shared vision of what we want tomorrow to be for our children and our children's children.

Together we can unleash a positive long-term force towards a sustainable future.

**Melissa V. Vergel de Dios (SGD.)**

Chief Sustainability Officer  
PLDT and Smart





# AWARDS AND RECOGNITIONS

## TIME Magazine

World's Best Companies 2023 – PLDT (one of six PH companies)

## Brand Finance – PLDT

#1 Most Valuable Filipino Brand

Highest Sustainability Perception Value

## Global Child Forum and Boston Consulting

Corporate Sector and Children's Rights Benchmark Leader Status – PLDT

## Institute of Research and Data Aggregation

Top 1% of Leading Employers of 2023

## Opensignal – Smart

Best 5G Availability

Best 5G Coverage

Best 5G Download Speed

Best 5G Upload Speed

Best Overall Download Speed

## ASEAN Corporate Governance Scorecard (ACGS) Recognition

Three Golden Arrows Award – PLDT

## 4th ASEAN PR Excellence Awards

Gold Award – Best Public Relations Program – PLDT HOME's Madiskarte Moms

## Institutional Investor 2023 Asia Executive Team

#4 overall (small and midcap): PLDT

Best CEO: Mr. Alfredo S. Panlilio

#3: Combined Buyside and Sellside

#2: Buyside

Best Investor Relations Professional: Ms. Melissa V. Vergel de Dios

#3: Combined Buyside and Sellside

#1: Buyside

Best Investor Relations Team: PLDT

#2: Buyside

## 3rd UN Global Compact Network Philippines' SDG Awards

SDG Award – PLDT Home's Madiskarte Moms PH

## World Communication Awards Finalists

- Best Operator in an Emerging Market – Smart
- Crisis Response Award – PLDT and Smart Ligtas Kit
- Cybersecurity Award – PLDT and Smart Child Protection Platform
- Social Contribution Award – FarmSmart

## Smart International Business Awards

- Gold Stevie – PLDT Enterprise's PH Digicon 2022: Boundless
- Bronze Stevie – FarmSmart: Changing Lives and Livelihood

## Asia-Pacific Stevie® Awards

- Gold Stevie – PLDT Enterprise's PH Digicon 2022: Boundless
- Silver Stevie – Thought Leader of the Year: Albert Mitchell L. Locsin
- Silver Stevie – PLDT Better Today

## Bestadsontv.com

- Best Outdoor Ad – FIBA World Cup 2023 – MOA Ball
- Best TV material – TNT Sim Registration "Tattoo" Video

## 2023 Boomerang Awards

- Silver Entertainment Category – TNT Sim Registration Campaign – "Mother" Video

## Korea's MAD Stars 2023

- Crystal Award for Script writing (TNT Sim Registration Series)
- Crystal Award for Direction (TNT Sim Registration Campaign – "Kalapati" Video)

\*For the full list of Awards and Recognitions, refer to Annual Report 2023

# ALLIANCES AND MEMBERSHIPS

GRI 2-28

## LOCAL

- Australian-New Zealand Chamber of Commerce Philippines (ANZCHAM)
- Association of Foundations (AF)
- Association of Safety Practitioners of the Philippines, Inc. (ASPPI)
- Canadian Chamber of Commerce of the Philippines (CANCHAM)
- Cebu Chamber of Commerce & Industry (CCCI)
- Contact Center Association of the Philippines (CCAP)
- Data Privacy Council of the Philippines
- ECPAT Philippines
- Earth Day Network Philippines, Inc. (EDNPI)
- National Disaster Risk Reduction and Management Council (NDRRMC)
- eMoney Association of the Philippines
- Employers Confederation of the Philippines (ECOP)
- Ethics and Compliance Initiative (ECI)
- Fintech Alliance.Ph
- Global Compact Network Philippines (GCNP)
- Good Governance Advocates and Practitioners of the Philippines (GGAPP)
- Institute of Electronic Engineers of the Philippines (IECEP)
- Institute of Integrated Electrical Engineers of the Philippines (IIEE)
- Integrity Initiative, Inc.
- IT & Business Process Association of the Philippines, Inc. (IBPAP)
- Junior Chamber International Manila
- League of Corporate Foundations (LCF)
- Management Association of the Philippines
- People Management Association of the Philippines (PMAP)
- Philippine Association of Private Telephone Companies (PAPTELCO)
- Philippine Business Coalition for Women Empowerment (PBCWE)
- Philippine Business and Disability Network (PBDN)
- Philippine Business for Education (PBEd)
- Philippine Business for Social Progress (PBSP)
- Philippine Chamber of Telecommunication Operators (PCTO)
- Philippine Council for NGO Certification
- Philippine Disaster Resilience Foundation (PDRF)
- Philippine Fire Protection of the Philippines (PIFPO)
- Philippine Franchise Association (PFA)
- Philippine Partnerships for Sustainable Agriculture
- Philippine Retailers Association (PRA)
- Philippine Society for Talent Development (PSTD)
- Philippine Society of Mechanical Engineers (PSME)
- Pollution Control Association of the Philippines, Inc
- Private Sector Advisory Council (PSAC)
- Public Relations Society of the Philippines (PRSP)
- Ideaspaces Foundation
- SaferKidsPH
- Safety Organization of the Philippines, Inc. (SOPI)
- Semiconductor and Electronics Industries in the Philippines Foundation, Inc (SEIFI)
- Subic Bay Freeport Chamber of Commerce (SBFCC)
- Supply Chain Management Association of the Philippines (SCMAP)
- Zero Extreme Poverty Coalition (ZEPI)



### INTERNATIONAL

- Emergency Telecoms Cluster
- Procurement Leaders
- TM Forum
- Asia IoT Program
- Asian Carriers Conference Incorporated (ACC)
- Business Continuity Management Institute (BCMI) of Singapore
- Conexus Mobile Alliance
- Forum of Incident Response and Security Teams (FIRST)
- Global Settlement Council (GSC)
- Global System for Mobile Communications Association (GSMA)
- Information Systems Audit and Control Association (ISACA)
- Institute of Electrical and Electronics Engineers (IEEE)
- Inter-Agency Council Against Child Pornography IAPP)
- International Association of Business Communicators (IABC)
- International Inbound Services Forum (IISF)
- International Association of Privacy Professionals
- International IP Interconnect Forum (i3Forum)
- International Telecommunication Union (ITU)
- International Telecoms Week (ITW)
- Internet Watch Foundation (IWF)
- Metro Ethernet Forum (MEF)
- Scaling Up Nutrition Business Network (SBN)
- Sustainability Accounting Standards Board (SASB)
- WeProtect Global Alliance
- United Nations Global Compact (UNGC)



# MATERIALITY ASSESSMENT

GRI 3-1, 3-2

We refresh our materiality assessment every two years to guide our sustainability focus and management approach. This process identifies the ESG areas with the greatest impact on our business and stakeholders.

Our materiality assessment aligns with our strategic business direction, emphasizing areas that affect revenue generation, operational costs, and enterprise risk management. We also monitor local and global industry trends and benchmark our performance against our peers. The matrix below highlights the material topics under our four sustainability pillars: Connection, Concern, Conservation, and Commitment. The Board of Directors, through its GNSC, has reviewed and approved these topics, ensuring oversight of our ESG roadmap and initiatives.

CONNECTION	CONCERN	CONSERVATION	COMMITMENT
Investments in Innovation and infrastructure	Employee Welfare	Operational Resource Efficiency	Greening of Supply Chain
Customer Experience	Customer Welfare	Waste Management and Circularity	Cybersecurity and Data Privacy
Digital Inclusion and Community Investments	Child Protection	Climate-related risk management	Corporate Governance and Business Ethics

The perspectives of our internal and external stakeholders are integral to our materiality assessment and prioritization. We engage them in dialogue to ensure they understand our sustainability roadmap and materiality landscape and to gather their views on prioritizing our material topics. These consultations occur through various platforms, including online surveys, focus group discussions, and organizational roadshows. To make our material topics more accessible, we also offer translations of our materiality assessment survey in local languages such as Filipino and Visayan.

Guiding our focus and management approach on sustainability, we refresh our materiality assessment once every two years to determine the ESG areas with the most impact on our business and stakeholders.

We asked our stakeholders to rank our 12 material topics based on what they think is most important to our business and our stakeholders. The table below shows the stakeholder groups consulted in our materiality assessment and their corresponding top choice of material topics.

STAKEHOLDER GROUP	MOST IMPORTANT MATERIAL TOPIC
Employees	Employee Welfare
Suppliers and Business Partners	Investments in Innovation and Infrastructure
Customers	Customer Experience
Government and Regulators	Customer Experience
Media	Investments in Innovation and Infrastructure
Communities	Customer Experience
Children	Cybersecurity and Data Privacy
Creditors	Investments in Innovation and Infrastructure
Shareholders/Investors	Customer Experience

These stakeholder rankings of our materiality served as the primary basis of our prioritization matrix. Supplementing these, we have applied a modeling approach to factor commonalities across each platform and method. The matrix below shows our prioritization of material topics, from the point-of-view of our stakeholders.

### Prioritization of Material Topics

Most Important  
↑  
Important

Customer Experience  
Investments in Innovation and Infrastructure  
Employee Welfare  
Customer Welfare  
Cybersecurity and Data Privacy  
Operational Resource Efficiency  
Digital Inclusion and Community Investments  
Child Protection  
Corporate Governance and Business Ethics  
Climate-related Risk Management  
Waste Management and Circularity  
Greening of the Supply Chain

With our top management and internal stakeholders, we facilitate the setting of targets for each material topic based on our management approach. To drive the achievement of these targets, we develop corresponding policies and measurable action plans, allocate resources, and include all these in our periodic progress reports. Collectively, these materiality targets are integrated into our organizational sustainability key performance indicators that are part of our executive compensation and employee performance appraisal criteria.



The table below shows a detailed overview of our top three material topics.

<b>Customer Experience</b>	<b>Rationale</b>  Delivering quality customer experience drives revenue, provides a competitive advantage, and fosters opportunities to create long-term value.
	<b>Approach</b>  Recognizing the customer as our North Star, we uphold a holistic approach towards building organizational culture and capability for customer-centricity, ensuring accessibility and reliability of touchpoints, and developing innovations to deliver high-quality experiences to our customers.
	<b>Goal and Success Metrics</b>  Achieve a state of Customer Obsession by 2028  We measure success in Customer Experience based on the following metrics, among others. <ul style="list-style-type: none"> <li>• Organizational culture and maturity ratings</li> <li>• Accessibility and adoption rate of digital channels</li> <li>• Hotline service levels</li> <li>• Net promoter scores</li> </ul>
	<b>2023 Progress Highlights</b> <ul style="list-style-type: none"> <li>• Attained year-over-year double-digit improvements on transactional net promoter scores for our fixed and wireless brands</li> <li>• Enhanced digital accessibility of customer touchpoints with PLDT reaching 71% digital adoption rate and Smart at 77%</li> <li>• Elevated hotline service levels with PLDT achieving 72% and Smart at 83% of calls answered within 30 seconds</li> </ul>
<b>Investments in Innovation and Infrastructure</b>	<b>Rationale</b>  We continuously invest in infrastructure and innovations that will enable us to deliver on our purpose, offer the latest technology, provide the best experience to our customers, and maintain our competitive advantage. In doing so, we aim to help narrow the digital divide, contribute to our country's economic growth, and support the achievement of the global goals for sustainable development.
	<b>Business Strategy</b>  By investing in our network, we aim to boost our coverage and capacity to offer best-in-class connection, support robust traffic growth, and continuously improve on customer experience. Recognizing our customers as our North Star, we also strive to stay attuned with their usage and consumption patterns to ensure that our offerings meet their dynamic needs and remain relevant across varying lifestyles.

<b>Investments in Innovation and Infrastructure</b>	<b>Targets</b>  Develop innovations that narrow the digital divide and create value to the business, consumers, and society <ul style="list-style-type: none"> <li>• Enable wireless connectivity for 97% of the Philippine population</li> <li>• Reach 70% nationwide fiber presence to serve Filipino homes and enterprises of all sizes</li> </ul>
	<b>2023 Progress Highlights</b>  <ul style="list-style-type: none"> <li>• Covered 97% of the Philippine population with wireless connectivity</li> <li>• Reached fiber presence in 70% of Philippine towns and provinces</li> </ul>
<b>Employee Welfare</b>	<b>Rationale</b>  Ensuring employee welfare fosters customer satisfaction, generates revenue, and achieves business success. Our employees demonstrate our company values and carry out our mission to deliver meaningful connections and experiences to our customers.
	<b>Approach</b>  We aim to foster a positive and productive work environment for our employees. Our strategies are thus geared towards understanding the needs and concerns of our employees, promoting diversity, equity, and inclusion in the workplace, upholding the highest standards of occupational health and safety, and providing opportunities for continuous learning.
	<b>Goal and Success Metrics</b>  Be the Best Place to Work and Foster a Happy Space for all our Employees <ul style="list-style-type: none"> <li>• Organizational health index</li> <li>• Net promoter score and employee satisfaction ratings</li> <li>• Diversity and gender metrics</li> <li>• Occupational health and safety</li> <li>• Employee training and development programs</li> </ul>
	<b>2023 Progress Highlights</b>  <ul style="list-style-type: none"> <li>• 99.94% of PLDT and Smart employees upskilled and reskilled</li> <li>• Zero cases of forced and child labor in the workplace</li> <li>• Achieved a High Level Net Promoter Score of 91 for employee engagement programs</li> <li>• 99.14% parental leave return to work rate</li> <li>• Achieved a 10/10 workplace rating in the Global Child Forum Benchmarking on Child Rights</li> <li>• Achieved 90% above standard employee retention rate</li> <li>• Zero cases of work-related fatality and major injuries</li> </ul>

# HOW OUR SUSTAINABILITY PILLARS SUPPORT SDGS

## CONNECTION PILLAR



### Investments in Innovation and Infrastructure

Technology and network rollout and operations, innovations management, business unit operations and service offerings

### Customer Experience

Customer experience strategies, online tools and digitization of touchpoints, customer satisfaction measures, quality management, incentive programs, and audits of distributor networks

### Digital Inclusion and Community Investments

Enhancement of the universality of digital access, skills, safety and innovations

## CONCERN PILLAR



### Employee Welfare

Labor practices, human rights, human capital development, occupational health and safety, diversity, equity and inclusion in the workplace

### Customer Welfare

Responsible marketing and advertising, product safety, compliance with consumer welfare and protection laws

### Child Protection

Child online protection, anti-child labor measures, child rights in business operations

## CONSERVATION PILLAR



### Operational Resource Efficiency

Decarbonization roadmap, renewable energy transition, energy management, data center efficiency, water consumption and efficiency management

### Waste Management and Circularity

Disposal and management of wastes, eco-design of products and value chain

### Climate-related Risk Management

Climate strategy, low carbon products, disaster resilience and business continuity programs, biodiversity conservation

## COMMITMENT PILLAR



### Greening of the Supply Chain

Supplier code of conduct, Supplier ESG programs, screening, assessment and development

### Cybersecurity and Data Privacy

IT/Cybersecurity governance, measures, process and infrastructure, privacy policy, customer privacy information, use of customer data

### Corporate Governance

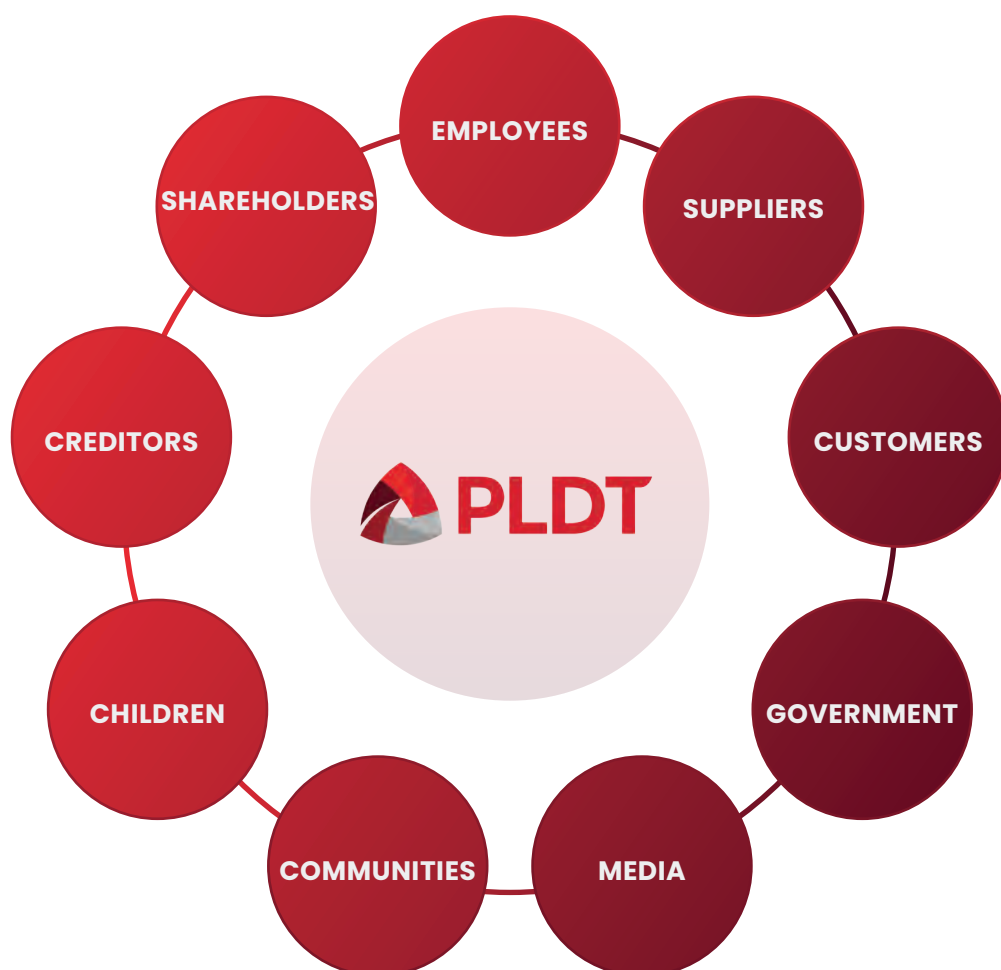
Board composition, diversity, effectiveness, management ownership, business ethics and codes of conduct



# HOW WE ENGAGE WITH OUR STAKEHOLDERS

GRI 2-5, 2-16, 2-26, 2-29

PLDT upholds a Stakeholder Engagement Policy that identifies key stakeholder groups that impact business operations and provides corresponding guidance on strategic and effective engagement methods. This policy aims to ensure that stakeholder engagement across all facets of operations supports our business objectives and corporate citizenship commitments and complies with corporate governance standards and codes of conduct.



Key stakeholder groups with the most impact on our business

In line with the policy, we implement internal mechanisms to foster the sustained capability of our personnel to engage with stakeholders effectively and ethically through various trainings, intranet resources, and cross-functional collaborations. Each unit engaging with stakeholders sets corresponding targets, measures of success, consultation methods, and impact assessments as part of their operations. We also maintain open communication lines, feedback tools, and reporting channels to facilitate information exchange and handle grievances or complaints from our stakeholders.

## EMPLOYEES

### Engagement Objective

We aim to make our organization a healthy workplace by fostering a positive and productive work environment for all our employees. Our employee engagements are thus geared towards enhancing employee productivity, developing capabilities, and promoting overall well-being.

### Impact on Business

Employees are vital to business success as they bring in diverse skills, drive operational productivity, and directly influence the satisfaction of our customers. Our employees demonstrate our company's vision, mission, and purpose and are partners in ensuring long-term growth and profitability.

### Frequency of Engagement

- Daily through internal advisories and organizational cascades
- Monthly and seasonal campaigns and engagements in line with promoting wellness and sports, families and communities, ambassadorship and recognition, and transformation, among others
- Activities all year-round are designed to cater to varying employee interests

### Engagement Methods and Communication Channels

- Face-to-face events
- Hybrid events are organized with options for including offices outside the main headquarters and schedules not within the standard work hours to cater to more employees.
- Employee consultations, surveys, and feedback mechanisms
- Thematic celebrations and organization-wide events
- Training and cross-functional knowledge transfer activities
- Multimedia intranet resources
- Internal communication channels and tools

### Measurement of Successful Engagements

We integrate a standard survey and feedback tool in our employee communication and engagements. Such a tool utilizes a five-point scale measuring both satisfaction and impact. We also use such tools to consult our employees and solicit their views on improving our programs and initiatives.

### Positive Impact

Our business provides financial security, career growth, and meaningful experiences to our employees. Our operations, we also offer our employees various opportunities to build on a sense of purpose, positively impact society, and contribute to nation-building.

### Feedback and Grievance Channels

We maintain various channels for employees to share feedback and report complaints, including via intranet tools, internal surveys, and directly through their dedicated HR Business Partners, among others.

### SUPPLIERS

#### Engagement Objective

Our engagements with suppliers are aimed to develop relevant, competitive, and industry-leading products and services that create value for our customers and ensure the long-term profitability of our business.

#### Impact on Business

Suppliers are crucial in providing production inputs and services that support our operational strategies and business goals. Engaging with them also boosts our continuous adoption of industry best practices and enhancement of quality standards for customer experience.

#### Frequency of Engagement

- Daily or as needed over the course bidding, negotiation, awarding, project implementation/ execution, and performance evaluation.
- Annually for renewal and requalification requirements

#### Positive Impact

Our business generates revenue, establishes market presence, and expands the operational reach of our suppliers. We provide value-adding inputs to their design, testing, and innovation of solutions, helping ensure that their end-products are market-ready, relevant, and competitive. They also learn and adopt best practices for responsible operations by doing business with us.

#### Engagement Methods and Communication Channels

- Face-to-face and virtual meetings and correspondences
- Supplier portal and spend management software
- Corporate website
- E-mails
- Supplier engagements, including qualification, bidding, negotiation, and awarding, are centralized within our Supply Chain Management Team.
- Upon award to the suppliers, proponents and functional units handle and monitor service delivery and fulfillment of contractual agreements until the purchase order or contract close-out.
- Our Supply Chain Management team collaborates with proponents to review and evaluate the performance of suppliers once engagements or projects are completed. The results of this review are communicated to the concerned suppliers.

#### Measurement of Successful Engagements

The success of engagements with suppliers is measured through specific metrics based on the nature of their services and their scope of work with us. As a general overview, the following areas are considered across various units:

- Technical and Commercial Specifications. Success is measured based on the capability of suppliers to align and meet our quality standards, and maximize value and cost-efficiencies for the products and services they offer.
- Service Delivery. We value the reliability and timeliness of service delivery, including the turnaround time for resolving concerns and after-sales transactions with our suppliers.
- Knowledge-transfer and Expertise. Successful stakeholder engagements contribute towards expanding and deepening our internal arsenal of knowledge, capability, and expertise.
- Case Study: Working with our SIM card suppliers has allowed us to design and develop wireless services that are competitive, technologically innovative, highly secure, and relevant to our customers' needs. From 3G to the latest 5G services, and from traditional SIMs to eSIMs, we have built expertise together and cultivated productive business relationships.

#### Feedback and Grievance Channels

Suppliers may report complaints and grievances related to our Supply Chain Management practices and policies through the following channels:

##### SUPPLIER MANAGEMENT

pldtgroupsupplierqualification@pldt.com.ph

##### CORPORATE GOVERNANCE OFFICE

PLDT: CGOHotline@pldt.com.ph

SMART: CorporateGovernance@smart.com.ph

ePLDT: epldtcorpgov@epldt.com

PGC: cg@pldtglobal.com



## CUSTOMERS

### Engagement Objective

To achieve business success, we aim to continuously build trust and cultivate a healthy relationship with all our customers. Our engagements are thus geared towards ensuring satisfaction, loyalty, and advocacy across all facets of the customer journey.

### Impact on Business

Engaging effectively with our customers builds our brand and competitive advantage, drives revenue, and enables us to achieve our business performance and growth targets.

### Frequency of Engagement

- Daily through our 24/7 customer care channels
- Periodically, through consultations, feedback sessions, and surveys

### Engagement Methods and Communication Channels

- Face-to-face interactions in our retail stores and community-based activations
- Virtual through our hotlines, digital channels, and social media platforms
- Surveys and focus group discussions

### Measurement of Successful Engagements

We measure the success of customer engagements through various metrics, including Transactional Net Promoter Scores (tNPS), Transactional Net Promoter Scores (rNPS), customer retention, growth of customer base, resolution time for complaints, and collection efficiency.

Case Study: To drive enhancements in customer satisfaction, we conduct proactive measures to consult our customers on improving our services. These include performing the NPS Service Recover Queues to understand better the customers who rated us with NPS scores of 1 or 2 out of 10. Such efforts helped improve our tNPS from -22 to 0 (PLDT) and 23 to 27 (Smart) in 2023. We have also beefed up analytics on our NPS scores to identify trends and areas for improvement better and more effectively develop targeted initiatives to address customer concerns.

### Positive Impact

Our products and services provide digital connectivity to our customers, allowing them to access and maximize various solutions for their daily productivity and lifestyle needs.

### Feedback and Grievance Channels

Customers may report complaints and grievances via our customer care channels at the following: PLDT, Smart, and TNT hotline 171 and PLDT Home on Facebook, PLDT Cares on X.

### GOVERNMENT AND REGULATORS GRI 3-3

#### Engagement Objective

We engage with various national and local government stakeholders to ensure compliance with telecom regulations and policies, influence policy decisions, advocate for policies that support the growth and development of the telecom industry, and foster a favorable business environment for the company.

#### Impact on Business

The government plays a significant role in shaping our business operations' policy and economic landscape. It is thus critical for us to continuously engage and maintain a good relationship with them as they impact in the following areas:

- Regulatory compliance. Compliance with regulations is essential for our business's legal and continued operation. Failure to adhere to regulatory requirements can result in fines and revocation of our existing licenses or authorizations.
- Policy influence. Government stakeholders formulate policies that directly impact the telecom industry. Active engagement allows our business to provide input, shape policy decisions, and advocate for regulations that support innovation, fair competition, growth and development.
- Consumer protection. Collaboration with the government helps our business address customer concerns.
- Infrastructure development. We work with government agencies to facilitate our network infrastructure's fast deployment, upgrade, and maintenance. We also engage with the government to pursue further advancements in the telecom industry.

#### Frequency of Engagement

- Daily and continuous
- The pace of our engagements with government stakeholders aims to promptly address any issues that may arise and proactively maintain good relations with them.

#### Engagement Methods and Communication Channels

We interact with government stakeholders through various engagement methods and touchpoints.

These include active participation in public hearings, regular stakeholders, meetings, and effective communication through official papers, letters, messaging apps, and other platforms, leveraging traditional and modern methods to maintain an open and responsive dialogue with relevant government agencies.

Through these engagements, we seek to contribute valuable insights, foster collaboration, and stay attuned to the evolving regulatory landscape.

This comprehensive strategy enables timely and effective communication, contributing to a collaborative and compliant regulatory relationship.

#### Measurement of Successful Engagements

We measure success of engagements with government stakeholders through our significant participation in various public reform initiatives, including the development and implementation of laws and policies that contribute to the growth and development of the telecom industry.

For instance, our groupwide efforts led to positive developments, such as the President's Executive Order No. 32 which provides for the streamlining of processes for the build of telecom/ internet infrastructure, among others.

#### Positive Impact

Our business is critical in achieving the government's objectives and agenda. These include our contributions to improving the country's connectivity infrastructure, delivery of public services, national security, regulation of the telecom sector, promotion of technological innovation, stimulation of economic growth and development, emergency preparedness, and more.

#### Feedback and Grievance Channels

Government stakeholders may report complaints and grievances through our dedicated email address at [regulatoryaffairs@smart.com.ph](mailto:regulatoryaffairs@smart.com.ph), or since our Regulatory teams maintain active and open lines of communication with our key government stakeholders, complaints and grievances may also be directly coursed through them.

## MEDIA

### Engagement Objective

We engage with media stakeholders to amplify public access to information on our company's services and organizational performance, enhance our reputation, and generate goodwill supporting our strategic business objectives.

### Impact on Business

Our media stakeholders are crucial in shaping our company's image to our customers and investors, and they can also be instrumental in influencing our share price. They are also our customers, voluntarily patronizing our products and services.

### Frequency of Engagement

- Weekly through the issuance of press releases and public advisories
- Monthly through strategic and tactical engagements
- Quarterly briefings with top management

### Positive Impact

As they aim to always be at the forefront of news and innovations, the media rely on us to help keep them up-to-date with the latest technological and economic developments from the perspective of an industry leader.

### Measurement of Successful Engagements

The main goal of engaging our media stakeholders is to build goodwill and relationships that will be strategic to our business objectives. While there is no quantifiable way to measure the success of relationships in this context, we look at the media values we earn through engagements with these stakeholders. These pertain to metrics such as PR Values, Share of Voice, and Tonality, among others.

### Engagement Methods and Communication Channels

We engage with media stakeholders through formal and casual luncheons, communications activities such as interviews, press briefings and events, and regular media engagements through the Chairman, Corporate Communications executive, Chief Sustainability Officer, and our Chief Legal Counsel.

We also maintain a 24/7 open line of communication with the media, enabling them to access information on our company through our corporate website and social media channels and via the regular distribution of press releases and disclosures.

### Feedback and Grievance Channels

Media stakeholders can contact the Media Relations team directly through the following: Media Relations Head – sgazucena@pldt.com.ph or on mobile via +63998 961 1867. They may also reach out to us through our communal platforms by email at corpcomm@pldt.com.ph and pldt.media@gmail.com.



### COMMUNITIES

#### Engagement Objective

We engage with local communities to broaden and deepen our presence in areas where we operate. Our local stakeholder engagements are geared towards creating a positive and lasting impact on communities we serve while achieving business results, expanding the reach of our network, building trust and generating goodwill, enhancing brand affinity, managing reputation and risks, and fostering ease of doing business.

#### Impact on Business

Local communities comprise our addressable market and impact the company's overall health. Thus, engaging them is vital to developing our business strategies, deploying our network facilities, innovating products and services, designing and implementing social responsibility and sustainability initiatives, and pursuing long-term growth and profitability.

#### Frequency of Engagement

- Daily

#### Measurement of Successful Engagements

We measure the success of engagements with local communities through the following metrics:  
Reach. We measure the quality and quantity of partners engaged, communities supported, benefited sectors, and resources mobilized. We also monitor the progress of our local community engagements through their corresponding reach in various social media and digital platforms and accolades, awards, and public recognitions generated towards our company.

Program Metrics. Our local community engagements and corporate shared value programs operate under specific targets to measure productivity, ensure effective management of resources, and contribute to our thrust for digital inclusion. These targets are underpinned by efforts to expand access to technology and foster improvements in digital skills and safety through training, workshops, and participation in various public forums.

Social Impact. Engagements with local communities promote digital inclusion among vulnerable sectors, including women, children, persons with disabilities, and indigenous communities. We thus measure the impact of our local community programs by looking at improvements in their income generation and employability and their enhanced capabilities in using technology for livelihood, education, and disaster resilience, among others.

Business Impact. The success of our local community engagements is also measured through various inputs to our business, including issuing permits for local operations, generating sales leads, expanding market reach, and contributing to organizational cost efficiency and risk management measures, among others.

#### Engagement Methods and Communication Channels

We maintain a ubiquitous presence nationwide and ensure the availability and inclusivity of communication channels for our local communities.

These include having dedicated relationship managers per area or region representing our group in various meetings, public consultations, and events with our local community stakeholders. Our regional managers also oversee the implementation of our programs for local communities, including training, exhibits, and deployment of program resources.

Local communities may also obtain information and contact us through our virtual multi-platform touchpoints.

#### Positive Impact

Our business operations enable local communities to gain access and maximize the use of digital technology to improve their lives. Through our services, they participate actively in the digital economy, employment and entrepreneurship, and cultural and socio-civic endeavors.

#### Feedback and Grievance Channels

Community stakeholders may reach out to us for complaints and grievances through the following channels:

Social Media: <https://www.facebook.com/PLDTSmartCommunities/>  
Email: [corpcomm@pldt.com.ph](mailto:corpcomm@pldt.com.ph) and [corpcomm@smart.com.ph](mailto:corpcomm@smart.com.ph)

## CHILDREN

### Engagement Objective

Engagements with children align with upholding employee welfare, enhancing cybersecurity and data privacy of our customers, building goodwill among stakeholder communities, and embedding sustainability in how we do business.

### Impact on Business

While we do not directly market and sell our services to children, they comprise a significant chunk of our active service end-users. As family members of our customers and employees, children also influence purchase decisions and usage of our services, and impact the productivity and well-being of our workforce.

### Frequency of Engagement

Occasionally, through family activities and programs with employees and customers, and youth-oriented programs within our trade marketing and stakeholder communities

Once every two years for the conduct of materiality assessment

### Engagement Methods and Communication Channels

We indirectly engage with children through interactions with our employees and customers as their parents and caregivers. We also engage with children in implementing various business activities and corporate shared value programs in the community.

Children can also access information on our company through our corporate website, digital channels, social media accounts, and customer care touchpoints.

### Measurement of Successful Engagements

Stakeholder engagements involving children are measured according to various metrics in line with their positive impact on our business objectives and social commitments among our employees, customers, and other stakeholders.

Most of our initiatives directly involving children are monitored and measured in line with mitigating risks, including the elimination of child labor in our workplace and marketplace operations, prevention of concerns on marketing and product labeling involving children, and the blocking of URLs and access to online child sexual abuse and exploitation materials through our Child Protection Platform.

### Positive Impact

Our digital services promote children's rights, enabling their access to information and quality education, freedom of expression, and cultural participation, among others. Children also benefit from our family-friendly workplace policies and employee welfare programs.

### Feedback and Grievance Channels

Complaints and violations of child rights relating to our operations may be reported via our corporate governance email address [CGOHotline@pldt.com.ph](mailto:CGOHotline@pldt.com.ph). This channel is open to both internal and external stakeholders.

### CREDITORS

#### Engagement Objective

The primary objective of engaging with our creditors is to build trust and confidence that enables us to secure reasonable and favorable financing services for the company. Interactions with our creditors primarily involve providing relevant information on our financial position and strategic initiatives that will strengthen our financial relationship in the long run.

#### Impact on Business

A sound relationship with creditors will impact and influence:

- Accessibility to funding for business operations and investments supporting liquidity and financial stability,
- Interest rate pricing, and
- Investor confidence and market perception.

#### Frequency of Engagement

Regular communication and meetings with our creditors in relation to operational activities and funding requirements

Quarterly: Operational and Financial Results briefing by top management

#### Positive Impact

With regular discussions with our creditors, they are able to provide PLDT Group with credit lines with optimal limits. More credit lines granted by creditors contribute to higher credit ratings.

The information obtained from our regular correspondence with our creditors also enable them to offer financial products based on our needs and requirements.

#### Key Stakeholder Concerns

Financial stability – ability of the company to meet its financial obligations

Risk Management – existence of comprehensive plans to mitigate various risks

Transparency – Complete, accurate and timely information on PLDT Group's financial position

Adherence of PLDT Group to best practices (i.e. compliance with government and regulatory requirements, and debt covenants)

#### Engagement Methods and Communication Channels

Engagements with our creditors are conducted either in-person, hybrid or virtual via regular meetings, calls and e-mails.

#### Measurement of Successful Engagements

The success of our engagements is evident in the availment of financial instruments with favorable terms and pricing.

#### Feedback and Grievance Channels

Our creditors may reach any of the Treasury Sector personnel via e-mail.

## SHAREHOLDERS AND INVESTORS

### Engagement Objective

As we foster the values of transparency and fairness, we regularly engage with Shareholders and Investors to provide them with accurate and timely information about the company's financial and operating results, to promote and uphold the shareholders' rights as indicated in the company's manual on corporate governance and to comply with regulatory requirements.

### Impact on Business

Engaging with the shareholders and investors results in a better understanding of the company, enhancing our reputation and market value.

### Frequency of Engagement

**Yearly:** through an Annual Stockholders Meeting every June each year  
**Quarterly:** Operations and Financial Results briefings by top management, conducted either in-person, hybrid, or virtual-only  
**As needed:** Special Stockholders Meetings  
 Regular engagements through meetings, emails, calls, and participation in local and overseas conferences.

### Engagement Methods and Communication Channels

Engagements with stockholders and investors are conducted either in-person, hybrid, or virtual-only. We maintain a website, including a section dedicated to Investor Relations, where we publish the company's latest disclosures and relevant developments. As much as possible, meetings include access to PLDT Group's top management.

### Key Stakeholder Concerns

Company performance and outlook for the industry  
 Insider trading that may affect the company's share price

### Positive Impact

With the timely disclosures and reliable information that PLDT makes publicly available, investors and shareholders can make the appropriate investment decisions.

### Measurement of Successful Engagements

While we track the number of meetings with investors as an engagement metric, the ultimate indicators of the success of our engagements are the share price performance and our credit and analysts' ratings, which all reflect the market's perception of PLDT's performance and potential.

### Measures to Manage Key Stakeholder Concerns

Active engagements with shareholders and investors, whether in good times or in bad  
 Establishment of relevant policies covering the following:  
 Internal Disclosure controls and procedures  
 Restriction on trading of shares

### Coverage of Mitigation and Risk Management Measures

100% of operations nationwide

### Feedback and Grievance Channels

Investors and shareholders may reach the following channels:

- Investor Relations Center through [pldt\\_ir\\_center@pldt.com.ph](mailto:pldt_ir_center@pldt.com.ph) for inquiries on financial and operating results
- Shareholder Services Group through [pldtshareholderservices@pldt.com.ph](mailto:pldtshareholderservices@pldt.com.ph) for requests for stock certificates and inquiries regarding their common shares, preferred shares and dividends





# CONNECTION PILLAR

## INSPIRING INNOVATION AND MEANINGFUL CONNECTIONS

Anchoring on our purpose, we develop innovations and deliver meaningful connections to narrow the digital divide and create long-term value for our business, customers, and society.

The first pillar of our sustainability roadmap is “Connection”. This embodies our commitment to continuously innovate, expand our digital infrastructure, and invest in the latest network technology to enable the best possible experience for our customers across segments.

With connections and technology at the core of what we do, this pillar also sets the foundation of our strategy and approach towards contributing to national economic development and supporting the global goals for sustainable development.



# EXPANDING OUR NETWORK INFRASTRUCTURE

TC-TL-520a.2

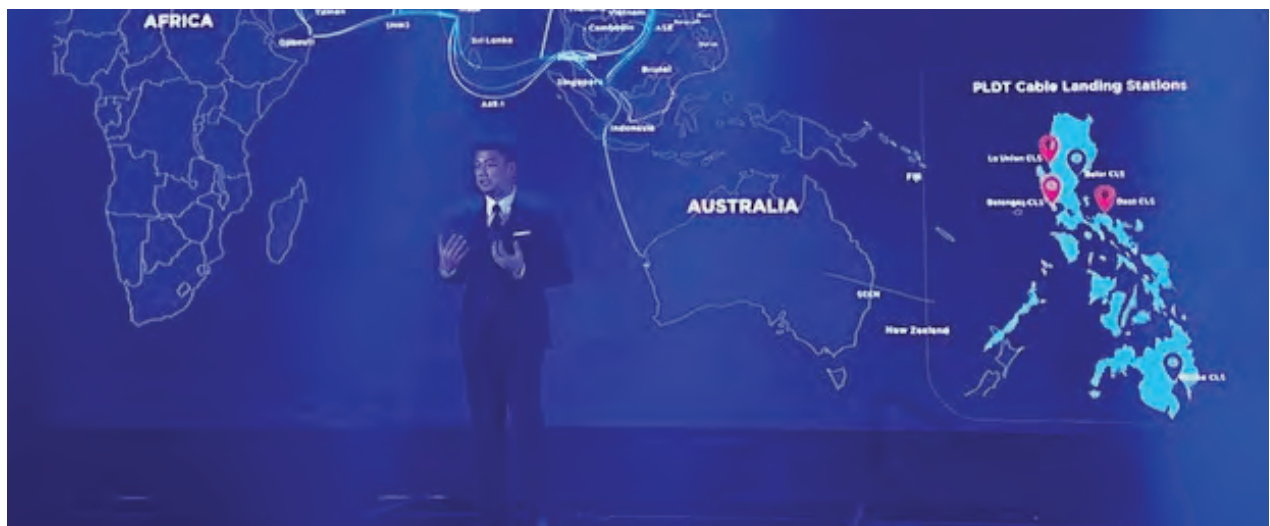
PLDT operates the country's most extensive and robust fiber infrastructure, with a total fiber optic cable footprint of over 1.1 million cable kilometers by the end of 2023. This extensive network consists of over 0.2 million cable kilometers of international fiber and over 0.9 million cable kilometers of domestic fiber that reach more than 17.5 million homes in 70% of the country's towns and 91% of municipalities. Meanwhile, the total number of fiber ports rose to about 6.3 million. We continue to lead the industry in delivering the fastest fiber speeds in the country, reaching up to 10 Gbps.

## Submarine Cables

We operate the Philippines' most extensive international submarine cable network. As of December 31, 2023, we maintain and operate three international cable landing stations in La Union, Batangas (serving cables from the West Philippine Sea), and Daet (serving cables from the Pacific Ocean). In 2023, the National Telecommunications Commission (NTC) issued provisional authority for the construction of new international cable landing stations in Baler, Aurora (Northeast) and Digos, Davao (Southern coast). Expected to be completed by 2025, these new stations will offer alternative routes that

do not traverse the usual West Philippine Sea waters.

We connect the Philippines to the rest of the world through various submarine cable systems in which we have invested or acquired capacities. To support the anticipated demand for new fixed and mobile services, we collaborate with major Asian carriers on the Asia Direct Cable (ADC), scheduled for completion in 2025. We are also working with other Asian carriers and Hyperscalers on the Apricot Cable, which is set to enhance our international capacity for data traffic to the U.S., Asia, and the Pacific by 2026, raising total capacity to over 140Tbps once fully equipped.





Our international automatic optical transport switching system and carrier Ethernet network continue to provide effective redundancy and service continuity to premium enterprise clients in Hong Kong, Japan, Singapore, and the U.S. Mainland. We have provisioned additional dedicated submarine cable circuits and upgraded the capacity of nodes to support growing business requirements. Furthermore, PLDT's fifth international point-of-presence (POP) in Guam is expected to launch in 2024.

## Wireless Network

GSMA-INC-01, GSMA-INC-02

Our wireless networks provide extensive voice and broadband coverage in the Philippines, covering substantially all of major metropolitan areas and most of the other population centers in the Philippines. By year-end, Smart covers 97% of the population and is present in 97% of the country's cities and municipalities with more than 74,700 base stations throughout the country.

In July 2023, we introduced the first prepaid eSIM in the country, making it widely available through the Smart Online Store, accredited retailers, airport kiosks, and leading e-commerce sites. This initiative underscores our commitment to reducing our environmental footprint and enhancing the customer experience. Additionally, digital delivery of eSIMs was launched in September 2023.

Our partnerships with Omnispace, AST SpaceMobile, and global satellite operator Telesat of Canada continue to focus on exploring and demonstrating the capabilities of space-based 5G communications using low Earth orbit (LEO) satellites. These collaborations aim to deliver 5G services across various sectors, including remote areas, Internet of things (IoT) connectivity for weather sensors, bridging connectivity gaps in underserved areas, and improving coverage for disaster recovery efforts.

Smart has successfully deployed the first fully functional Open Radio Access Network (ORAN) Proof of Concept (PoC) in the Philippines, in partnership with NTT DOCOMO, INC., at the PLDT-Smart Technology

Laboratory (Technolab) in Makati City. The benefits of ORAN include cost savings, increased flexibility and agility, and a more intelligent network. Reduced delivery costs will allow us to offer more affordable or enhanced services, while a smarter network will enable us to provide innovative services more quickly and efficiently.

We have also deployed Spectrum-NET, reducing radio interference by half and improving service quality for customers. This achievement has made us the cleanest network in the region, outperforming other operators in Asia Pacific, the Middle East, Africa, and Latin America, and placing us on par with North American and European countries, according to Spectrum Effect data.

All these network deployment initiatives and technological advancements enable us to continually improve our services and deliver an unmatched digital experience for everyone.





## Hyperscale Data Centers

Our expansion in the data center business continues to strengthen our leading position in the country's colocation market. Our 11th and largest data center to date, VITRO Sta. Rosa (VSR), is expected to be completed in July 2024, boasting a total power capacity of 50MW. Located on a five-hectare property in the thriving industrial zone of Sta. Rosa, Laguna, VSR will increase our ultimate data center capacity to 99.5 MW, further solidifying our robust data center infrastructure.

VITRO Sta. Rosa is designed to meet Rated-3 Certification standards and is Rated-4

ready. It will feature at least three fiber routes to ensure network diversity, resilience, and carrier-neutrality. Designed according to Leadership in Energy and Environmental Design (LEED) standards, the facility will implement world-class sustainability practices in its design, supply chain, and operations. It will utilize a minimum of 20% renewable energy, target a low power usage effectiveness (PUE) of 1.4—one of the lowest in the Philippines—and incorporate rainwater collection and wastewater reuse systems to minimize environmental impact.

Additionally, the facility will include a dedicated Meralco power substation and connections to multiple substations, minimizing the risk of power failure

and ensuring business continuity for hyperscalers. Its strategic location in a relatively safe area from natural disasters such as flooding, liquefaction, and earthquakes further reduces the risk of service disruptions.

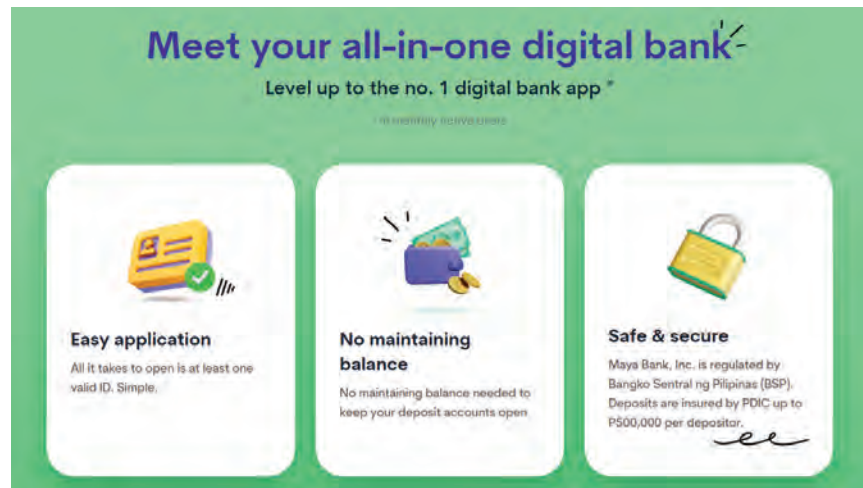
To enhance our 65% share of the data center market capacity, we are currently planning for the 12th data center and looking for feature emerging technologies and a site that can generate roughly 100 MW. All these will support the country's position as a significant regional hub and preferred digital destination for hyperscalers in the Asia Pacific.

## Digital Banking

Maya is the premier fintech ecosystem in the Philippines, offering a comprehensive suite of financial services for both consumers and enterprises through a seamless digital experience. It has emerged as the top digital bank in the country, revolutionizing the industry with its integrated payments and banking services on a single platform.

In 2023, Maya experienced significant growth, doubling its depositor base to 3 million and increasing deposit balances to PHP25 billion, a 69% rise from 2022. This success is attributed to Maya's innovative approach, which transforms everyday transactions into opportunities for customers to earn through high-interest savings, capturing 51% of digital banking depositors according to Bangko Sentral ng Pilipinas (BSP) data.

Maya's loan services also saw substantial growth, with disbursements rising from PHP3 billion in 2022 to PHP22 billion in 2023. This growth is driven by



Maya's use of customer transaction data to facilitate quick and efficient lending decisions.

Maya stands out as the only digital bank in the Philippines offering a full range of services, including savings, credit, e-wallet, crypto, insurance, investment, and rewards. As of early 2024, it is the top-rated consumer finance app, with a 4.8 rating on the App Store and 4.5 on Google Play.

For businesses, Maya Business provides integrated payment solutions and embedded banking, serving major e-commerce platforms, everyday merchants, government, and MSMEs. It enables businesses to accept a variety of payment methods and offers a business deposit service with free transfers via

PESONet and a competitive interest rate. SMEs benefit from an unsecured credit line of up to PHP2 million.

Maya Business has been the #1 Omni-Channel Payments Processor for three consecutive years, establishing itself as the Payments Backbone of the Philippines. It has been recognized by Visa for processing the highest e-commerce payment volume and the largest share of contactless transactions from 2021 to 2023. Additionally, Maya has led the adoption of QR Ph payments, handling about half of the total Person-to-Merchant (P2M) transaction value for 2022 and 2023.

# MANAGING NETWORK INTERRUPTIONS

TC-TL-550A.2, UNGC 7-9, GSMA-ENV-04



The PLDT Group recognizes that climate change and the increasing frequency of extreme weather conditions in the country can damage our physical network infrastructure and disrupt our operations, posing risks, such as commercial power outages and equipment failure that could lead to network service interruptions.

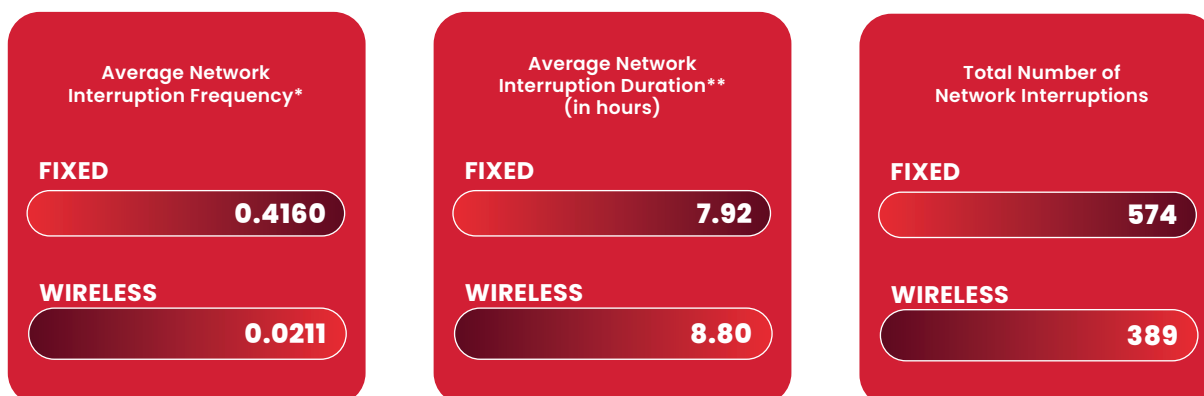
We address such risks with our proactive climate action and initiatives and through business continuity mechanisms to ensure immediate repair of damaged assets and service restoration. At the same time, we work with the government's Common Towers Policy to leverage its expected benefit of enhancing network quality, increasing resilience, and hastening recovery from natural calamities such as typhoons and floods.

In addition, we carefully assess the corresponding impact on the customer experience of every network and release

relevant advisories to affected customers using our corporate websites, social media accounts, and direct-to-consumer channels like SMS and mobile apps.

Network interruptions may also result from criminal acts such as illegal and intentional cable cuts on our fixed network, with perpetrators who commit such acts to sell the cables for profit. Together with other players in the telecommunications and cable network industry, we launched the Oplan Kontra Putol campaign. This campaign aims to reinforce the Anti-Cable Television and Cable Internet Tapping Act of 2013 through a comprehensive consumer education program, efficient security and patrolling systems, and tighter collaboration with local authorities and government units.

## Summary of average interruption frequency and duration for fixed and wireless brands



\*The total number of customer interruptions divided by the total number of customers served

\*\*The total customer interruption duration divided by the total number of customers served

## BUILDING A CULTURE OF INNOVATION



Under the Connection Pillar, we emphasize a culture of innovation, focusing on delivering the benefits of technological advancements to our customers.

In digital banking, Maya continually innovates by integrating Artificial Intelligence (AI) models, automating Know Your Customer (KYC) processes, expanding credit sourcing, and adopting new features and technology models through a test-and-learn approach. A notable innovation is the Maya Business 1-2-3 Grow Bundle, designed for small and medium enterprises (SMEs). This bundle offers SMEs a credit line of up to Php2 million within three months of using Maya for payment acceptance. Additionally, SMEs benefit from affordable digital payment acceptance rates and a 2.5 percent interest rate on deposit accounts.



PLDT Enterprise Innovations exemplifies our commitment to innovation by collaborating with local and global technology and communications partners. These partnerships enable the adoption of globally competitive intelligence, analytics, automation, security, and resiliency systems across industries. By leveraging the latest tech ecosystems, we equip Filipino entrepreneurs with advanced tools to grow and transform their businesses.

PLDT Innolab, the co-working laboratory of Enterprise Innovations, plays a pivotal role in this culture of innovation. It partners with Filipino startup companies to develop locally relevant business ideas and products using next-generation technologies. A key partnership is with IdeaSpace Foundation, a non-profit organization that runs founder-focused programs for early-stage tech startup founders addressing emerging market issues.

In March 2023, PLDT Innolab conducted a “Workshop” with Startups, a collaborative session that highlighted opportunities for co-development, co-innovation, and building green startups in the country. This event was part of our ongoing collaboration with QBO Innovation Hub and IdeaSpace Philippines to support local startups through accelerator programs, specialized workshops, networking events, and awareness roadshows on innovation, and technopreneurship.

A groundbreaking partnership with MATA Technologies Inc., a Cebu-based provider of virtual islands, virtual tours, and virtual reality solutions, underscores

our commitment to transformative technologies. This collaboration aims to foster tech expertise and co-innovation in the immersive reality sphere, promoting regional startups in the Philippines. It reinforces PLDT Innolab’s dedication to opening doors for innovative ventures and driving sustainable innovation nationwide.

Committed to sustainable development goals, we focus on solutions such as queuing and traffic analysis, machine vision, and AI-driven insights to improve operational efficiency, food production, safety, security, and environmental conservation. To further this mission, we partnered with Ericsson to develop AI-enabled solutions and drive digital transformation across various industries in the Philippines. This collaboration leverages Ericsson’s AI Exchange Platform, an enterprise-grade solution that relies on an ecosystem of developers and partners, and utilizes a full technology stack based on a distributed architecture deployed in a hybrid cloud.

Aligned with the goal to provide reliable customer experience, PLDT Global has collaborated with partners to bring solutions that improve the lives of customers.



One key collaboration is with Maya that has bolstered digital financial inclusion among Filipinos overseas. Through the successful integration of the Smart Virtual Number (SVN) in the Maya app, Filipinos living abroad can take advantage of digital banking services offered by Maya. They can conveniently and securely receive one-time passwords (OTP) when they open an account or transact using Maya.

Another significant partnership for PLDT Global is with the Overseas Workers Welfare Administration (OWWA) that pushed for the connectivity and access to relevant government services of Filipinos overseas. PLDT Global has activated the OWWA Helpline 1348 on the Smart Virtual Number dashboard to provide free

24/7 calls to the OWWA Operations Center in the Philippines. This solution stands as a digital lifeline for global Filipinos seeking for government assistance, especially during emergencies and crises.

To continuously provide quality services and offer more accessible solutions to Filipinos living overseas, Tindahan ni Bossing (TinBo), PLDT Global's one-stop consumer platform has expanded its suite of digital products. TinBo has over a hundred brands available for overseas Filipinos that includes load, billers, gaming PINs, and gift vouchers that they can send to their loved ones—representing a practical and more affordable alternative to traditional balikbayan boxes.

**Nasa TINBO na ang kailangan ng pamilya mo sa Pinas!**

Smart Virtual Number, PH Load, PH Bills, Food Padala, Teleconsult Vouchers, E-Gov't, Gaming Pins, Gamot Padala Eskwela Package

CREDIT CARD PAYMENT ACCEPTED

VISA, mastercard, DISCOVER

**tinbo** Tindahan Ni Bosing, POWERED BY PLDT Global

Register for Free [www.tinbo.ph](http://www.tinbo.ph)

To support these digital efforts, PLDT Global took part in events organized by Filipino communities in Qatar and Japan. Through these activities, PLDT Global has been able to bring awareness and education among Pinoys abroad about the digital services available via TinBo.

Through these initiatives, we remain at the forefront of innovation, continuously enhancing our services and delivering unmatched digital experiences for our customers.

We were also one of the community partners in the Philippine Startup Week 2023, the country's largest nationwide startup conference led by the Department of Information and Communications Technology (DICT), the DOST, and the Department of Trade and Industry (DTI).

# PROMOTING DIGITAL INCLUSION FOR ALL

We leverage on our leading technology to bridge the digital divide and continuously enable the improvement of digital access, skills, safety, and security of our customers and end-users.

## ACCESS: Democratizing access to value-driven connectivity and digital solutions



- TNT launched the FB+Chat 50, an affordable, attractive, and value-for-money product, that democratized access to the country's most popular content platforms.
- TNT unveiled its campaign titled "Pinakamalakas kahit saan sa Pinas" (Strongest Everywhere in the Philippines). This aimed at reaching and enabling connections for more Filipinos from diverse sectors nationwide.
- PLDT Global partnered with the Department of Migrant Workers (DMW) to implement initiatives that support the connectivity of overseas Filipino workers. These initiatives include the installation of free WiFi and turnover of TINBO kiosks to improve the experience of Filipinos who visit the DMW office to process their documentary requirements. Additionally, PLDT Global hosted a social media etiquette training to promote digital literacy among OFWs who are set to work abroad.
- Smart Postpaid launched strategic programs to remove barriers for Filipino women to access Postpaid mobile connectivity and financial services. These aimed at enabling women from low-income households to gain access to subsidized smartphones, exclusive content (e.g., via free Netflix subscription) and other Postpaid-exclusive benefits, while building a positive credit history for corresponding access to financial products and services (such as personal loans and credit card applications) in the future.



**SKILLS: Equipping customers and various sectors with skills to maximize the use and benefits of digital technology** GSMA-INC-03



- PLDT Enterprise launched its #LipadLGU campaign that aims to boost the government's aspirations for a digital Philippines by enabling and contributing to the digitalization of LGUs, particularly in digital infrastructure, economic growth, public safety and security, and citizen welfare.



- PLDT Home amplified its Madiskarte Moms PH (MMPH) program that educates women and mothers on how to start and grow their online home businesses through webinars, masterclasses, and other educational materials. MMPH also empowers women by providing access to business toolkits and broadband connections. As of this writing, Madiskarte Moms PH has 172,000 members and numerous awards from the industry.



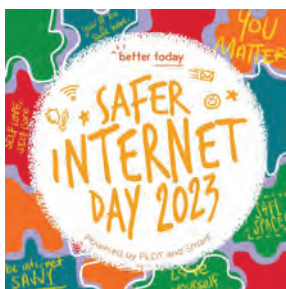
- Smart Prepaid continues to collaborate with strategic partners such as Mobile Legends and TikTok to enhance the digital skills of our subscribers. Programs like "The Greatest Gamer" provide aspiring e-sports professionals opportunities to join professional teams, contributing to individual growth and the broader digital community's enrichment.



- Smart Prepaid launched the "Queen's League," an all-women Mobile Legends tournament, providing a supportive space for women in gaming.



- PLDT Home beefed up its Next Upgrade platform to enhance digital skills and make upgrading to the smart home easy for customers. With an engaging and easy-to-understand approach, the platform empowers people to understand and integrate smart home technology into everyday living.



- Smart and PLDT Home sent out periodic customer advisories on internet safety, cybersecurity, and data privacy protection via SMS and through various social media platforms.



- TNT led the industry in its SIM card registration campaign that aimed at educating subscribers on the advantages of SIM registration, emphasizing its role in combating cybercrime and the consequences of non-compliance. Through such effort, the brand consequently reduced reported cases of text scams and smishing complaints by a remarkable 52%.



- Smart Postpaid continued to promote safe and secure digital self-care channels, such as the Smart App and My Smart, which are equipped with security features to safeguard consumers personal information and prevent unauthorized access to their devices and accounts.

## INNOVATIONS: Fostering innovations in support of various areas of sustainable development



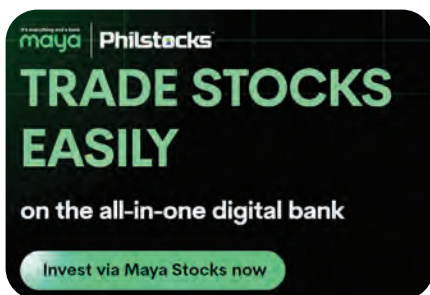
- ePLDT unveiled a groundbreaking initiative with the introduction of ePLDT Pilipinas Cloud. This aims to expedite the digital transformation of the country's public sector, fostering inclusive economic growth by ensuring the accessibility and security of critical government information.



- Smart Prepaid introduced the first prepaid eSIM in the country, offering a more convenient and sustainable alternative. The eSIM simplifies obtaining a SIM card, eliminating the need for physical cards. Its digital nature provides durability and reduces plastic waste, aligning with our commitment to environmental responsibility. This innovation enhances user convenience while emphasizing our dedication to responsible innovation and a more sustainable future.



- TNT launched its Utang Na Load service, offering a lifeline to prepaid customers in need. This service allows customers to borrow up to 200 MB of data for only P10, ensuring that they can stay connected when it matters most. Whether it's for an important Viber call, a crucial Whatsapp chat, or accessing the internet in a pinch, this service provides a convenient and reliable solution.



- Maya introduced the first retail investing service in the Philippines integrated in a digital bank app, offering real-time transactions and instant earnings growth through the app's diverse wealth-building options. Maya app users can conveniently buy, sell, and manage shares of publicly listed companies acquired anytime and from anywhere via the Maya Stocks marketplace through partner brokers Philstocks, and soon, 2TradeAsia, DragonFi and Seedbox.



- PLDT Enterprise curated the PLDT and Smart Start-up Innovation Challenge, a special avenue for start-ups to present their pioneering ventures on the second day of the digital summit. This initiative aimed at enabling forward-thinking innovators to address real-life challenges by leveraging cutting-edge technologies, including the Internet of Things (IoT), Artificial Intelligence (AI), 5G, Smart Cities, Immersive Technologies, and ESG.

# THE CUSTOMER IS OUR NORTH STAR

As one of our top ESG materiality areas, Customer Experience (CX) is integral to our business as it supports us in the continuous generation of revenue, helps mitigate risks amid competitive and complex market dynamics, and enables opportunities for us to create value in the long-term.

At PLDT and Smart, we thus demonstrate our strategic thrust for CX by cultivating a holistic relationship with our customers. Our management of CX goes beyond mere fulfillment of transactions, as we strive to ensure quality and reliability of services, protect the data of our customers, and foster the accessibility of after-sales and support platforms.

Across the organization, we go by the CX principle of “Count on Us”. This principle underpins one of our values about the Customer being our North Star and puts the Customer at the center of our leadership, strategy, and operations. With CX being part of our organizational performance metrics and compensation programs, each employee is enjoined to help deliver on the promise of our offerings and foster engagements that make our customers feel valued, understood, and confident in the reliability and quality of our services.

To measure success in CX, we employ a multi-dimensional approach, incorporating various metrics and assessments that capture both the qualitative and quantitative aspects of customer interactions. These include the following:

- **Transactional Net Promoter Score (tNPS):** This metric is crucial for gauging customer loyalty and satisfaction following specific interactions with us. It provides insights into the likelihood of customers recommending PLDT and Smart services based on their recent experiences.
- **Forrester Research’s Maturity Assessment:** Conducted among senior leaders, this assessment evaluates the maturity of PLDT and Smart’s customer-centric practices, offering a strategic perspective on where we stand in our journey towards becoming genuinely customer-obsessed.
- **Organizational Health Index:** This measure provides a broader view of PLDT and Smart internal culture and processes, focusing on how well customer focus is integrated within our organization. It assesses the attitudes and behaviors of our employees towards customer service and their role in delivering exceptional CX.

Through these metrics, we gain a comprehensive understanding of our CX performance, allowing for targeted improvements and strategic alignments with the overarching goal for PLDT and Smart to achieve a state of Customer Obsession by 2028. This approach ensures a balanced focus on both the immediate feedback from customers and the long-term development of internal capabilities and culture to sustain high-quality customer experiences.

In 2023, we have continued our ambitious journey towards enhancing CX through various strategic initiatives, underscored by a commitment to being customer-led and insights-driven, cultivating a customer-centric culture, reinforcing digital engagement, elevating service levels, and empowering the frontline with technology.



## **TAKING CARE OF OUR CUSTOMERS**

We maintained an active and high-visibility presence in various digital channels, social media platforms, and self-help channels in our drive to strengthen our connection with every customer.

For instance, the PLDT Home website offers quick guides on frequently performed transactions and a contact point for after-sales requests, reporting service issues and personnel concerns, information on payment channels, clarifying bill charges, and booking virtual or in-store appointments. The website features the PLDT Tracker, which allows customers to check on the status of new service applications, repairs, and service interruptions. The PLDT Home Chatbot, which is available through Facebook Messenger, offers another accessible channel through which to connect with our customer support team.

Meanwhile, the Smart App provides our Smart, TNT, and Prepaid Home WiFi customers a convenient way to manage their accounts, check usage, add load, and pay bills. As an integrated platform, the app allows users to link various accounts for added convenience. It also features a dashboard on GigaPoints where customers can earn and redeem rewards points.

### **Reinforcing Digital Platforms for Customers Online**

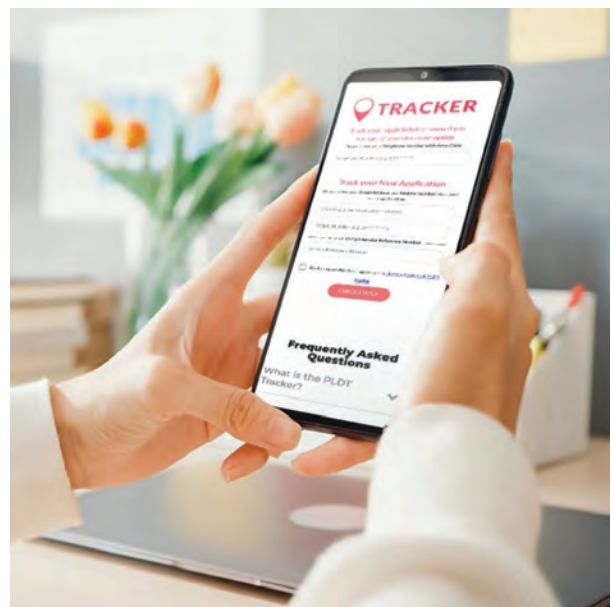
A cornerstone of our strategy was the promotion of digital engagement and self-service adoption, aiming for a 70-30 split between digital and agent-assisted interactions. Key to this was the introduction of the Web Tracker for service installations and repairs, and the incentivization of

digital payments through partnerships, notably offering Maya Rewards vouchers. These efforts bore fruit, with PLDT achieving a 71% digital adoption rate, marked by 72% of customer contacts and 70% of payments occurring digitally—a leap of 6 and 14 percentage points, respectively, from the previous year. Smart too showcased significant digital strides, reaching a 77% adoption rate, with increments of 9 percentage points in both customer contacts and digital payments, illustrating our success in enhancing digital accessibility and convenience.

### **Elevating Service Levels**

We aimed to improve our service levels, with a target of answering 80% of calls within 30 seconds. This was pursued through the enhancement of our Interactive Voice Response System (IVRS), making it easier for customers to manage their accounts and report issues without needing agent assistance.

This initiative led to a notable improvement in service responsiveness. PLDT's service level rose by ten points to 72%, while Smart exceeded its goal, achieving an 83% service level, evidencing our dedication to reducing wait times and improving customer service efficiency.



## Cultivating a Customer-Centric Culture

The establishment of the CX Congress, bi-weekly CX CoLab sessions, Journey Reviews, and CX-IT Partnership represented strategic moves to embed a customer-centric ethos across our organization. These platforms facilitated cross-functional collaboration and alignment on CX objectives, enhancing our collective commitment to customer satisfaction.

- **CX Congress:** A series of nationwide events that brought together employees from all levels to align on CX strategies, share insights, and foster a collective commitment to delivering exceptional customer service.
- **Bi-weekly Collaborations:** The Wireless group held CX CoLab sessions, and the Fixed-Line group held Journey Review sessions. These sessions brought together stakeholders from across Business Owners, Networks, Care Operations, Customer Experience, and Credit and Collections to brainstorm, innovate, and implement customer-centric solutions.
- **CX-IT Collaboration:** A partnership focused on using technology to enhance CX, where the IT and CX teams collaborated to align technology infrastructure and innovations with our customer experience goals.

A testament to these efforts was the elevation of our Customer Focus score within the Organizational Health Index from 77 to 87, surpassing our initial target. This 10-point increase reflects a significant cultural shift towards prioritizing customer needs and perspectives.

## Empowering Frontline Staff with Technology

At the same time, we appreciate the value of contact centers in maintaining excellent relationships and connections with our customer base. Our contact center agents have played a crucial role in delivering exceptional customer service performance this year, and we have made every effort to support them. We implemented technology-enabled training for continuous skills and capacity building, featuring simulators, animated videos, and gamified courses designed to enhance agents' proficiency and confidence in addressing customer issues effectively from the first interaction.

This initiative improved PLDT's First Contact Resolution (FCR) rate by ten points to 81% and Smart's FCR by eight points to 86%. These gains highlight our resolve toward our goal of Customer Obsession by 2028 as we promise all our customers that they can always "Count on Us."



# MONITORING CUSTOMER SATISFACTION

In 2023, we used Transactional NPS to gauge the quality of our customer relationships. Transactional NPS covers all facets of brand services, including disposition and perception.

We partnered with Medallia, the pioneer and market leader in customer experience platforms. This collaboration enabled us to operationalize Transactional NPS surveys across digital and agent-assisted Customer Care channels to capture real-time, authentic customer feedback. The methodology, standardized across our Fixed and Wireless services from the outset of 2022, also ensured consistency and comparability in our data collection efforts.

Our investments in adopting NPS as our guiding metric helped us continuously improve our customer experience programs. With an available and convenient mechanism, customers could express themselves, which allowed us to understand and empathize with their moments of delight and dissatisfaction.

Real-time feedback enabled us to pivot, innovate, and act with agility as we adopted NPS in our operational rigor. As a result, we achieved double-digit improvement for both Fixed and Wireless. The fixed operations score was at -2 vs. -19 of the previous year, while wireless operations were at +26 vs. +15 the prior year.

Customer service has emerged as a driver of these scores, underscoring the direct correlation between our service quality and customer loyalty.

We continued to learn from listening to the Customer Voice, working on the points

Customer Satisfaction	2022 tNPS	2023 tNPS
<b>Fixed</b>	<b>-19</b>	<b>-2</b>
Fiber	-17	-1
DSL	-42	-42
<b>Wireless</b>	<b>+15</b>	<b>+26</b>
<i>Prepaid</i>	<i>+14</i>	<i>+26</i>
Smart Prepaid	+11	+23
TNT	+21	+31
<i>Postpaid</i>	<i>+14</i>	<i>+13</i>
Smart Postpaid	+14	+26
Infinity	+12	+8
Smart Bro	+22	+19

tNPS - Transactional Net Promoter Score

of dissatisfaction with the quality of service that customers would comment on. Applying sentiment analysis and data analytics, we identified key areas for growth and improvement, including channel availability, geographic focus areas for network quality, and critical customer experience processes like after-sales and billing.

Our approach to addressing these issues was collaborative and iterative. We established bi-weekly CX CoLab sessions for Wireless and Journey Review sessions for Fixed, bringing together stakeholders from across Business Owners, Networks, Care Operations, Customer Experience, and Credit and Collections. These sessions became the crucible for innovation, leading to initiatives that significantly improved self-service adoption, digital payment options, and First Contact Resolution (FCR) rates.

Maya regularly measures its Net Promoter Score and Customer Satisfaction Scores (CSAT) with all Maya Products for both the Consumer and Business products. For 2023, the consumer app NPS is 58 (KYC1) and 44 (KYC0).

There is also a feature-based customer feedback assessment. We specifically target respondents who are active users of the

feature and then we do customer research to understand what delights our customers, where the experience can be improved, and what other features they're looking for to enrich their experience. We share this across the different mesh teams so that the roadmap features are supported with customer-driven inputs. Customer feedback is embedded at different touch points of the product development process and we do this because we want to ensure that our products are built not just functionally well but also delight our users.

## **PARTNERING WITH OUR DISTRIBUTOR NETWORK**

We also build healthy connections with our distributor network partners. Our wireless prepaid business works with a vast network of distributors, key account partners, and retailers to make our services available and accessible nationwide.

Within this network, we maintain quality management standards, training programs, audit mechanisms, and incentive schemes to consistently deliver our defined standards for customer service across touchpoints.

## **DISTRIBUTOR INCENTIVES AND PROGRAMS**

We have developed the Smart Sales Institute Program to train our organic sales personnel, equipping them with the knowledge and skills to conduct training sessions for our distributor network. These sessions cover our service offerings and delivery standards, ensuring that customer-facing retailers receive consistent and valuable information. We created the Ka-Partner App for our partner retailers. It guides them with dynamic information on our services and digital channels for seamless account top-ups and payment acceptance. We also implement a Ka-Partner Negosyo program that supports our retailers with digital tools and various incentives to boost their profitability.

Meanwhile, we conduct a monthly Retail Trade Audit (RTA) covering 100% of our distributor networks to ensure that our distributors meet our standards in product and sales volume distribution,

merchandising, pricing, and coverage areas. We conduct these audits via third-party entities that obtain and process retailer feedback on our distributors. Our organic field sales personnel also conduct parallel retail trade audits for further validation. The Monthly RTA results are submitted to our organic sales heads and cascaded to our audited distributor partners during our monthly business reviews.

Part of maintaining a healthy relationship is a transparent incentives program. We follow a standardized discounting scheme across our distributor networks and retailers. We also periodically hold retailer conventions and fellowship engagements to recognize and reward our best-performing distributors and retailers. During calamities and disasters, we provide relief and assistance to enable our affected distributor partners and retailers to recover and revive their businesses quickly.





# CONCERN PILLAR

## TAKING CARE OF OUR PEOPLE AND COMMUNITY

Our definition of business success is profoundly rooted in how well we improve the lives of our people and stakeholders.

The second pillar of our sustainability roadmap is “Concern”. This encapsulates our continuing commitment to respect and promote fundamental human rights and ensure that our operations deliver a positive impact on our employees, customers, and communities.

In line with our strategic focus on sustainability and doing business responsibly, this pillar demonstrates how we continue to embrace our role in human capital development and in fostering shared progress within our society.



# CARING FOR OUR PEOPLE

GRI 3-3

In 2023, PLDT and Smart launched a renewed set of organizational purpose, vision, mission, core values, and signature behaviors (PVMV). This anchors on our continuous transformation journey to become the best place to work and foster an environment that our employees would love to work for.

Across the organization, we aimed at encouraging employees to embrace purpose in the work that they do and support them in building enriching

and rewarding careers. To concretize these further, we directed our human capital investments on holistic employee development and welfare. These included institutionalized efforts on nurturing talent, skilling and career development opportunities, building a diverse and inclusive culture, ensuring the highest standards of occupational health and safety, and tightening alignment of human resource strategies with business performance and growth.

## Our Employee Demographics GRI 2-7, 405-1

### Employee Diversity by Gender and Position

Company	Rank & File			Management			Executives			Officers			TOTAL		
	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
PLDT	3,601	548	4,149	3,243	1,854	5,097	405	268	673	54	31	85	7,303	2,701	10,004
	36.00%	5.48%	41.47%	32.42%	18.53%	50.95%	4.05%	2.68%	6.73%	0.54%	0.31%	0.85%	73.00%	27.00%	100.00%
Smart	798	790	1,588	1,063	895	1,958	342	283	625	29	23	52	2,232	1,991	4,223
	18.90%	18.71%	37.60%	25.17%	21.19%	46.37%	8.10%	6.70%	14.80%	0.69%	0.54%	1.23%	52.85%	47.15%	100.00%
ePLDT	325	165	490	146	110	256	103	55	158	7	4	11	581	334	915
	35.52%	18.03%	53.55%	15.96%	12.02%	27.98%	11.26%	6.01%	17.27%	0.77%	0.44%	1.20%	63.50%	36.50%	100.00%
Multisys	166	70	236	31	10	41	2	2	4	1	-	1	200	82	282
	58.87%	24.82%	83.69%	10.99%	3.55%	14.54%	0.71%	0.71%	1.42%	0.35%	0.00%	0.35%	70.92%	29.08%	100.00%
PGC	11	12	23	38	24	62	21	13	34	3	3	6	73	52	125
	8.80%	9.60%	18.40%	30.40%	19.20%	49.60%	16.80%	10.40%	27.20%	2.40%	2.40%	4.80%	58.40%	41.60%	100.00%
Other Subsidiaries	10	10	20	7	7	14	1	6	7	1	1	2	19	24	43
	23.26%	23.26%	46.51%	16.28%	16.28%	32.56%	2.33%	13.95%	16.28%	2.33%	2.33%	4.65%	44.19%	55.81%	100.00%
TOTAL	4,911	1,595	6,506	4,528	2,900	7,428	874	627	1,501	95	62	157	10,408	5,184	15,592
	31.50%	10.23%	41.73%	29.04%	18.60%	47.64%	5.61%	4.02%	9.63%	0.61%	0.40%	1.01%	66.75%	33.25%	100.00%

Any discrepancies in the totals are due to rounding differences

Employee Diversity by Age Group and Position

Company	Rank & File				Management				Executives				Officers				TOTAL			
	< 30	30 - 50	> 50	Total	< 30	30 - 50	> 50	Total	< 30	30 - 50	> 50	Total	< 30	30 - 50	> 50	Total	< 30	30 - 50	> 50	Total
PLDT	1,887	2,083	179	4,149	648	2,985	1,464	5,097	12	438	223	673	-	38	47	85	2,547	5,544	1,913	10,004
	18.86%	20.82%	1.79%	41.47%	6.48%	29.84%	14.63%	50.95%	0.12%	4.38%	2.23%	6.73%	0.00%	0.38%	0.47%	0.85%	25.46%	55.42%	19.12%	100.00%
Smart	720	839	29	1,588	181	1,630	147	1,958	3	478	144	625	-	25	27	52	904	2,972	347	4,223
	17.05%	19.87%	0.69%	37.60%	4.29%	38.60%	3.48%	46.37%	0.07%	11.32%	3.41%	14.80%	0.00%	0.59%	0.64%	1.23%	21.41%	70.38%	8.22%	100.00%
ePLDT	266	208	16	490	64	180	12	256	3	122	33	158	-	3	8	11	333	513	69	915
	29.07%	22.73%	1.75%	53.55%	6.99%	19.67%	1.31%	27.98%	0.33%	13.33%	3.61%	17.27%	0.00%	0.33%	0.87%	1.20%	36.39%	56.07%	7.54%	100.00%
Multisys	122	105	9	236	9	32	-	41	-	4	-	4	-	1	-	1	131	142	9	282
	43.26%	37.23%	3.19%	83.69%	3.19%	11.35%	0.00%	14.54%	0.00%	1.42%	0.00%	1.42%	0.00%	0.35%	0.00%	0.35%	46.45%	50.35%	3.19%	100.00%
PGC	18	5	-	23	16	42	4	62	-	28	6	34	-	4	2	6	34	79	12	125
	14.40%	4.00%	0.00%	18.40%	12.80%	33.60%	3.20%	49.60%	0.00%	22.40%	4.80%	27.20%	0.00%	3.20%	1.60%	4.80%	27.20%	63.20%	9.60%	100.00%
Other Subsidiaries	9	9	2	20	-	11	3	14	-	3	4	7	-	-	2	2	9	23	11	43
	20.93%	20.93%	4.65%	46.51%	0.00%	25.58%	6.98%	32.56%	0.00%	6.98%	9.30%	16.28%	0.00%	0.00%	4.65%	4.65%	20.93%	53.49%	25.58%	100.00%
TOTAL	3,022	3,249	235	6,506	918	4,880	1,630	7,428	18	1,073	410	1,501	-	71	86	157	3,958	9,273	2,361	15,592
	19.38%	20.84%	1.51%	41.73%	5.89%	31.30%	10.45%	46.55%	0.12%	6.88%	2.63%	9.63%	0.00%	0.46%	0.55%	1.01%	25.38%	59.47%	15.14%	100.00%

Any discrepancies in the totals are due to rounding differences

Employee Diversity by Region and Position

Company	Rank & File						Management						Executives					
	Luzon	Visayas	Min	Asia Pacific	Americas	Total	Luzon	Visayas	Min	Asia Pacific	Americas	Total	Luzon	Visayas	Min	Asia Pacific	Americas	Total
PLDT	3,189	511	449	-	-	4,149	4,337	413	347	-	-	5,097	623	28	22	-	-	673
	31.88%	5.11%	4.49%	0.00%	0.00%	41.47%	43.35%	4.13%	3.47%	0.00%	0.00%	50.95%	6.23%	0.28%	0.22%	0.00%	0.00%	6.73%
Smart	1,334	130	124	-	-	1,588	1,684	149	125	-	-	1,958	584	23	18	-	-	625
	31.59%	3.08%	2.94%	0.00%	0.00%	37.60%	39.88%	3.53%	2.96%	0.00%	0.00%	46.37%	13.83%	0.54%	0.43%	0.00%	0.00%	14.80%
ePLDT	460	24	6	-	-	490	250	5	1	-	-	256	153	4	1	-	-	158
	50.27%	2.62%	0.66%	0.00%	0.00%	53.55%	27.32%	0.55%	0.11%	0.00%	0.00%	27.98%	16.72%	0.44%	0.11%	0.00%	0.00%	17.27%
Multisys	231	2	3	-	-	236	41	-	-	-	-	41	4	-	-	-	-	4
	81.91%	0.71%	1.06%	0.00%	0.00%	83.69%	14.54%	0.00%	0.00%	0.00%	0.00%	14.54%	1.42%	0.00%	0.00%	0.00%	0.00%	1.42%
PGC	23	-	-	-	-	23	52	-	-	7	3	62	24	-	-	4	6	34
	18.40%	0.00%	0.00%	0.00%	0.00%	18.40%	41.60%	0.00%	0.00%	5.60%	2.40%	49.60%	19.20%	0.00%	0.00%	3.20%	4.80%	27.20%
Other Subsidiaries	20	-	-	-	-	20	14	-	-	-	-	14	7	-	-	-	-	7
	46.51%	0.00%	0.00%	0.00%	0.00%	46.51%	32.56%	0.00%	0.00%	0.00%	0.00%	32.56%	16.28%	0.00%	0.00%	0.00%	0.00%	16.28%
TOTAL	5,257	667	582	-	-	6,506	6,378	567	473	7	3	7,428	1,395	55	41	4	6	1,501
	33.72%	4.28%	3.73%	0.00%	0.00%	41.73%	40.91%	3.64%	3.03%	0.04%	0.02%	47.64%	8.95%	0.35%	0.26%	0.03%	0.04%	9.63%

Any discrepancies in the totals are due to rounding differences  
Min - Mindanao



## Employee Diversity by Region and Position

Company	Officers						Total					
	Luzon	Visayas	Mindanao	Asia Pacific	Americas	Total	Luzon	Visayas	Mindanao	Asia Pacific	Americas	Total
PLDT	85	-	-	-	-	85	8,234	952	818	-	-	10,004
	0.85%	0.00%	0.00%	0.00%	0.00%	0.85%	82.31%	9.52%	8.18%	0.00%	0.00%	100.00%
Smart	52	-	-	-	-	52	3,654	302	267	-	-	4,223
	1.23%	0.00%	0.00%	0.00%	0.00%	1.23%	86.53%	7.15%	6.32%	0.00%	0.00%	100.00%
ePLDT	11	-	-	-	-	11	874	33	8	-	-	915
	1.20%	0.00%	0.00%	0.00%	0.00%	1.20%	95.52%	3.61%	0.87%	0.00%	0.00%	100.00%
Multisys	1	-	-	-	-	1	277	2	3	-	-	282
	0.35%	0.00%	0.00%	0.00%	0.00%	0.35%	98.23%	0.71%	1.06%	0.00%	0.00%	100.00%
PGC	4	-	-	-	2	6	103	-	-	11	11	125
	3.20%	0.00%	0.00%	0.00%	1.60%	4.80%	82.40%	0.00%	0.00%	8.80%	8.80%	100.00%
Other Subsidiaries	2	-	-	-	-	2	43	-	-	-	-	43
	4.65%	0.00%	0.00%	0.00%	0.00%	4.65%	100.00%	0.00%	0.00%	0.00%	0.00%	100.00%
TOTAL	155	-	-	-	2	157	13,185	1,289	1,096	11	11	15,592
	0.99%	0.00%	0.00%	0.00%	0.01%	1.01%	84.56%	8.27%	7.03%	0.07%	0.07%	100.00%

Any discrepancies in the totals are due to rounding differences

Share of women in total workforce	<b>33.25%</b>
Share of women in all management positions	<b>39.50%</b>
Share of women in junior management positions	<b>39.04%</b>
Share of women in senior management positions	<b>41.77%</b>
Share of women in top management positions	<b>39.49%</b>
Share of women in C-Suite positions	<b>50.00%</b>
Share of women in management positions in revenue-generating functions (as % of all such managers)	<b>57.97%</b>
Share of women in STEM-related positions (as % of total STEM positions)	<b>17.84%</b>

Management Positions, in this context are the following:  
 Junior Management – Supervisors (presented in the diversity table as “Management”)  
 Senior Management – Executives  
 Top Management – Officers

Revenue-generating functions are those from commercial and enterprise business groups, and consumer revenue team.

Science, Technology, Engineering, and Mathematics (STEM)-related positions include the Home, Customer Value Management and Analytics (CVMA), and tech data analytics groups, Product team, and the Integrated Technology Services Department

Single Parents GRI 405-1		PLDT	Smart	ePLDT	TOTAL
	Male	112	78	-	190
	Female	165	179	1	345
	Total	227	257	1	535

Among the total employee population, 3.43% is considered to be from the vulnerable sector (single parents)

# New Hires

GRI 401-1

## Employee New Hires by Gender and Position

Company	Rank & File			Management			Executives			Officers			TOTAL		
	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
PLDT	2	-	2	15	19	34	10	4	14	4	1	5	31	24	55
	0.02%	0.00%	0.02%	0.15%	0.19%	0.34%	0.10%	0.04%	0.14%	0.04%	0.01%	0.05%	0.31%	0.24%	0.55%
Smart	69	48	117	16	25	41	13	7	20	1	-	1	99	80	179
	1.63%	1.14%	2.77%	0.38%	0.59%	0.97%	0.31%	0.17%	0.47%	0.02%	0.00%	0.02%	2.34%	1.89%	4.24%
ePLDT	57	24	81	33	21	54	12	8	20	2	-	2	104	53	157
	6.23%	2.62%	8.85%	3.61%	2.30%	5.90%	1.31%	0.87%	2.19%	0.22%	0.00%	0.22%	11.37%	5.79%	17.16%
Multisys	7	6	13	-	-	-	-	-	-	-	-	-	7	6	13
	2.48%	2.13%	4.61%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	2.48%	2.13%	4.61%
PGC	7	6	13	4	5	9	-	1	1	-	-	-	11	12	23
	5.60%	4.80%	10.40%	3.20%	4.00%	7.20%	0.00%	0.80%	0.80%	0.00%	0.00%	0.00%	8.80%	9.60%	18.40%
Other Subsidiaries	-	1	1	-	-	-	-	-	-	-	-	-	-	1	1
	0.00%	2.33%	2.33%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	2.33%	2.33%
TOTAL	142	85	227	68	70	138	35	20	55	7	1	8	252	176	428
	0.91%	0.55%	1.46%	0.44%	0.45%	0.89%	0.22%	0.13%	0.35%	0.04%	0.01%	0.05%	1.62%	1.13%	2.74%

Any discrepancies in the totals are due to rounding differences

## Employee New Hires by Age Group and Position

Company	Rank & File				Management				Executives				Officers				TOTAL			
	< 30	30 - 50	> 50	Total	< 30	30 - 50	> 50	Total	< 30	30 - 50	> 50	Total	< 30	30 - 50	> 50	Total	< 30	30 - 50	> 50	Total
PLDT	2	-	-	2	18	16	-	34	1	12	1	14	-	2	3	5	21	30	4	55
	0.02%	0.00%	0.00%	0.02%	0.18%	0.16%	0.00%	0.34%	0.01%	0.12%	0.01%	0.14%	0.00%	0.02%	0.03%	0.05%	0.21%	0.30%	0.04%	0.55%
Smart	112	5	-	117	26	14	1	41	3	17	-	20	-	1	-	1	141	37	1	179
	2.65%	0.12%	0.00%	2.77%	0.62%	0.33%	0.02%	0.97%	0.07%	0.40%	0.00%	0.47%	0.00%	0.02%	0.00%	0.02%	3.34%	0.88%	0.02%	4.24%
ePLDT	53	28	-	81	16	38	-	54	-	17	3	20	-	1	1	2	69	84	4	157
	5.79%	3.06%	0.00%	8.85%	1.75%	4.15%	0.00%	5.90%	0.00%	1.86%	0.33%	2.19%	0.00%	0.11%	0.11%	0.22%	7.54%	9.18%	0.44%	17.16%
Multisys	11	2	-	13	-	-	-	-	-	-	-	-	-	-	-	-	11	2	-	13
	3.90%	0.71%	0.00%	4.61%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	3.90%	0.71%	0.00%	4.61%
PGC	12	1	-	13	5	4	-	9	-	1	-	1	-	-	-	-	17	6	-	23
	9.60%	0.80%	0.00%	10.40%	4.00%	3.20%	0.00%	7.20%	0.00%	0.80%	0.00%	0.80%	0.00%	0.00%	0.00%	0.00%	13.60%	4.80%	0.00%	18.40%
Other Subsidiaries	1	-	-	1	-	-	-	-	-	-	-	-	-	-	-	-	1	-	-	1
	2.33%	0.00%	0.00%	2.33%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	2.33%	0.00%	0.00%	2.33%
TOTAL	191	36	-	227	65	72	1	138	4	47	4	55	-	4	4	8	260	159	9	428
	1.22%	0.23%	0.00%	1.46%	0.42%	0.46%	0.01%	0.89%	0.03%	0.30%	0.03%	0.35%	0.00%	0.03%	0.03%	0.05%	1.67%	1.02%	0.06%	2.74%

Any discrepancies in the totals are due to rounding differences

## Employee New Hires by Region and Position

Company	Rank & File						Management						Executives					
	Luzon	Visayas	Min	Asia Pacific	Americas	Total	Luzon	Visayas	Min	Asia Pacific	Americas	Total	Luzon	Visayas	Min	Asia Pacific	Americas	Total
PLDT	1	-	1	-	-	2	33	-	1	-	-	34	13	-	1	-	-	14
	0.01%	0.00%	0.01%	0.00%	0.00%	0.02%	0.33%	0.00%	0.01%	0.00%	0.00%	0.34%	0.13%	0.00%	0.01%	0.00%	0.00%	0.14%
Smart	113	2	2	-	-	117	41	-	-	-	-	41	20	-	-	-	-	20
	2.68%	0.05%	0.05%	0.00%	0.00%	2.77%	0.97%	0.00%	0.00%	0.00%	0.00%	0.97%	0.47%	0.00%	0.00%	0.00%	0.00%	0.47%
ePLDT	81	-	-	-	-	81	54	-	-	-	-	54	20	-	-	-	-	20
	8.85%	0.00%	0.00%	0.00%	0.00%	8.85%	5.90%	0.00%	0.00%	0.00%	0.00%	5.90%	2.19%	0.00%	0.00%	0.00%	0.00%	2.19%
Multisys	13	-	-	-	-	13	-	-	-	-	-	-	-	-	-	-	-	-
	4.61%	0.00%	0.00%	0.00%	0.00%	4.61%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
PGC	13	-	-	-	-	13	8	-	-	1	-	9	1	-	-	-	-	1
	10.40%	0.00%	0.00%	0.00%	0.00%	10.40%	6.40%	0.00%	0.00%	0.80%	0.00%	7.20%	0.80%	0.00%	0.00%	0.00%	0.00%	0.80%
Other Subsidiaries	1	-	-	-	-	1	-	-	-	-	-	-	-	-	-	-	-	-
	2.33%	0.00%	0.00%	0.00%	0.00%	2.33%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
TOTAL	222	2	3	-	-	227	136	-	1	1	-	138	54	-	1	-	-	55
	1.42%	0.01%	0.02%	0.00%	0.00%	1.46%	0.87%	0.00%	0.01%	0.01%	0.00%	0.89%	0.35%	0.00%	0.01%	0.00%	0.00%	0.35%

Company	Officers						TOTAL					
	Luzon	Visayas	Mindanao	Asia Pacific	Americas	Total	Luzon	Visayas	Mindanao	Asia Pacific	Americas	Total
PLDT	5	-	-	-	-	5	52	-	3	-	-	55
	0.05%	0.00%	0.00%	0.00%	0.00%	0.05%	0.52%	0.00%	0.03%	0.00%	0.00%	0.55%
Smart	1	-	-	-	-	1	175	2	2	-	-	179
	0.02%	0.00%	0.00%	0.00%	0.00%	0.02%	4.14%	0.05%	0.05%	0.00%	0.00%	4.24%
ePLDT	2	-	-	-	-	2	157	-	-	-	-	157
	0.22%	0.00%	0.00%	0.00%	0.00%	0.22%	17.16%	0.00%	0.00%	0.00%	0.00%	17.16%
Multisys	-	-	-	-	-	-	13	-	-	-	-	13
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	4.61%	0.00%	0.00%	0.00%	0.00%	4.61%
PGC	-	-	-	-	-	-	22	-	-	1	-	23
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	17.60%	0.00%	0.00%	0.80%	0.00%	18.40%
Other Subsidiaries	-	-	-	-	-	-	1	-	-	-	-	1
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	2.33%	0.00%	0.00%	0.00%	0.00%	2.33%
TOTAL	8	-	-	-	-	8	420	2	5	1	-	428
	0.05%	0.00%	0.00%	0.00%	0.00%	0.05%	2.69%	0.01%	0.03%	0.01%	0.00%	2.74%

Any discrepancies in the totals are due to rounding differences

At PLDT, 100% of senior management, or officer level, hired at the head office, which is its primary location of operation, are Filipino citizens

GRI 202-2

Min - Mindanao

Percentage of open positions filled by internal candidates (internal hires)

**10.26%**

# EMPLOYEE ATTRITION GRI 401-1

## Employee Attrition by Gender and Position

Company	Rank & File			Management			Executives			Officers			TOTAL		
	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
PLDT	100	23	123	182	135	317	46	31	77	10	4	14	338	193	531
	1.00%	0.23%	1.23%	1.82%	1.35%	3.17%	0.46%	0.31%	0.77%	0.10%	0.04%	0.14%	3.38%	1.93%	5.31%
Smart	153	163	316	146	129	275	31	36	67	7	7	14	337	335	672
	3.62%	3.86%	7.48%	3.46%	3.05%	6.51%	0.73%	0.85%	1.59%	0.17%	0.17%	0.33%	7.98%	7.93%	15.91%
ePLDT	48	23	71	19	13	32	4	5	9	-	-	-	71	41	112
	5.25%	2.51%	7.76%	2.08%	1.42%	3.50%	0.44%	0.55%	0.98%	0.00%	0.00%	0.00%	7.76%	4.48%	12.24%
Multisys	40	13	53	5	1	6	2	-	2	-	-	-	47	14	61
	14.18%	4.61%	18.79%	1.77%	0.35%	2.13%	0.71%	0.00%	0.71%	0.00%	0.00%	0.00%	16.67%	4.96%	21.63%
PGC	6	8	14	4	4	8	3	1	4	-	-	-	13	13	26
	4.80%	6.40%	11.20%	3.20%	3.20%	6.40%	2.40%	0.80%	3.20%	0.00%	0.00%	0.00%	10.40%	10.40%	20.80%
Other Subsidiaries	-	1	1	-	-	-	-	-	-	-	1	1	-	2	2
	0.00%	2.33%	2.33%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	2.33%	2.33%	0.00%	4.65%	4.65%
TOTAL	347	231	578	356	282	638	86	73	159	17	12	29	806	598	1,404
	2.23%	1.48%	3.71%	2.28%	1.81%	4.09%	0.55%	0.47%	1.02%	0.11%	0.08%	0.19%	5.17%	3.84%	9.00%

Any discrepancies in the totals are due to rounding differences

## Employee Attrition by Age Group and Position

Company	Rank & File				Management				Executives				Officers				TOTAL			
	< 30	30 - 50	> 50	Total	< 30	30 - 50	> 50	Total	< 30	30 - 50	> 50	Total	< 30	30 - 50	> 50	Total	< 30	30 - 50	> 50	Total
PLDT	65	42	16	123	28	82	207	317	1	32	44	77	-	1	13	14	94	157	280	531
	0.65%	0.42%	0.16%	1.23%	0.28%	0.82%	2.07%	3.17%	0.01%	0.32%	0.44%	0.77%	0.00%	0.01%	0.13%	0.14%	0.94%	1.57%	2.80%	5.31%
Smart	194	120	2	316	45	213	17	275	-	46	21	67	-	5	9	14	239	384	49	672
	4.59%	2.84%	0.05%	7.48%	1.07%	5.04%	0.40%	6.51%	0.00%	1.09%	0.50%	1.59%	0.00%	0.12%	0.21%	0.33%	5.66%	9.09%	1.16%	15.91%
ePLDT	57	14	-	71	6	24	2	32	-	7	2	9	-	-	-	-	63	45	4	112
	6.23%	1.53%	0.00%	7.76%	0.66%	2.62%	0.22%	3.50%	0.00%	0.77%	0.22%	0.98%	0.00%	0.00%	0.00%	0.00%	6.89%	4.92%	0.44%	12.24%
Multisys	30	22	1	53	-	6	-	6	-	2	-	2	-	-	-	-	30	30	1	61
	10.64%	7.80%	0.35%	18.79%	0.00%	2.13%	0.00%	2.13%	0.00%	0.71%	0.00%	0.71%	0.00%	0.00%	0.00%	0.00%	10.64%	10.64%	0.35%	21.63%
PGC	11	3	-	14	1	6	1	8	1	2	1	4	-	-	-	-	13	11	2	26
	8.80%	2.40%	0.00%	11.20%	0.80%	4.80%	0.80%	6.40%	0.80%	1.60%	0.80%	3.20%	0.00%	0.00%	0.00%	0.00%	10.40%	8.80%	1.60%	20.80%
Other Subsidiaries	1	-	-	1	-	-	-	-	-	-	-	-	-	1	-	1	1	1	-	2
	2.33%	0.00%	0.00%	2.33%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	2.33%	0.00%	2.33%	2.33%	2.33%	0.00%	4.65%
TOTAL	358	201	19	578	80	331	227	638	2	89	68	159	-	7	22	29	440	628	336	1,404
	2.30%	1.29%	0.12%	3.71%	0.51%	2.12%	1.46%	4.09%	0.01%	0.57%	0.44%	1.02%	0.00%	0.04%	0.14%	0.19%	2.82%	4.03%	2.15%	9.00%

Any discrepancies in the totals are due to rounding differences



Employee Attrition by Region and Position

Company	Rank & File						Management						Executives					
	Luzon	Visayas	Min	Asia Pacific	Americas	Total	Luzon	Visayas	Min	Asia Pacific	Americas	Total	Luzon	Visayas	Min	Asia Pacific	Americas	Total
PLDT	88	24	11	-	-	123	273	21	23	-	-	317	74	1	2	-	-	77
	0.88%	0.24%	0.11%	0.00%	0.00%	1.23%	2.73%	0.21%	0.23%	0.00%	0.00%	3.17%	0.74%	0.01%	0.02%	0.00%	0.00%	0.77%
Smart	270	27	19	-	-	316	251	15	9	-	-	275	64	2	1	-	-	67
	6.39%	0.64%	0.45%	0.00%	0.00%	7.48%	5.94%	0.36%	0.21%	0.00%	0.00%	6.51%	1.52%	0.05%	0.02%	0.00%	0.00%	1.59%
ePLDT	69	2	-	-	-	71	32	-	-	-	-	32	9	-	-	-	-	9
	7.54%	0.22%	0.00%	0.00%	0.00%	7.76%	3.50%	0.00%	0.00%	0.00%	0.00%	3.50%	0.98%	0.00%	0.00%	0.00%	0.00%	0.98%
Multisys	52	-	1	-	-	53	6	-	-	-	-	6	2	-	-	-	-	2
	18.44%	0.00%	0.35%	0.00%	0.00%	18.79%	2.13%	0.00%	0.00%	0.00%	0.00%	2.13%	0.71%	0.00%	0.00%	0.00%	0.00%	0.71%
PGC	14	-	-	-	-	14	7	-	-	1	-	8	3	-	-	1	-	4
	11.20%	0.00%	0.00%	0.00%	0.00%	11.20%	5.60%	0.00%	0.00%	0.80%	0.00%	6.40%	2.40%	0.00%	0.00%	0.80%	0.00%	3.20%
Other Subsidiaries	1	-	-	-	-	1	-	-	-	-	-	-	-	-	-	-	-	-
	2.33%	0.00%	0.00%	0.00%	0.00%	2.33%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
TOTAL	494	53	31	-	-	578	569	36	32	1	-	638	152	3	3	1	-	159
	3.17%	0.34%	0.20%	0.00%	0.00%	3.71%	3.65%	0.23%	0.21%	0.01%	0.00%	4.09%	0.97%	0.02%	0.02%	0.01%	0.00%	1.02%

Company	Officers						TOTAL					
	Luzon	Visayas	Mindanao	Asia Pacific	Americas	Total	Luzon	Visayas	Mindanao	Asia Pacific	Americas	Total
PLDT	14	-	-	-	-	14	449	46	36	-	-	531
	0.14%	0.00%	0.00%	0.00%	0.00%	0.14%	4.49%	0.46%	0.36%	0.00%	0.00%	5.31%
Smart	14	-	-	-	-	14	599	44	29	-	-	672
	0.33%	0.00%	0.00%	0.00%	0.00%	0.33%	14.18%	1.04%	0.69%	0.00%	0.00%	15.91%
ePLDT	-	-	-	-	-	-	110	2	-	-	-	112
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	12.02%	0.22%	0.00%	0.00%	0.00%	12.24%
Multisys	-	-	-	-	-	-	60	-	1	-	-	61
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	21.28%	0.00%	0.35%	0.00%	0.00%	21.63%
PGC	-	-	-	-	-	-	24	-	-	2	-	26
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	19.20%	0.00%	0.00%	1.60%	0.00%	20.80%
Other Subsidiaries	1	-	-	-	-	1	2	-	-	-	-	2
	2.33%	0.00%	0.00%	0.00%	0.00%	2.33%	4.65%	0.00%	0.00%	0.00%	0.00%	4.65%
TOTAL	29	-	-	-	-	29	1,244	92	66	2	-	1,404
	0.19%	0.00%	0.00%	0.00%	0.00%	0.19%	7.98%	0.59%	0.42%	0.01%	0.00%	9.00%

Any discrepancies in the totals are due to rounding differences  
Min - Mindanao

# NURTURING A HEALTHY AND DIVERSE WORKPLACE

GRI 3-3, 406-1

Of fundamental concern for the PLDT Group is building a culture and work environment of non-discrimination that fosters openness, trust, and respect. At PLDT and Smart, diversity, equity, and inclusion principles are institutionalized through a Diversity and Inclusion Policy that articulates the Company's stand against harassment, abuse, discrimination, intimidation, and prejudice.

The policy helps ensure that our hiring and promotions rely on merit and job fit, irrespective of gender, age, race, education, religion, political views, or any other aspect that has no bearing on job performance. Hiring decisions prioritize the ability to perform the role and function, following the principles of Pay for Position, Pay for Performance, and Pay for Person.

Moreover, we have taken a proactive public stand on the importance of Diversity and Inclusion. As members of the Philippine Business Coalition for Women Empowerment (PBCWE),

we have continued to explore evidence-based workplace strategies and best practices. Together with PBCWE, we reviewed our organization using the Gender Equality Assessment Results and Strategies (GEARS).

As a result, PLDT and Smart achieved "Leading Practice" status in terms of mainstreaming flexible work for performance and support; professional development, mentoring, and sponsorship; and preventing and addressing gender-based harassment and discrimination, sexual harassment, and domestic violence.

In the assessment, Smart also showed "gender balance" in terms of recruitment and promotion at all levels of the organization, including a gender-balanced Board, while the combined data of PLDT and Smart shows a high retention rate for both men and women — scoring above 90% standard in retention across all levels of the organization.

PLDT and Smart are the first two Philippine telcos to sign up as members of the Philippine Business Coalition for Women Empowerment (PBCWE). The

group calls on members to implement a diversity and inclusion policy, adopt non-discriminatory and equal opportunity practices, and promote expanded maternity leaves and special benefits for women.

We have also supported the social impact tech startup Connected Women in its Elevate Artificial Intelligence Data Annotation (AIDA) program.

Another significant partnership toward diversity and inclusion is our membership in the Philippine Business and Disability Network (PBDN), a local platform for learning, collaboration, and support for disability inclusion advocates. PBDN is the local chapter of the Global Business and Disability Network (GBDN), supported by the International Labor Organization (ILO).

The partnership bolsters a vital section of our Diversity and Inclusion policy, which promotes awareness among our employees of the need for understanding disabilities, tendencies for unconscious bias, types of discrimination, and how these can be avoided and addressed.

## Concern Pillar

In this regard, our Human Resource Manual guides procedures and processes to encourage employees to report, in good faith, instances of harassment, abuse, discrimination, and prejudice. Aside from the standard reporting process via line managers, we have also set up channels for anonymous reporting via our corporate governance whistleblowing facility.

In 2023, all these partnerships and learning sessions resulted in zero reports and incidents of discrimination and harassment in the workplace.

At PGC, employee engagement and development are paramount aspects of the “social” component of Sustainability. The company values the input of employees in creating a healthy and positive work culture. To promote transparency and keep communication lines open between management and employees, regular Coffee Talks were held with PGC President & CEO Albert Villa-Real and COO Edith Gomez-Cudiamat. Participated by employees from different departments, these kumustahan sessions offered a safe space to address important matters involving day-to-day work.

Additionally, PLDT Global organized bi-monthly townhalls where leaders update employees about the latest developments in the business and align the organization on the strategic roadmap. This also serves as a forum for employee feedback and recognition.



In addition, here are the other campaigns and activities we conducted in 2023:

#### **“Yes, She Can” Women’s Month Program**

- Featured stories of phenomenal PLDT and Smart women
- Webinar on “Preparing Girls and Young Women for the Future” and Leadership Brownbag Session on “Women Empowerment”

#### **“#EveryColorEveryYou” Campaign for Pride Month**

- Workshop on how to be an ally at work, self-acceptance and authenticity, and LGBTQIA+ fairness and support
- Digital activity with prizes
- Every Color, Every You themed photo booths and PRIDE treats at the office
- Joined first ever Annual Pride March in Quezon City Memorial Circle

#### **“#InclusionAbles” Campaign for United Nations International Day of Persons with Disabilities**

- Partnered with Life Haven Center for Independent Living
- Webinars on introduction to disability, disability sensitization, and building a more inclusive workplace
- Disability sensitivity workshop
- Bazaar with PWD-led small businesses
- Donation to Adaptive Technology for Rehabilitation Integration & Empowerment of the Visually Impaired (ATRIV)

#### **ME Time for MOM Digital Activity**

- Rewarded winners with free paid time off
- Donation Drive for Moms in Crises
- Paid time off raffle and a special Father’s Day Comedy Night Life for Dads
- PGC had a “Tiktok” challenge focused on showing appreciation to all mothers
- ePLDT employees shared their favorite Mom lines or quotes and a winner was selected through a poll.
- Dad joke contest was held both in ePLDT and PGC in line with the Father’s day celebration

#### **ePLDT Weekly campaigns**

- Every Monday, ePLDT released EDMs/videos about employees sharing their insights about a particular topic that would help motivate other employees to start their workweek right. #MondayMotivation
- On Wednesdays, ePLDT shared interesting, fun facts about a particular topic/theme of the month. #WittyWednesday
- On Fridays, ePLDT employees were invited to join virtual mini-engagement activities or online games via Workplace. #FUNalongFriday2023

#### **Wellness All-In 2023**

- Weekly webinars to tackle, discuss, and improve their physical, mental, financial, and spiritual health were conducted by ePLDT during the celebration of Wellness Month.
- A separate mental health webinar was held for the ePLDT Management team and executives to tackle their mental health and discuss how they can better manage and take care of their employee’s mental health as well.
- Employees were also invited to join virtual mini-engagement activities or online games via Workplace.

#### **From Grit to Great**

- Special session with Jonatan Yabut and PGC employees
- Promotes working smart, not just hard
- The art of finding your “ikigai”

#### **PLDT and Smart Wellness Revolution**

- Mind Your Health campaign which features monthly mental health tips and informative webinars
- Food for the Soul program includes monthly masses, recollections, motivational talks, and Christmas Simbang Gabi masses
- Common Cents financial program with webinars on how to attain financial freedom
- #Move onsite and virtual fitness classes
- Free well-being consultations with counselors or psychiatrists for employees



# LABOR MANAGEMENT

GRI 3-3, 2-25, 2-26, 402-1, 407-1, 408-1, 409-1, UNGC Principles 1-6

The PLDT Group is committed to upholding labor rights protection and employee welfare in support of internationally recognized principles on labor and human rights. We are guided by our Human Resources Manual that institutionalizes compliance with government regulations on labor and human rights in the workplace. These include operational policies ensuring that our workplace practices abide by the Philippine Labor Code, Protection against Child Abuse, Exploitation, Discrimination, and the General Labor Standards (GLS), among others.

Reinforcing these, PLDT and Smart's Human Rights Policies articulate a zero-tolerance policy towards all forms of human rights abuses, which include forced labor, child labor, human trafficking, and slavery.

We are also governed by PLDT's Diversity and Inclusion Policy that expresses zero-tolerance towards all forms of discrimination and harassment, intimidation, retaliation and prejudice. We thus commit to maintaining a safe work environment for all our employees, preventing discrimination or any form of harassment, including gender-based sexual harassment (GBSH). To reinforce these, we make available trainings and learning sessions for all our employees to raise awareness on GBSH and on internal policies and grievance mechanisms in place to prevent and manage potential cases in the workplace.

To prevent hiring minors and child labor, we also integrate child safeguarding into our talent recruitment and hiring procedures and follow a minimum age requirement for employment.





As part of enforcement, our PLDT and Smart Human Resources Manuals define corresponding grievance procedures and include a general grievance handling policy that prescribes mechanisms for managing labor rights concerns.

We encourage our employees to report, in good faith, violations and grievances related to labor laws and human rights, including forced labor, child labor, discrimination, harassment. These may be escalated through their line heads, or anonymously through our corporate governance whistleblowing reporting channels. For GBSH, we uphold a policy for handling cases which outlines the role of our dedicated Committee on Workplace Decorum and Investigation for the handling and resolution of related cases, as well as provides guidelines on corresponding penalties based on the gravity of the violation.

The table below highlights the results of our procedures and practices in support of labor and human rights for 2023:

	Reports Received	Remediation and Legal Actions Taken
Forced Labor	0	0
Child Labor		
Discrimination	4	4

Employees reported violating our labor and human rights policies shall undergo due process of investigation and be subject to corresponding corrective and disciplinary actions. Employees can lose their employment or be suspended without pay if found violating our policies.



#### LABOR LAWS AND HUMAN RIGHTS

0

Total number of incidents of non-compliance with laws and/or regulations relating to employment practices

100%

nationwide operations covered



#### COLLECTIVE BARGAINING AGREEMENT

GRI 2-30

\*81.34%

% of employees covered with Collective Bargaining Agreement

898

Number of consultations conducted with employees concerning employee-related policies

*\*this is only applicable to PLDT employees as it is the only organization that is unionized*

# SUPPORT FOR CONTINUOUS PEOPLE DEVELOPMENT

GRI 3-3

In 2023, PLDT and Smart revamped the Group's talent and learning strategy for a holistic learning experience focused on capability building, coaching, performance ownership, and succession planning.

The revitalized learning ecosystem used a more strategic and effective training approach, aligning closely with employee work styles. It introduced democratic and self-paced learning courses that were short and relevant for a more engaging learning experience.

We also relaunched PLDT and Smart University with new academies catering to employees' learning and development needs: Leadership Academy, Power Skills Academy, Skills Boost Academy, Onboarding Academy, Agile Academy, and Innovation Hub. These academies aim to boost efficiency in employees' respective roles.

Under the new PLDT and Smart University, we set a target for employees to complete at least one course per month via online self-learning or instructor-led programs under any of the following:



## Power Skills Academy

Aims to develop employees' professional and personal skills



## Skills Boost Academy

Intended to develop employees' competencies specific to a job role or function



## Leadership Academy

Combination of courses focused on developing leadership competencies of the employees



## Certification

Process where an accredited certifying body confirms employee qualifications in a particular skill or knowledge







Towards this end, we established partnerships with global brands on digital learning, such as LinkedIn, that allowed us to provide relevant and up-to-date modules. About 6,000 employees completed 15,848 courses in 2023 through the LinkedIn Learning modules we offered.

At the same time, we facilitated face-to-face Community Learning sessions on influencing workplace culture, understanding Artificial Intelligence, and sharing critical thinking knowledge, among others. As a result, 79% of active employees nationwide joined on-site workshops, e-learning sessions, and webinars, giving their overall learning satisfaction experience a rating of 94%.

In addition, we offered the NEXT Leadership Program, which attracted 94% of team leaders who received training on coaching and inspiring performance. The program's impact showed that 87% of the leaders' direct reports responded favorably to the practices of their immediate heads.

Meanwhile, our other initiatives aimed to strengthen bench health, including launching the Future Leaders Program, conducting Emerging Leaders Program interventions, and certifying 21 employees as Executive Coaches. Instilling a coaching culture was essential for us to remain mission-focused and promote empowerment and ownership.

Employees were also able to acquire certifications under the Global Technical Certification Program. The certification programs boosted the expertise of technical staff to support corporate bids, network resilience, and efficiency. A total of 879 employees were successfully certified.

In addition, domain capability building based on the new competency models were also part of the training modules. They were designed to enhance the Company's practice of information technology, business analytics, and network operations.



ePLDT, likewise, has a holistic approach that prioritizes employee well-being, continuous development, and building strong customer relationships. Having a firm belief in investing in the employees talent, they offer a progressive learning journey catering to all skill levels. Employees can develop essential skills and credentials through diverse programs such as:

- **IT and Technical Skills Training:** From programming languages to cloud computing certifications or industry-specific software training, we address the evolving needs of our workforce.
- **Essential Skills Development:** Courses on communication, teamwork, problem-solving, critical thinking, and time management empower employees across all departments.
- **Functional Programs:** Focused on coaching, delegation, performance management, and strategic thinking, these programs equip our middle managers to lead effectively.

PGC conducted ISO training across different departments. These training sessions provided in-depth discussion on the principles, implementation, and management of ISO 9001 standards. The company's goal of achieving ISO certification reflects its commitment to upholding best business practices to deliver efficient and effective services to customers, stakeholders, and partners.

Likewise, the People & Workplace, Finance, Global Billing, Credit and Settlements, and Global Customer & Network Operations teams have undertaken a training session on various products and services under the Enterprise business of PGC. This was followed by an immersion at the Makati Vitro Data Center where teams were given an orientation about its operations and management. These initiatives aimed to better equip employees with adequate operational knowledge so they can effectively support the needs of the Enterprise business.



# EMPLOYEE DEVELOPMENT PROGRAMS

We created a platform to identify functional and technical skills alongside proficiency level required for each role, which was used as the basis for Individual Self-Assessment that was validated by the Immediate Head.

The Skills Assessment was used as the basis for each employee's Individual Development Plan and Upskilling and Reskilling activities. Furthermore, we measured Skills Development and Improvement through various post-training activities to ensure that actual on-the-job application as well skills improvement have been realized. As an example, we conducted a dipstick survey to team members of the leaders who underwent Coaching Development Program, to check if the leader has been applying what he/she learned from the program.

The following table shows some of our key employee development programs for PLDT and Smart in 2023:

Leaders Developing Leaders	% of Full-time Equivalents Participating in the Program 13.18%
Under the umbrella of the NEXT Leadership Development Program, Leaders Developing Leaders (LDL) aims to create an environment where Leaders develop themselves and others. Team Leaders of the company went through the course, "How to Coach and Inspire Performance" which equipped them to handle everyday conversations with their people to help drive a high performance culture which are key to the transformation and growth of our organization.	<b>BUSINESS BENEFITS:</b> <ul style="list-style-type: none"> <li>Business Impact, e.g. savings from reduction in turnover, improved talent capabilities, ratings of productivity, etc.</li> <li>Leadership and workforce improvements e.g. higher engagement, increased frequency of coaching conversations, lower turnover, improved bench health, etc.</li> </ul>
Community Learning	% of Full-time Equivalents Participating in the Program 37.87%
A series of learning sessions spotlighting various "power skills" that aims to encourage learning across supervisor and staff, develop our workforce's Power Skills, and empower activation of LinkedIn learning. Some of the sessions have focused on AI, Sustainability, Communicating with Diplomacy, Psychological Safety, among others.	<b>BUSINESS BENEFITS:</b> <ul style="list-style-type: none"> <li>Increase in productivity and efficiency rates of employees</li> <li>Achievement of business goals and objectives with enhanced skills and capabilities</li> <li>Increase in the rate of employee engagements. On its pilot year, the program garnered 20% unique learners across the total workforce, with representation from ALL ManCom groups, across the various regions. 42% repeat learners, across 12 learning programs.</li> <li>Achieved cost efficiencies for training as the program features internal leaders, skills experts, and partners for no cost and training is accessible to a wider range of employees.</li> <li>Increase in adoption of digital and non-traditional learning modalities for employees as each session features a different learning style/approach and is supported by curated LinkedIn Learning courses. They learn anytime, anywhere, anywhere.</li> </ul>
Hyperdrive - Career Development Workshop	% of Full-time Equivalents Participating in the Program 3.40%
<p>This program aims to empower employees to take charge of their career following the Career Development Framework: Discover - Explore - Plan - Act.</p> <p>Sessions allowed participants to develop their Individual Development Plan as a workshop output.</p>	<b>BUSINESS BENEFITS:</b> <ul style="list-style-type: none"> <li><b>Empower professional development.</b> The course strengthens the career development framework to all employees and allow them to take charge of their own career by making their own individual development plans, partnering closely with their managers, and seeking People Group enablement.</li> <li><b>Reduce attrition.</b> Having an understanding of how one can leverage on his/her skills, the employees are more guided as to how to grow in their role and upskill themselves, thus, allowing them to stay on and thrive in the company.</li> <li><b>Develop learning agility.</b> The course teaches the employee the various methods of learning and upskilling one's self and allows them to map their own learning journey suitable to their style and more customized to reaching their professional goals.</li> </ul>

## PLDT Group Employee Training Details (By Position)

GRI 404-1

Rank & File	Management	Executive	Officer	TOTAL	
Employee					
PLDT	4,149	5,097	673	85	10,004
Smart	1,588	1,958	625	52	4,223
ePLDT	490	256	158	11	915
PGC	23	62	34	6	125
Total	6,250	7,373	1,490	154	15,267
Training Hours					
PLDT	108,443	147,010	13,957	1,619	271,029
Smart	24,945	45,865	11,302	483	82,595
ePLDT	5,317	2,957	1,038	-	9,313
PGC	462	895	729	134	2,220
Total	139,167	196,727	27,026	2,236	365,156
Ave. Training Hours					
PLDT	26.14	28.84	20.74	19.05	27.09
Smart	15.71	23.42	18.08	9.29	19.56
ePLDT	10.85	11.55	6.57	-	10.18
PGC	20.09	14.44	21.44	22.33	17.76
Total	22.27	26.68	18.14	14.52	23.92

Employee count is the total headcount as of December 31, 2023.  
The training hours for PLDT and Smart only include active employees, while the total training hours for the year are reported for ePLDT and PGC.

## PLDT Group Employee Training Details (By Gender)

GRI 404-1

Gender	Male	Female	TOTAL
Employee			
PLDT	7,303	2,701	10,004
Smart	2,232	1,991	4,223
ePLDT	581	334	915
PGC	73	52	125
Total	10,189	5,078	15,267
Training Hours			
PLDT	151,163	119,866	271,029
Smart	48,105	34,490	82,595
ePLDT	5,861	3,452	9,313
PGC	1,357	863	2,220
Total	206,485	158,670	365,156
Ave. Training Hours			
PLDT	20.70	44.38	27.09
Smart	21.55	17.32	19.56
ePLDT	10.09	10.34	10.18
PGC	18.59	16.60	17.76
Total	20.27	31.25	23.92

GRI 404-2

PLDT		
SKILL CATEGORY	NO. OF UNIQUE ATTENDEES	Average Training Hour
Essential Skills	9,997	14.06
Functional Skills	2,204	37.35
Technical Skills	4,415	8.34
Leadership Skills	3,338	3.41
SMART		
SKILL CATEGORY	NO. OF UNIQUE ATTENDEES	Average Training Hour
Essential Skills	4,221	14.67
Functional Skills	693	8.27
Technical Skills	1,654	6.23
Leadership Skills	1,888	2.46
ePLDT		
SKILL CATEGORY	NO. OF UNIQUE ATTENDEES	Average Training Hour
Technical	182	19.17
Functional	18	26.67
Essential	161	20.57
IT Discipline	18	28.44
PGC		
SKILL CATEGORY	NO. OF UNIQUE ATTENDEES	Average Training Hour
Technical Training	12	27.67
Leadership Training	5	17.00
Leadership development	20	16.00
Teambuilding	102	8.00
ISO Training	46	8.00
Product Training	71	2.51
Data Privacy e-learning	121	1.00

# CULTIVATING TALENT

GRI 3-3

In 2023, the Philippine talent market stayed competitive across various industries as candidates increasingly prioritized work-life balance and sought flexible work arrangements when evaluating compensation and benefits.

Amid a crowded job market, the PLDT Group endeavored to be the Best Place to Work with a strong employer brand that attracts quality talent. In 2023, we implemented organizational redesigns impacting roles across multiple departments, including IT, Network, Finance, People Group, Customer Value Management, Wireless, Home, and Enterprise. The redesign advanced a unified talent value proposition that ensures we place the most suitable employees in critical roles.

We based our hiring strategies on the annual hiring forecast, enabling the Talent Team to identify and invest in the best sourcing channels that could deliver the requirements.

The strategy addressed a candidate-driven market and implemented the following initiatives:

- Strengthened partnership with hiring managers, involving them earlier in sourcing and engaging top candidates
- Automated high-touch candidate attraction and engagement at scale via automated emails that solicited personalized candidate experience feedback, published new hire onboarding announcements, and released new hire welcome messages
- Trained recruiters with skills in driving meaningful virtual conversations

- Switched from in-person interviews and onboarding to remote sessions, speeding up the hiring process and enhancing safety, efficiency, and accessibility for candidates and new hires.

We conduct an annual review of our processes and tools to ensure they continue to hit their targets: attracting a pool of qualified candidates, enhancing candidate responsiveness, speeding up the hiring process, improving decision-making through better data analysis, and creating a positive experience for all candidates.

A standout initiative from ePLDT was its inclusive workplace program, which provided internships to differently-abled students and single parents eager to begin careers in technology. ePLDT collaborated with nonprofit organizations, commercial partners, and Microsoft Assistive Tech to open up opportunities in the technical workforce. Additionally, to raise awareness about digital inclusivity, ePLDT participated in the Global Accessibility Awareness Day (GAAD).

Another important project was the launch of our improved Talent Management Portal, designed to manage our growing talent demands effectively. The platform digitalized the recruitment process for candidates and created a smooth onboarding system for new hires and hiring managers. At the same time, it served as a performance assessment tool for the current workforce.

Building on this foundation, we also use the portal as a crucial part of our performance review system. It lets employees clearly define and record their annual goals aligned with our strategic objectives in customer experience, financial growth, organizational capability and health, operational excellence, and sustainability.



## Concern Pillar

Together with their line heads, employees defined their individual goals and key performance indicators (KPIs) in line with their roles and functions. These became the reference points for their annual evaluation. Performance ratings also include behavioral indicators that align with organizational core values, using a five-point scale ranging from exceptional to unsatisfactory.

Just as performance evaluations are essential in our Rewards and Recognition processes, they are equally significant for our transparent promotion process. As such, we leveraged our management program that helped assess the readiness of employees to take on a different or higher role. The program also helped us identify high-potential employees for leadership roles and ensured we provided them with the programs to succeed.

While we are developing an official company policy on equal opportunity, our talent retention strategy has continued to excel, enabling us to keep our talented employees satisfied and eager to advance within the company.

Elements of our Talent Retention programs include the following:

- Pay for performance
- Variable compensation programs
- Recognition of competence
- Career development and progression
- Employee engagement activities

We have also actively continued to do succession management. We provided capability-building and training support to senior leaders and the PLDT and Smart Leadership Transformation Team (LTT), a group established to drive the Company's transformation. These internal critical talents have undergone robust leadership and skill development programs, including the Next Leadership Program, which highlights experiential learning, talent mobility, global education, and coaching.

## Employee Performance Management GRI 2-4, 404-3

TOTAL ACTIVE EMPLOYEE AS OF 2022 (BY GENDER)														
PLDT*			Smart			ePLDT*			PGC*			TOTAL		
Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
7,610	2,870	10,480	2,470	2,246	4,716	548	322	870	75	53	128	10,703	5,491	16,194

\*Restated

TOTAL ACTIVE EMPLOYEE AS OF 2022 (BY POSITION)					
Rank & File	Management		Executive		Total
PLDT*	4,461		5,223		10,480
Smart	1,976		2,030		4,716
ePLDT	526		194		870
PGC*	30		60		128
TOTAL	6,993		7,507		16,194

\*Restated

	EMPLOYEES WHO ARE ELIGIBLE FOR PERFORMANCE EVALUATION	EMPLOYEES WHO RECEIVED PERFORMANCE EVALUATION	% OF ELIGIBLE EMPLOYEES WHO RECEIVED PERFORMANCE EVALUATION	% OF TOTAL EMPLOYEES WHO RECEIVED PERFORMANCE EVALUATION
<b>PLDT**</b>				
Male	7,576	7,565	99.85%	99.41%
Female	2,854	2,841	99.54%	98.99%
<b>TOTAL</b>	<b>10,430</b>	<b>10,406</b>	<b>99.77%</b>	<b>99.29%</b>
Rank & File	4,448	4,443	99.89%	99.60%
Management	5,198	5,191	99.87%	99.39%
Executives	696	686	98.56%	97.03%
Officers	88	86	97.73%	96.63%
<b>TOTAL</b>	<b>10,430</b>	<b>10,406</b>	<b>99.77%</b>	<b>99.29%</b>
<b>SMART***</b>				
Male	2,407	2,393	99.42%	96.88%
Female	2,183	2,160	98.95%	96.17%
<b>TOTAL</b>	<b>4,590</b>	<b>4,553</b>	<b>99.19%</b>	<b>96.54%</b>
Rank & File	1,905	1,888	99.11%	95.55%
Management	1,985	1,972	99.35%	97.14%
Executives	639	634	99.22%	97.69%
Officers	61	59	96.72%	96.72%
<b>TOTAL</b>	<b>4,590</b>	<b>4,553</b>	<b>99.19%</b>	<b>96.54%</b>
<b>ePLDT****</b>				
Male	494	479	96.96%	87.41%
Female	276	266	96.38%	82.61%
<b>TOTAL</b>	<b>770</b>	<b>745</b>	<b>96.75%</b>	<b>85.63%</b>
Rank & File	445	427	95.96%	81.18%
Management	180	175	97.22%	90.21%
Executives	137	135	98.54%	95.74%
Officers	8	8	100.00%	88.89%
<b>TOTAL</b>	<b>770</b>	<b>745</b>	<b>96.75%</b>	<b>85.63%</b>
<b>PGC*****</b>				
Male	68	59	86.76%	78.67%
Female	47	43	91.49%	81.13%
<b>TOTAL</b>	<b>115</b>	<b>102</b>	<b>88.70%</b>	<b>79.69%</b>
Rank & File*	23	19	82.61%	63.33%
Management*	56	50	89.29%	83.33%
Executives*	31	28	90.32%	84.85%
Officers*	5	5	100.00%	100.00%
<b>TOTAL</b>	<b>115</b>	<b>102</b>	<b>88.70%</b>	<b>79.69%</b>
<b>TOTAL</b>				
Male	10,545	10,496	99.54%	98.07%
Female	5,360	5,310	99.07%	96.70%
<b>TOTAL</b>	<b>15,905</b>	<b>15,806</b>	<b>99.38%</b>	<b>97.60%</b>
Rank & File	6,821	6,777	99.35%	96.91%
Management	7,419	7,388	99.58%	98.41%
Executives	1,503	1,483	98.67%	96.93%
Officers	162	158	97.53%	96.34%
<b>TOTAL</b>	<b>15,905</b>	<b>15,806</b>	<b>99.38%</b>	<b>97.60%</b>

\*Restated

\*\*Employees not eligible for performance evaluation are those seconded employees to other subsidiaries, whose leaves exceeded 180 days, and employees hired after July 1, 2022. Eligible employees who did not undergo performance evaluation are those who resigned during the evaluation period.

\*\*\*Employees not eligible for performance evaluation are those who were regularized after the evaluation period. Eligible employees who did not undergo performance evaluation are those who resigned during the evaluation period

\*\*\*\*Employees not eligible for performance evaluation are those under probationary period during the evaluation period or project-based employees. Eligible employees who did not undergo performance evaluation are those who resigned during the evaluation period

\*\*\*\*\*Employees not eligible for performance evaluation are those new hires. Eligible employees who did not undergo performance evaluation are those who resigned during the evaluation period

## Designing a Rewarding Employee Experience

GRI 3-3, 401-2, 401-3, 406-1

PARENTAL LEAVES	PLDT			SMART			ePLDT			PGC			TOTAL		
	Paternity	Maternity	Total	Paternity	Maternity	Total	Paternity	Maternity	Total	Paternity	Maternity	Total	Paternity	Maternity	Total
Total number of employees that were entitled to parental leave as of reporting period	3,926	2,701	<b>6,627</b>	1,190	1,991	<b>3,181</b>	224	334	<b>558</b>	34	52	<b>86</b>	<b>5,374</b>	<b>5,078</b>	<b>10,452</b>
Total number of employees that took parental leave	444	161	<b>605</b>	78	103	<b>181</b>	5	18	<b>23</b>	-	1	<b>1</b>	<b>527</b>	<b>283</b>	<b>810</b>
Total number of employees that returned to work after parental leave ended (reporting period)	443	161	<b>604</b>	78	97	<b>175</b>	5	18	<b>23</b>	-	1	<b>1</b>	<b>526</b>	<b>277</b>	<b>803</b>
Return to work rate	99.77%	100.00%	<b>99.83%</b>	100.00%	94.17%	<b>96.69%</b>	100.00%	100.00%	<b>100.00%</b>	N/A	100.00%	<b>100.00%</b>	<b>99.81%</b>	<b>97.88%</b>	<b>99.14%</b>
Total number of employees who returned to work after parental leave ended (previous period)	377	149	<b>526</b>	66	118	<b>184</b>	5	8	<b>13</b>	-	2	<b>2</b>	<b>448</b>	<b>277</b>	<b>725</b>
Total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work (previous period)	372	139	<b>511</b>	60	98	<b>158</b>	5	7	<b>12</b>	-	1	<b>1</b>	<b>437</b>	<b>245</b>	<b>682</b>
Retention rate	98.67%	93.29%	<b>97.15%</b>	90.91%	83.05%	<b>85.87%</b>	100.00%	87.50%	<b>92.31%</b>	N/A	50.00%	<b>50.00%</b>	<b>97.54%</b>	<b>88.45%</b>	<b>94.07%</b>

Working at the PLDT Group is a rewarding experience. As a dynamic leader in the industry for 95 years, our company provides stability and reliability, with extensive employee benefits and continuous development opportunities.

GRI 202-1

Our entry-level employees earn an average monthly salary of more than double the Estimated Equivalent Monthly Rate (EEMR) in Metro Manila, where our main offices are located. This includes the mandatory 13th-month pay and references the daily minimum wage set by the National Wages Productivity Commission (NWPC) of the Department of Labor and Employment (DOLE).

In addition, every PLDT employee enjoys all mandatory employee benefits prescribed by

the law, and other benefits beyond statutory requirements, including up to 15th-month pay and full medical benefits.

### Family and Child-friendly Workplace

As part of the PLDT Group's holistic approach to fostering employee welfare, we implement various workplace benefits, policies, and programs to support our employees in their parallel roles as parents and caregivers of children.

PLDT and Smart follow a five-day work week and allow the flexibility for employees to adjust their respective schedules to address personal needs while meeting operational requirements. Our offices and business



centers include facilities like lactation rooms for breastfeeding mothers returning to work. Parent employees are also given the option to avail loan assistance for the education of their children, as well as opportunities for scholarship grants through the PSF. To further support parent employees in caring for their children, we also uphold parental leave that comply with local regulations and go beyond prescribed periods of the International Labor Organization.

Throughout the year, we also hold family-friendly events and special programs for children as employee dependents. These include the nationwide Halloween trick-or-treat event, Father's Day and Mother's Day months with special activities for working parents, including a paid time-off incentive for contest participants, a Women's Month webinar for mother employees and their daughters, and a year-end holiday activity for the children of employees in our offices.

As a result of these, we have achieved 99.14% parental leave return to work rate and 94.07% parental leave retention rate for the PLDT Group in 2023.

Reinforcing these family-friendly benefits in PGC, employees enjoy medical benefits with extended eligibility of up to 70 years old for parents, and up to 24 years old for siblings and children. These are also enjoyed by employees with domestic and LGBTQ partners.

In 2023, ePLDT continued to adapt its hybrid work setup, allowing the company to navigate unprecedented challenges effectively. This strategic shift not only maintained the company's efficiency but also enhanced its flexibility, ensuring that productivity across all teams remained uncompromised.

By embracing this innovative work arrangement, ePLDT has fostered a workplace culture that is more dynamic and resilient than ever before. The hybrid model has empowered employees to balance their professional and personal lives effectively, leading to higher job satisfaction and improved performance.

Moreover, this approach has positioned ePLDT as a forward-thinking leader in the industry, adept at meeting the evolving needs of both the business and its workforce. The organization's ability to adapt and thrive in the face of adversity underscores its commitment to continuous improvement and excellence, setting a new standard for workplace efficiency and employee well-being.

Similarly, PGC offers a hybrid office setup, where employees enjoy the flexibility to work both remotely and in the office. This arrangement includes a three-day office workweek, complemented by a two-day work-from-home schedule. The hybrid setup prioritizes productivity and meeting deadlines while granting employees the freedom to choose their work environment. This flexibility



not only saves employees, particularly commuters, on expenses, effort, and time but also helps the company reduce office space and utilities, contributing to a lower carbon footprint.

Furthermore, the hybrid model promotes work-life balance, fostering high job satisfaction and overall well-being among our workforce.

Work tools and processes are also digital and secure, which makes them easily accessible to employees anywhere and anytime. Several wellness and engagement programs are in a hybrid format to cater to any work arrangement.

The PLDT and Smart Wellness Revolution Program is a comprehensive employee engagement program launched by PLDT and Smart. Focused on a holistic approach to well-being, it empowered employees to take care of their overall well-being, including physical fitness, mental health, financial security, and spiritual wellness.

The program includes mental well-being webinars rolled out quarterly, covering topics on stress management, authentic living, and dealing with anxiety. An example was the engagement series entitled "Better Today Conversations: Mind Your Health," which featured guests who shared inspiring mental wellness stories.

Here are other initiatives that we implemented in 2023:

- Free mental health consultations with professionals.
- Communication campaign on self-care.
- Monthly exercise sessions called Wellness Revolution Move in RCB and Smart Tower, Cebu, Davao, Gensan, Iloilo, North and South Luzon

These programs were fully supported by an official Mental Health Policy highlighting

non-discriminatory policies and practices, safeguarding employee data, medical treatment or rehabilitation, and benefits, among others.

Another example of the unique benefits that our employees enjoy is our Ambassadorship PERKS Program. Employees benefit from various discounted products and services from partner merchants who choose to tie up with PLDT and Smart. Promo offerings, durations, and mechanics vary from one merchant to another.

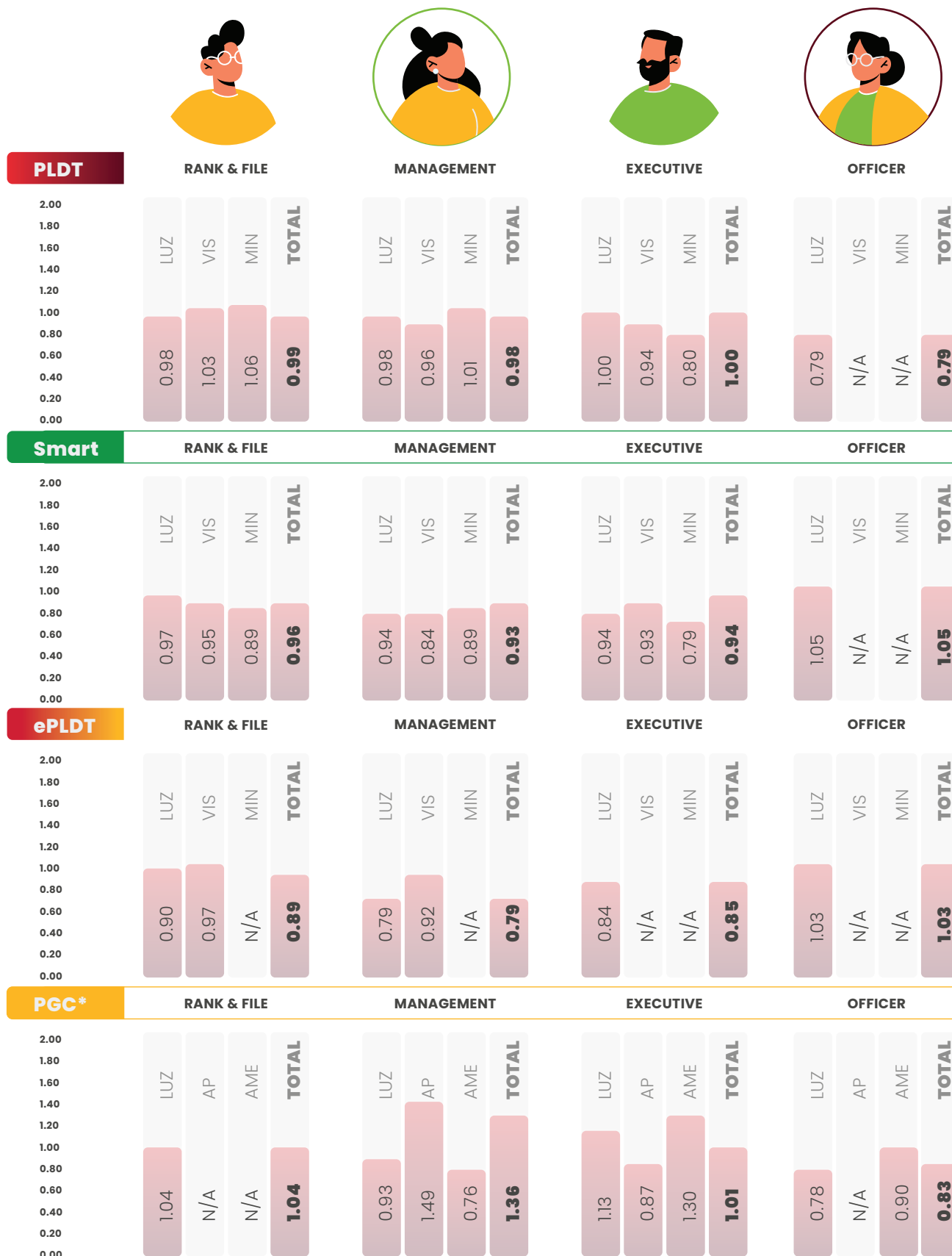
The program drives engagement without cost implications for the company since all partnerships are tie-ups. It also helps several businesses, some of whom are also customers of PLDT and Smart.

We also make sure to take care of employees who retire from service. In 2023, we had a transition program consisting of workshops and seminars designed to guide employees on financial management, reemployment, entrepreneurship, overseas migration, continuing education, and discovering passions. It was attended by employees retiring in 2023, as well as those from 2022 who were unable to participate in a similar program in their retirement year.

TRANSITION PROGRAM <small>GRI 404-2</small>			
	PLDT	SMART	TOTAL
Number of Attendees	215	198	<b>413</b>
Total Number of Hours	3,010	2,772	<b>5,782</b>
Average Hour per Attendee	14.00	14.00	<b>14.00</b>

## Pay Ratios GRI 405-2

**PLDT Group's ratio of average basic pay and other remuneration of women to men**



\*No employees assigned in Visayas and Mindanao  
AP – ASIA PACIFIC  
AME – AMERICAS

PLDT Group's ratio of average basic pay of women to men\*



PLDT

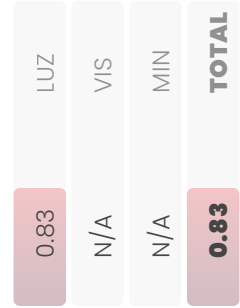
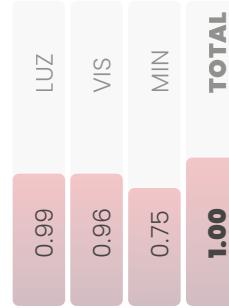
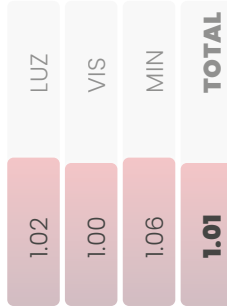
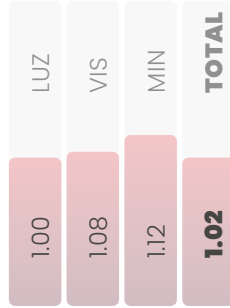
RANK & FILE

MANAGEMENT

EXECUTIVE

OFFICER

2.00  
1.80  
1.60  
1.40  
1.20  
1.00  
0.80  
0.60  
0.40  
0.20  
0.00



Smart

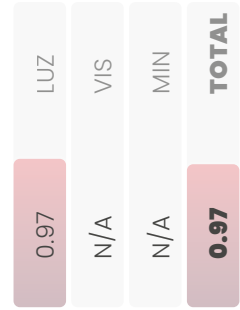
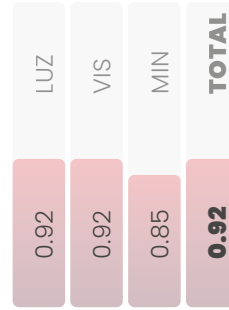
RANK & FILE

MANAGEMENT

EXECUTIVE

OFFICER

2.00  
1.80  
1.60  
1.40  
1.20  
1.00  
0.80  
0.60  
0.40  
0.20  
0.00



ePLDT

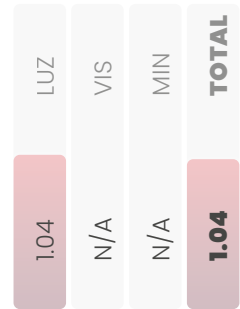
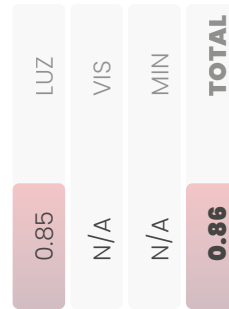
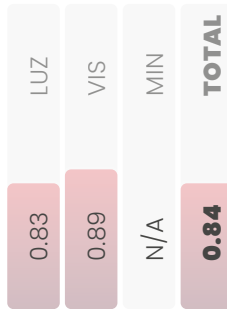
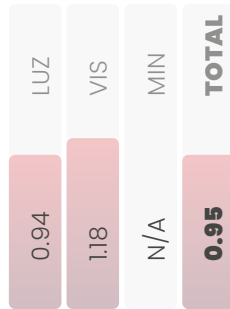
RANK & FILE

MANAGEMENT

EXECUTIVE

OFFICER

2.00  
1.80  
1.60  
1.40  
1.20  
1.00  
0.80  
0.60  
0.40  
0.20  
0.00



PGC\*\*

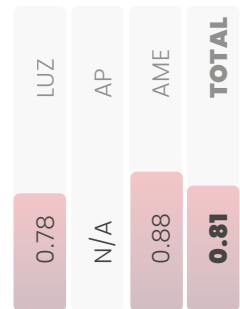
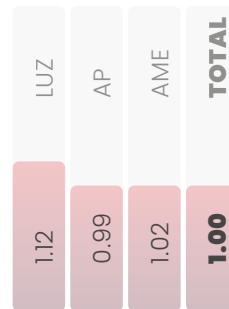
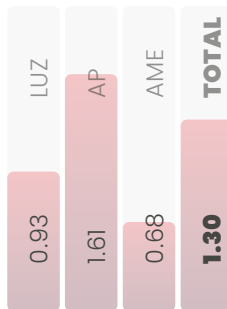
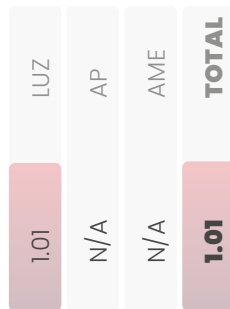
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MANAGEMENT

EXECUTIVE

OFFICER

2.00  
1.80  
1.60  
1.40  
1.20  
1.00  
0.80  
0.60  
0.40  
0.20  
0.00



\*Not part of the scope of assurance

\*\*No employees assigned in Visayas and Mindanao

## Ratios of Standard Entry Level Wage by Gender Compared to Local Minimum Wage\* GRI 202-1

	PLDT**	Smart	ePLDT	PGC
Male	2.48	2.25	2.31	2.74
Female	2.89	2.25	2.26	2.47
Total	<b>2.55</b>	<b>2.25</b>	<b>2.30</b>	<b>2.64</b>

\*PLDT Group main office is in Makati, Metro Manila. The average monthly salary plus other compensation of entry level employees of the company is more than twice as the Estimated Equivalent Monthly Rate (EEMR) in Metro Manila, including the mandatory 13th-month pay, using the daily minimum wage set by the National Wages Productivity Commission (NWPC) of the Department of Labor and Employment (DOLE) for both male and female.

With reference to the daily minimum wage in Metro Manila effective July 16, 2023 by the National Wages and Productivity Commission (NWPC) of the Department of Labor and Employment (DOLE). The Estimated Equivalent Monthly Rate (EEMR) is computed according to the 2023 DOLE Handbook on Workers Statutory Monetary Benefits annualized including the mandatory 13th month pay.

\*\*For PLDT, this is the combined average of 2022 and 2023 new entry-level hires in Metro Manila

## Employee Benefits GRI 401-2

MEDICAL	PLDT	SMART	ePLDT	PGC
Sick Leave (in excess of government mandated SL)	\$	\$	\$	\$
Life Insurance	\$	\$	\$	\$
Medical, Dental, and Hospitalization for Employees	\$	\$	\$	\$
Medical Insurance, Hospitalization, Medical Benefits for Dependents	\$	\$	\$	\$
Accidental Death and Disablement Assistance	\$	\$	\$	\$
<b>MONETARY BENEFITS, FINANCIAL ASSISTANCE, AND ALLOWANCES</b>				
Financial Assistance during Calamity/ Funeral	\$	\$		\$
Rice Allowance	\$	\$	\$	\$
Unused Sick Leave converted to cash	\$	\$	\$	\$
Mid-year Bonus	\$			
Longevity Bonus	\$			
Presidential Bonus	\$			
Clothing/Uniform Allowance		\$	\$	
Christmas Bonus	\$			\$
Medical Allowance		\$		
Parental Assistance		\$		
Provident Fund		\$		
14th Month Pay		\$	\$	\$
15th Month Pay		\$		
<b>LOANS</b>				
Calamity Loan	\$	\$		\$
Hospitalization Loan for Dependents	\$	\$		\$
Phone / Gadget Loan		\$		\$
Educational Loan		\$		\$
Dental Loan		\$		
Optical Loan		\$		
Wellness / Fitness Loan		\$		
Bereavement Loan		\$		
Employee Subscription Loan		\$		
Hospitalization Loan for Employees		\$		



OTHERS	PLDT	SMART	ePLDT	PGC
Christmas Package/Party Subsidy	\$	\$		\$
Vacation Leave (in excess of government mandated VL)	\$	\$	\$	\$
Bereavement Leave	\$	\$	\$	\$
Community Service Leave		\$		
Calamity Leave	\$	\$		\$
Parental Leave	\$	\$	\$	\$
Magna Carta Leave	\$	\$	\$	\$
RA 9262 Leave	\$	\$		\$
Employee Privilege Plan			\$	
Military Leave	\$			
Prescription Eyeglass Subsidy	\$			

#### Defined Benefit Obligation GRI 201-3

	PLDT	Smart	ePLDT	PGC
Defined Benefit Obligation	17,616,095,600	2,799,540,600	130,355,400	57,713,780
Fair Value of Assets	14,419,307,700	3,617,192,600	-	-
<b>Net Defined Benefit Asset/ (Liability)</b>	<b>(3,196,787,900)</b>	<b>817,652,000</b>	<b>(130,355,400)</b>	<b>(57,713,780)</b>
Percentage of Salary Contributed by Employee	none	5% to 10%	none	none

*Parent Company Only. The company engages the assistance of an external actuary whose calculations depend on certain assumptions, such as future salary rate increase, attrition and mortality rates, as well as discount rate, which could have a material impact on the results.*

## MEASUREMENT OF EMPLOYEE ENGAGEMENTS

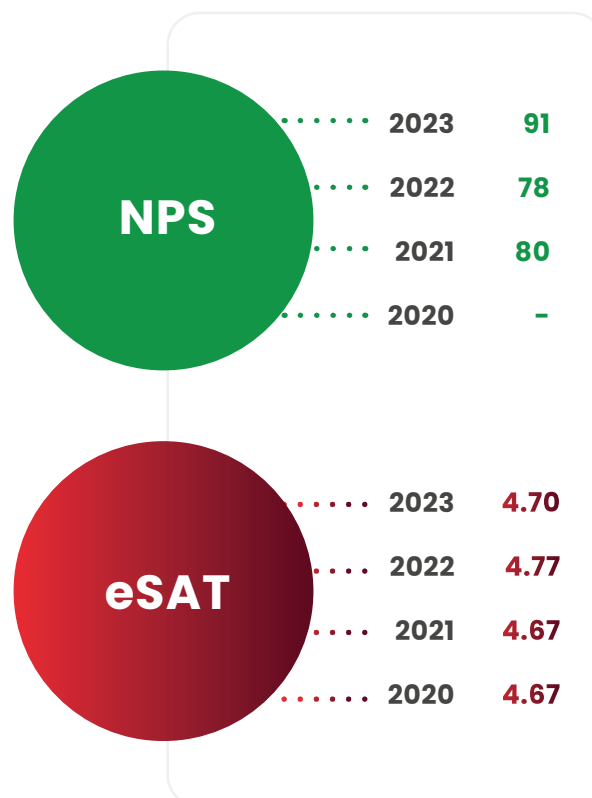
To foster employee satisfaction and ensure continuous improvement of our workplace programs, we conduct surveys and integrate feedback mechanisms into every internal communication and engagement. As standard measurements, we use the Net Promoter Score (NPS) and the Employee Satisfaction Score (eSAT).

Providing a gauge on employee satisfaction, enthusiasm, and loyalty, we obtain NPS by asking our employees "On a scale of 0 to 10, how likely are you to recommend this program to a colleague?". Supplementing this metric, we also get eSAT by asking our employees to rate us through a five-point scale, with 1 equivalent to "very dissatisfied" and 5 representing "very satisfied". Individual responses are further aggregated by getting the sum of the number of stars given over the sum of the maximum stars multiplied by 5.



Affirming efforts to expand and improve our employee engagement programs, we obtained an NPS of 91 in 2023, exceeding our target of 81.

In addition to the NPS and eSAT, we also conducted an Organizational Health Index (OHI) Survey among PLDT and Smart employees. This allowed us to develop a comprehensive picture of how they are performing across key components of a healthy organization. OHI assesses various management practices and engagement drivers such as direction, leadership, work environment, capabilities, motivation, and innovation and learning. This also provided perspective on employee insights and sentiments in terms of stress management, alignment with our organizational purpose, and job satisfaction.



# KEEPING OUR PEOPLE SAFE AND HEALTHY

GRI 3-3, 403-1, 403-2, 403-3, 403-4, 403-6, 403-7, 403-8, 403-5, 403-9

The PLDT Group works towards building and nurturing a generative culture on occupational health and safety (OHS). Following a five-year progress roadmap towards 2028, we uphold an Occupational Safety, Health, and Environmental (OSH&E) Commitment that covers all our employees and contracted personnel and provides foundational strategies for the achievement of measurable OHS targets across various facets of our operations.

Underpinning this Commitment, we implement a comprehensive Quality, Environment, Health, and Safety Management System (QEHSMS). This operationalizes our compliance with national regulations and ensures our alignment with internationally recognized standards on OHS, including the ISO 9001:2015 on Quality Management Systems, ISO 14001:2015 on Environmental Management Systems and

ISO 45001:2018 on OHS Management Systems, among others.

In 2023, we performed an organization-wide assessment of risks and opportunities to identify various scenarios of harm in the workplace, guide our development controls, and identify areas for improvement in our OHS strategies. Using a five-by-five matrix of both risks and opportunities, this assessment helped us in identifying priority controls and enabled integration of these into our action plans with quantified success metrics. Results also provided guidance in our continuing enhancement of OHS strategies, risk registers, and emergency management plans for all our facilities.

Below is an overview of key results and implementation of OHS risk-opportunity measures for PLDT and Smart in 2023:

Identified Risks and Harms in the Workplace	Risk Control Metrics
<ul style="list-style-type: none"><li>Workplace accidents like slips and falls</li><li>Vehicular accidents</li><li>Animal bites</li></ul>	<ul style="list-style-type: none"><li>Reduction in the severity rate of accidents</li><li>Reduction in the frequency rate of disabling cases</li><li>Number of facilities covered by emergency management plans</li><li>Completion rate of employee trainings and organizational cascades</li><li>Utilization rate of reporting channels for OHS-related cases</li></ul>

## 2023 Progress Evaluation and Reporting

- Zero cases of work-related employee fatality
- Zero cases of work-related hazards that posed high consequence employee injury
- Reduction of severity rate of accidents by 57%
- Decrease in days lost due to disabling occupational accidents 57%
- Completion of 14,632 hours of training intended to address various OHS hazards for PLDT



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### Action Plans and Programs Implemented

- Implementation of workplace organization and waste disposal campaigns like the 5S Thursday
  - Requirement of permit to work, pre-departure vehicle inspections, and online-based accreditation for drivers of company-issued vehicles
  - Conduct of periodic safety inspections, on-site drills, and consultations with employees in facilities
  - Conduct of employee trainings on OHS to raise awareness on safety measures and avoid further accidents in the workplace
  - Cascade of QEHSMS manuals and cascade of lessons learned from accidents
  - Completion of PLDT requirements for certification audits for ISO 9001:2015 on Quality Management Systems, ISO 14001:2015 on Environmental Management Systems and ISO 45001:2018 on OHS Management Systems
- 

In 2023, most of the recorded occupational accidents involved our field employee personnel. There were no hazards that posed high-consequence injury, and all work-related-occupational accidents have been investigated. Corresponding recommendations on corrective actions have also been communicated to the concerned line heads and groups for implementation. Lessons learned from incidents have also been communicated to all employees through our Human Resources Advisory platform.



# PLDT SAFE MAN HOURS

GRI 403-2, 403-9, 403-10

Total Hours of Employee Exposure	18,852,168
Male	14,265,928
Female	4,586,240
Total Hours of Employee Exposure	18,852,168
Luzon	15,820,027
Visayas	1,640,529
Mindanao	1,391,612
Frequency Rate	0.53
Luzon	0.38
Visayas	0.61
Mindanao	2.16
Male	0.63
Female	0.22
Severity Rate	6.84
Luzon	4.49
Visayas	1.22
Mindanao	40.24
Male	8.83
Female	0.65
Number of Employees	10,004
Total Hours of Employee Exposure	18,852,168
Number of Lost Time Accidents	10
Male	9
Female	1
Luzon	6
Visayas	1
Mindanao	3
Number of Non-Disabling Injuries	40
Days lost due to lost time incidents	129
Male	126
Female	3
Luzon	71
Visayas	2
Mindanao	56
<b>TOTAL MAN-HOURS WORK WITHOUT LTA</b>	3,748,381
<b>FREQUENCY RATE</b>	0.53
<b>SEVERITY RATE</b>	6.84

TYPES OF INJURY BY GENDER	MALE	%	FEMALE	%
Abrasions	3	16%	0	0%
Avulsion	1	5%	0	0%
Contusion, bruises, hematoma	1	5%	2*	11%
Cuts, lacerations, punctures	5*	27%	0	0%
Dislocation, fractures	2**	11%	0	0%
Animal bite	20	106%	3	16%
Electrocution & Burns	1	5%	0	0%
Fall, trip, slip	4**	21%	1	5%
Foreign body	0	0%	0	0%
Incise wounds	0	0%	0	0%
Soft tissue injury	0	0%	0	0%
Sprains	1	5%	0	0%
Concussion	1*	5%	0	0%
Trauma	0	0%	1	5%
Vehicular accident	4***	21%	0	0%

TYPES OF INJURY BY REGION	LUZ	%	VIS	%	MIN	%
Abrasions	0	0%	3	16%	0	0%
Avulsion	1	5%	0	0%	0	0%
Contusion, bruises, hematoma	3*	16%	0	0%	0	0%
Cuts, lacerations, punctures	5*	27%	0	0%	0	0%
Dislocation, fractures	1*	5%	0	0%	1*	5%
Animal bite	19	101%	4	21%	0	0%
Electrocution & Burns	1	5%	0	0%	0	0%
Fall, trip, slip	5**	27%	0	0%	0	0%
Foreign body	0	0%	0	0%	0	0%
Incise wounds	0	0%	0	0%	0	0%
Soft tissue injury	0	0%	0	0%	0	0%
Sprains	1	5%	0	0%	0	0%
Concussion	0	0%	1*	5%	0	0%
Trauma	1	5%	0	0%	0	0%
Vehicular accident	2*	11%	0	0%	2**	11%

Frequency Rate (FR) = (No. of Lost Time Accidents (LTA) X 1000000) / Total Manhours Worked

Severity Rate (SR) = (Days Lost due to LTA X 1000000) / Total Manhours Worked

\* With one disabling injury each

\*\* With two disabling injury each

\*\*\* With three disabling injury each





Integral to our OSH strategy is the use of the different hierarchy of controls including administrative, such as trainings and continuous organizational learning based on our identified priorities and risk mitigation strategies. We strive to enable our employees with skills and knowledge on safety measures and how to avoid accidents in the workplace. Training needs were assessed primarily based on competencies required for each role, as well as based on risks and regulatory requirements.

We developed training modules, made them accessible to all employees free of charge, and conducted them during paid working hours. Both regulatory-mandated training and Environment, Health, and Safety (EHS) competency improvement training have been made mandatory for all employees. And as part of corrective actions, mandatory trainings to address top risks were provided to concerned units.

Meanwhile, employees were also encouraged to complete training

modules on raising awareness, although these were not mandated. Specific business units have also been given the liberty to choose their training facilitators based on the applicability to respective roles and functions. The competency of external trainers was evaluated and approved either through the accreditation program of our Learning and Development Team who considers validity of organization as safety training organization by the Department of Labor and Employment and through exams or tests and/or surveys administered after the conduct of training, decrease in number of incidents in addressing top risks, and increase in compliance status for EHS Key personnel competency.

For 2023, we recorded the completion of 14,632 hours of training intended to address various occupational health hazards. This effort is in support of our goal to bring down further occupational accidents within our operations. The Learning and Development team facilitated the generic training sessions.

## LIST OF TRAININGS TO ADDRESS REGULATORY COMPLIANCE AND SPECIFIC HAZARDS GRI 403-4, 403-5

SPECIFIC HAZARDS THAT ADDRESSED	HOW TRAINING WAS DELIVERED	TOPICS	ATTENDEES	TRAINING HOURS
Road Hazards/Safe Driving	Online	Defensive Driving	1,273	4,994
Environmental Hazards	Combination of online and onsite	Pollution control, sewage treatment, energy efficiency, waste management and circularity	385	3,398
Hazards identified in Occupational Health and Safety Standards	Combination of online and onsite	Industrial hygiene, personal preparedness, occupational, behavior-based, and basic field safety personnel	431	2,054
Animal Bite Hazard	Online	Animal bite safety	806	1,612
For competency building	Online	Document control and internal audit	40	952
Risk of Emergency situations	Face-to-face training	Emergency management and disaster mitigation preparedness and response	252	620
Health Hazards	Combination of online and onsite	Health forum, drug assessment, and first aid training	83	642
Fire Hazard	Combination of online and onsite	Fire safety and standpipe Requirements of 2019 RIRR of RA 9514	127	309
For the establishment of QEHSMS following ISO standards	Combination of online and onsite	Quality, environmental, health, and safety management system	12	51
TOTAL			3,409	14,632

In addition, we held in 2023 our third Annual EHS Week with the theme: Empowering Workers: Ensuring Safe and Healthy Work Environments for All. The event was designed to improve the culture of the organization in managing different risks and raise the bar in preparing for different types of EHS threats through exhibits, series of webinars and face to face trainings and various employee engagement activities. This yearly campaign continues to help improve personnel consciousness on EHS aspects while increasing knowledge on specific subject areas covering first aid and basic life support, personal and family emergency preparedness, ergonomics, safety on fieldwork, behavior-based safety leadership, disaster risk reduction management, fire safety animal safety, road safety, health and wellness, energy efficiency and conservation, as well as waste recycling and circularity among others.

The week-long celebration culminated with a recognition program for employees and business partners who actively supported the EHS programs and served as role models for best practices.

In the pursuit of achieving our OHS targets and implementing action plans, we conduct consultations with our employees, recognizing them as our true partners in building a safe and health workplace. We facilitate cross-functional dialogues and engage employee representatives in various risk and opportunity assessments, incident investigations, as well as in EHS committee meetings and programs.

PLDT and Smart also appoint EHS officers and specialists, as well as maintain an EHS central and working committees, which



are composed of representatives from various functional units. The EHS central committee meets quarterly and oversees the planning and directs the overall management of our EHS Management System. Meanwhile, the EHS working committee meets monthly and takes charge of the development, surveillance, and implementation of our organizational policies and programs on EHS.

We also have dedicated EHS specialists and Safety Officers who continually seek ways to enhance the management system and achieve improvements in our overall OHS performance. They help identify work-related hazards and assess risks on a routine and non-routine basis through our Hazard Identification, Risk Assessment, and Control (HIRAC) procedures.

For the investigation and resolution of injuries, ill-health, diseases, and incidents in the workplace, our QEHSMS provides guidelines to ensure due process. Employees may report incidents to their immediate superioris and line heads. After receiving reports, line heads and

immediate superiors would inform safety officers or report the incident to our 164 Response Monitor hotline. Safety officers will then kick-off investigations and then submit the report to our central EHS team for the consolidation of information, completion of the investigation, and development of resolutions, corrective measures, and disciplinary actions as applicable. Highlights of investigations and lessons learned from accidents will then be cascaded to concerned functional units, including our teams handling labor relations, medical, and insurance services. These will also be included as part of the agenda in EHS committee meetings with employee representatives and to the whole organization.

Seeking to further align with international standards, we have also embarked on pursuing ISO certification on Integrated Management Systems (IMS) of our Corporate EHS Center covering QEHSMS that would include ISO 9001:2015 (Quality Management System), ISO 45001:2018 (Occupational Health and Safety Management System) and ISO 14001:2015 (Environmental Management System). In 2023, PLDT completed all the requirements for ISO QEHSMS certification. The third-party certification process will thus commence in 2024. Smart has engaged an external consultant in preparation for its parallel QEHSMS certification in 2024.

To ensure alignment of our suppliers and contractors with our OHS&E and QEHSMS standards and guidelines, we embed OHS provisions in our contract agreements. These ensure compliance with the following statutory requirements, among others:

- Republic Act 11058 or An Act Strengthening Compliance with OHS and Providing Penalties for Violations thereof (OSH Law) and its Implementing Rules and Regulations (IRR) or Department Order 198-18
- Department of Trade and Industry and Department of Labor and Employment Joint Memorandum Circular No. 20-04-A, s. 2020
- Philippine Occupational Health and Safety Standards as Amended 1989



# MANAGING THE IMPACT OF OUR PRODUCTS AND SERVICES

GRI 3-3, 416-1, 416-2

The PLDT Group commits to ensuring that our products and services are safe to use and positively impact customers and end-users. As part of our value creation strategy, we thus conduct impact assessment and risk control measures to uphold consumer safety and welfare across our product life cycle and business activities.

## Electromagnetic Safety of Telecoms Equipment and Consumer Devices

In our continuous network rollout and adoption of evolving technologies, we acknowledge attendant fears of exposure to electromagnetic fields (EMF) and perceived health risks associated with proximity to cell sites and the use of electronic devices. Hence, we commit to working with regulators and various experts to manage these public safety concerns regarding EMF exposure and promote research and science-based information on the health impacts of telecom technology.

We launched an education campaign on the importance of cell sites and a video explainer on their impact on human health, featuring experts from the Philippine Department of Health – Food and Drugs Administration, Asian Hospital and Medical Center, and the Australian Radiation Protection and Nuclear Safety Agency. We also actively engage in community discussions and participate in various public forums to listen to the concerns of our stakeholders, provide assurance on

the safety of our network facilities, and guarantee our compliance with necessary health and safety regulations before installing cell sites.

To ensure that our devices are safe, we require our device partners to submit a Grant of Equipment Certification, as issued by the National Telecommunications Commission, as part of our type approval process. This certification guarantees that devices pass stringent standards for EMF safety and comply with the prescribed Specific Absorption Rate.

## Eco and Safety by Design

To reduce waste and the environmental footprint of our products and services, we continuously build our capacity and keep abreast of industry best practices on eco-design and circularity principles. We engage with our supply chain and expand our patronage of qualified suppliers that utilize eco-friendly raw materials and production models.

In 2023, our wireless brands, TNT and Smart Prepaid, started offering eSIM to prepaid customers. eSIM simplifies the process of obtaining a SIM card and eliminates the use of plastic packaging and other physical materials. As prepaid subscriptions comprise the vast majority of our wireless business, this offering effectively mainstreams the adoption of eSIM and scales up the reach of its environmental benefits.

For our wireless and fixed postpaid customers, we continue to promote paperless billing and incentivize digital channels for bill payment and after-sales transactions. Digital adoption not only facilitates convenience and efficiency but also reduces our collective waste and emissions footprint.

Recognizing the potential risks of digital use to our customers, we uphold security and safety-by-design in developing products and services. These aim to mitigate product risks and ensure our continuing compliance with local and global standards on customer safety, data protection, and cybersecurity. We also enforce third-party management standards among our suppliers to foster alignment with our data privacy and cybersecurity strategies and practices.

Further, the PLDT Group acknowledges that children are active end-users of digital services and must be protected while they are connected to the internet. We thus continue to embed child protection considerations in our product design, content partnerships, cybersecurity mechanisms, and customer education programs. Progress on these measures is periodically monitored and publicly reported, particularly the results of our Child Protection Platform solution. To stay updated on emerging threats and the latest solutions, we also collaborate with global advocates and various industry partners on online child protection.

## Responsible Marketing and Advertising GRI 3-3, 417-1, 417-2

The PLDT Group commits to upholding ethics and social responsibility in marketing and advertising. We comply with relevant regulations on consumer protection and ensure completeness, clarity, and accuracy of information about our products and services in our labeling,

packaging, advertisements, promotions, and marketing materials. We abide by the guidelines of the Ad Standards Council and work with esteemed industry and marketing organizations to align and share best practices in advertising and public relations.

While we do not directly market and sell our services to children, we are aware that some of our marketing programs and materials may be accessed by and include representations of minors. Hence, in designing and implementing our product labels and marketing campaigns, we abide by provisions set in our Child Safeguarding Policy and ensure that execution accords with applicable laws and regulations on child welfare and protection. We also follow internal controls to uphold the privacy of minors and protect children from having their images in videos and photos irresponsibly and indiscriminately displayed and distributed publicly.

The table below shows the results of our efforts in 2023 and covers substantiated marketing and labeling-related complaints that went through our formal grievance channels and those that have been duly endorsed to us by government authorities:

	417-3
<b>ZERO</b>	Number of substantiated complaints on marketing and labeling
	Number of substantiated complaints on marketing and labeling involving children
	Number of substantiated complaints addressed

# CHILDREN AT THE HEART OF SUSTAINABILITY

GRI 3-3, 408-1, UNGC Principle 5

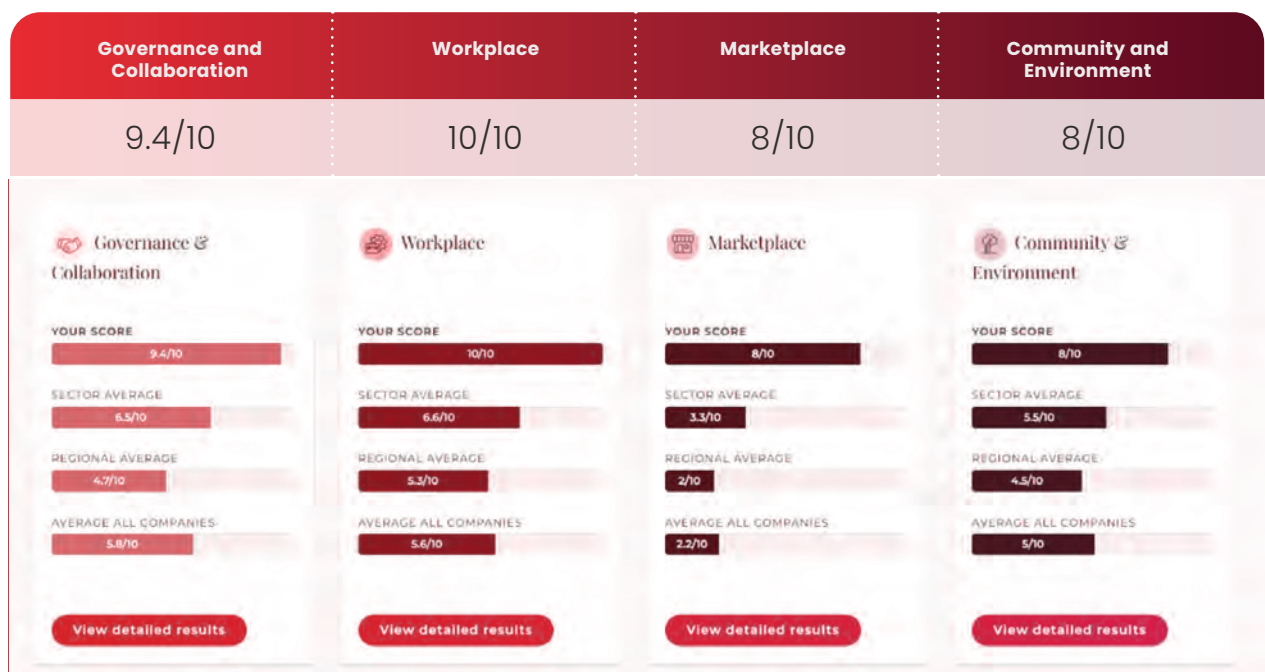
As active end-users of our digital services, important members of our families and communities, and future leaders of our country, we recognize children as critical stakeholders of the PLDT Group.

Since 2018, we have been embarking on a journey to embed child rights in our workplace, marketplace, and community operations. This thrust is institutionalized by our Child Safeguarding and Human Rights Policies, which underscore our commitment to promoting child rights and articulating our alignment with the United Nations Convention on the Rights of the Child.

In the digital and offline environments, we also identify Child Protection as a salient

business issue and as one of our ESG material topics. Corresponding strategies and activities are thus covered by the ESG oversight function of the GNSC of our Board of Directors.

In 2023, PLDT participated in the State of Children's Rights and Business 2023 Global Benchmark of the Global Child Forum. This endeavor supplemented our earlier conduct of a child rights impact assessment and provided a quantitative measure of our continuous commitment to embed child rights in our business. The succeeding table shows our scorecard on this global benchmark.



Achieving a rating of 9/10, PLDT garnered Leader status, scoring the highest in the country and higher than the average score of sectors, regional peers, and all companies across workplace, marketplace, and community indicators on child rights.

This assessment on child rights strengthened parallel enhancements in our internal policies, strategic partnerships, stakeholder engagements, corporate reporting, and feedback mechanisms. Among these are the reinforcement of the minimum employment age in our Human Resources Manual, the conduct of customer education initiatives on digital parenting and child online protection amid AI and smart home technologies, and the establishment of public reporting channels for child rights violations. We also continued reinforcing compliance with anti-child labor laws within our supply chain and maintained child protection and anti-child labor considerations as part of our contracts for sponsorships and marketing partnerships.

In the past year, we collaborated with the International Justice Mission and the University of Nottingham Rights Lab for the Scale of Harm research that aimed at estimating the prevalence of child trafficking to produce child sexual abuse and exploitation materials (CSAEM) in the Philippines. This study revealed that nearly half a million Filipino children have been trafficked to produce new CSAEM in 2022 alone. This also affirmed various strategies that we have been adopting as interventions to help curb CSAEM and online sexual abuse and exploitation of children (OSAEC) in the country.

One of these interventions is our Child Protection Platform, enabling us to comply with the technology provisions of the newly enacted Republic Act (RA) 11930 or the Anti-OSAEC Law and Anti-CSAEM Law. This cyber security solution allows us to detect and block URLs and online content and attempts to access CSAEM 24/7 without violating data privacy regulations and using dynamic global intelligence from the Internet Watch Foundation and the Project Arachnid of the Canadian Centre for Child Protection. From January to December

2023, we were able to block 905,000 URLs and online content and 2.1 million attempts to access CSAEM.

Working with various partners, we have also continued to enable community-based reporting and child protection programs. These include provisioning connectivity and technology for the Makabata Helpline 1383 of the Department of Social Welfare and Development and the Council for the Welfare of Children. This hotline provides the public with a tool to report child rights concerns and violations, including OSAEC and CSAEM. In addition, PLDT and Smart remained partners of youth organization Kids for Kids PH and the SaferKidsPH consortium of UNICEF, Save the Children, and the Asia Foundation on a program to strengthen the capacity of Barangay Council for the Protection of Children units in areas most vulnerable to OSAEC.

As a recognized leader in child rights, PLDT and Smart actively participate in multi-sectoral engagements and public forums to share best practices on Child Protection. These included the ASEAN ICT Summit on Child Online Protection in 2023, where we represented the local private sector and supported the Philippine Department of Justice in reporting to a regional audience the whole-of-nation cooperation that led to the creation of RA 11930 and various efforts to protect children in the digital environment.

The Inter-Agency Council Against Trafficking and Violence Against Women and their Children-Region 7 (IACAT 7-ACP-VAWC) also cited PLDT and Smart for their significant contribution in the fight against OSAEC and human trafficking during the celebration of the World Day Against Trafficking.

Further to enabling provisions and protection for children, we also continue to explore various ways to foster the participation of young people in our value creation and sustainability roadmap. In our recent ESG materiality assessment, we tapped on our SaferKidsPH program partners to facilitate a focus group discussion (FGD) with children ages 13 to 17. As critical stakeholders to our business, this activity aimed to gauge how children understood our sustainability roadmap and get their perspective on how we should prioritize our material focus areas.



During the FGD, we provided participants with an overview of our business, a rationale of why children matter to our operations, and a detailed and interactive discussion of our twelve ESG material topics, which include Child Protection. Based on this contextual discussion, we asked participating children to rank our material topics based on what they think is important, more important, and most important.

The following table shows the results of our materiality assessment with children.

IMPORTANT	MORE IMPORTANT	MOST IMPORTANT
Investments in Innovation and Infrastructure	Operational Resource Efficiency	Cybersecurity and Data Privacy
Digital Inclusion and Community Investments	Customer Welfare	Child Protection
Employee Welfare	Greening of the Supply Chain	Customer Experience
Climate-related Risk Management	Corporate Governance and Business Ethics	Waste Management and Circularity

As an integral component to our overall materiality landscape, this FGD with children gave us a deeper appreciation of our impact and a nuanced approach to understanding areas that matter most to children, including cybersecurity, child protection, customer experience, and circularity. These perspectives will thus be valuable in our continuous efforts to improve our ESG strategies and child protection initiatives.

Beyond these initiatives, the PLDT Group pledges to continue collaborating with global, national, local, and multi-sectoral entities to learn best practices, strengthen adoption of the CRBP, and keep abreast of the latest strategies and innovations on child protection.



# DELIVERING POSITIVE IMPACT ON COMMUNITIES WE SERVE

GRI 3-3, 203-1, 203-2, 413-1, 413-2, GSMA-INT-03

The PLDT Group implements Corporate Shared Value Programs in education, disaster resilience, internet safety, livelihood, agriculture, inclusion, community and sports development, economic and social enterprise, and youth and arts that enable meaningful connections and help bridge the digital divide to ensure that no one is left behind.

Through our umbrella corporate citizenship program, PLDT and Smart Communities, and our social outreach arm, the PLDT-Smart Foundation, we deliver a positive impact on the communities we serve and contribute to the achievement of the United Nations Sustainable Development Goals (SDGs) while helping drive business competitiveness.

In collaboration with partners, the PLDT Group implements shared value programs leveraging technology to empower communities and generate collective impact. These elements of our Corporate Citizenship strategy are anchored on the Connection, Concern, and Commitment pillars of our sustainability roadmap. All of these were implemented in 100% of our operations in Luzon, Visayas, and Mindanao.

## Internet Safety: Promoting #SafeSpaces Online

We continued to proactively advocate for internet safety and cybersecurity for customers and end-users, aiming to protect the most vulnerable segments like children and the youth. The Group strived to ensure stakeholders have high-quality and affordable connectivity and a safe and secure digital experience.

Under our Internet Safety advocacy, we promoted cybersecurity awareness among our various communities; championed child protection by strengthening local community ecosystems that uphold and protect children's rights online and offline; and advocated for mental wellness by spreading awareness on mental health.

In 2023, our key Internet Safety initiatives and milestones included:

- Reached 6,983 individuals through the #CyberSmart internet safety and Better Today mental health awareness webinars.
- Trained 100 community volunteers on Psychological First Aid under the Better Today Program.
- Received recognition for best practices in child protection from the Council for the Welfare of Children and DOJ-IACAT Region 7. PLDT and Smart also achieved leader status from the Global Child Forum for their child protection initiatives.



## **Disaster Resilience: Creating A #SafeandSmart Philippines**

The Philippines is among the countries hardest hit by natural disasters every year, and in times of disasters and emergencies, communications can be a lifeline for those affected. As a provider of this enabling technology, the PLDT Group provided vital communications support to communities before, during, and after disasters.

Under our Disaster Resilience advocacy, we continued implementing programs that help instill a culture of preparedness within our workforce and communities.

In 2023, our key Disaster Resilience initiatives and milestones included:

- Distributed 4,219 relief packs to communities affected by disasters.
- Set up 31 emergency communications stations in calamity-hit areas, offering Libreng Tawag, Libreng Charging, and Libreng WiFi to communities affected.
- Deployed 33 Ligtas Kits to LGUs in hazard-prone areas and trained their representatives on emergency communications. The Ligtas Kit is a portable, all-in-one package that contains tools and devices to provide emergency communications to communities vital before, during, and after disasters.
- Provided connectivity to enable early warning systems for Bauan and Calatagan LGUs.

## **Education: Ensuring #Nolearnerleftbehind**

The PLDT Group leverages technology and connectivity to bridge the digital divide by democratizing access to inclusive, quality education for all.

Under our education advocacy, we endeavored to bridge the digital divide by providing learning communities access to technology, connectivity, education resources, and pedagogy; building capacity around technology; fostering technopreneurship and innovation; and ensuring lifelong learning.

In 2023, our key Education initiatives and impact included:

- Reached 3,326 basic education teachers and students in last-mile areas through the School-in-a-Bag portable digital classroom. A total of 245 LearnSmart Kits, which are connectivity learning companions, were also distributed.
- Trained 2,748 teachers and students on the latest trends and technologies under the Smart Wireless Engineering Education Program and on using an innovative, disaster-resilient pedagogy called the CVIF-Dynamic Learning Program.
- Conducted 68 technopreneurship learning sessions under the Innovation Generation Program, which produced 18 prototypes.

## **Livelihood: Creating #FarmSmart and #MSMEmpowered Communities**

As the Philippines' largest fully integrated telecommunications company, PLDT recognizes its crucial role in ushering communities into the digital economy, which contributes to arresting hunger, alleviating poverty, developing human capital, and spurring economic progress among Filipinos.

Under our Livelihood advocacy, we advocated for digital inclusion among smallholder farmers, cooperatives, and micro, small, and medium enterprises to help enhance their livelihood and strengthen food security.

In 2023, our key Livelihood initiatives and milestones included:

- Trained 11,464 representatives of MSMEs and cooperatives on digital entrepreneurship and e-commerce under the e-BizNovation Program. 120 MSMEs were successfully on-boarded to e-commerce platforms.
- Supported 2,946 smallholder farmers through digital literacy training under its Digital Farmers Program in partnership with the Department of Agriculture – Agricultural Training Institute (DA-ATI) and provided market access under the Buy Local farm-to-market program.
- Distributed 3,890 planting kits to communities and set up six community-based edible gardens to ensure food security under the PlantSmart Program.

### **Inclusion: Enabling participation through #InclusiveTechnology**

Digital inclusion is the primary driver of the PLDT Group's corporate citizenship program. The Group's programs helped ensure that all sectors are provided with the skills, tools, and opportunities to fully participate in the digital economy, thereby promoting economic, social, and educational equity.

Through Inclusion, Diversity, and Equity through the Technology (IDEATe) Program, we aimed to empower people with disabilities, senior citizens, Indigenous Cultural Communities, women, and people with diverse religions.

In 2023, our key Inclusion initiatives and milestones included:

- Reached 800 employees in its cultural sensitivity webinar.
- Trained 51 people with orthopedic disabilities on digital skills for entrepreneurship.
- Trained 43 people with visual impairment on Android accessibility to enable independent living.
- Supported 37 women with physical and psychosocial disabilities or carers of people with disabilities on remote tech jobs.
- Conducted a hybrid session of #CyberSmart: Creating Safer Spaces in the Digital World that was attended by 400+ employees of the National Commission on Indigenous Peoples nationwide

### **PLDT Global Community**

Delivering service driven by purpose and compassion has always been at the heart of the PGC business. This value extends to the community as PGC launched a shared value project that would help former Overseas Filipino Workers (OFWs) and their families.

PLDT Global together with the Department of Migrant Workers (DMW), the Overseas Workers Welfare Administration (OWWA), and the PSF been able to award Microsoft training grant, Learn Smart Kits, and gadgets to repatriated OFWs from Qatar and Sudan, as well as their families.

Local and international delegates of the Asian Carriers Conference (ACC), through PLDT Global and the PSF have also been able to give back to the community; awarding cacao farming grants to OFWs and their families in the Visayas who want to achieve sustainable livelihood.



PLDT-Smart Foundation	
EDUCATION HIGHLIGHTS	
PROGRAMS	2023 RESULTS
School-in-a-Bag	14 units delivered including Oy National High School in Bohol, Parang Basak Elementary School in Basilan and Turtle Island, and Zamboanga in Sulu in partnership with DICT
Pocket Wifi and Load Cards	P72K worth of load cards to schools and organizations nationwide 143 units delivered to schools and organizations in 2023 Beneficiaries include Philippine Marines and Navy, OFW Reintegration Program and Palina Greenbelt Ecopark
Extraordinary Manny Children's Book	1,775 copies delivered to different schools and partner organizations nationwide
MVP Academic Excellence Awards	257 new grantees in 2023 for a total of 4,246 since inception in 2004
Gabay Guro	700 active scholars in 2023 2,296 total number of scholarship grants since 2007
Other Scholarship Grants	62 new PSF-PNP Scholars in 2023 for a total of 825 scholars since 2008 39 San Beda Scholars since 2012 88 Caritas Manila scholars per year since 2015
Sack of Joy	300 Sacks of Joy distributed to the students in Kolambugan, Lanao Del Sur
LIVELIHOOD: CREATING #FARMSMART AND #MSMEMPOWERED COMMUNITIES	
PROGRAMS	2023 RESULTS
e-BizNovation	Trained 11,464 representatives of MSMEs and cooperatives on digital entrepreneurship and e-commerce under the e-BizNovation Program. 120 MSMEs were successfully on-boarded to e-commerce platforms.
Digital Farmers Program	Supported 2,946 smallholder farmers through digital literacy training under its Digital Farmers Program in partnership with the Department of Agriculture – Agricultural Training Institute (DA-ATI) and provided access to markets under the Buy Local farm-to-market program.
PlantSmart	Distributed 3,890 planting kits to communities and set up 6 community-based edible gardens to ensure food security under the PlantSmart Program.
DISASTER RESPONSE AND RECOVERY HIGHLIGHTS	
ACTIVITIES	2023 RESULTS
Hot Meals	3,000 Hot meals served including Mt. Mayon evacuees, Typhoon Egay affected communities in Pampanga and Ilocos. Hot meals were also served as a show of support to Bangon Pilipinas Lab for All Project
Satellite Phones	2 units deployed for Municipal Disaster Risk Reduction and Management Office (MDRRMO) of Palawan and Cordova, Cebu
Sacks of Rice	2,250 kg of rice for communities in Albay, Bicol and Lab for All Project
Relief Packs	5,500 total relief packs distributed for disaster-hit areas in the country, including Typhoon Egay in Northern Luzon, fire in Cavite, oil spill in Oriental Mindoro and heavy rains in Northern Samar
SPECIAL PROJECTS	
PROJECTS	2023 RESULTS
Fishing Boats	As continuous support to Typhoon Odette recovery, 5 boats each were given to the fisherfolks of Palawan and Capiz
Palina Ecotourism Boats	Awarded as the Best Community Practices in Community-Based Responsible Tourism by the Association of Tourism Officers of the Philippines in 2016, Palina Ecotourism boats offer scenic river tour, fishing. New floating boats were given in 2023
Obstacles-in-a-box	In partnership with the Pilipinas Obstacle Sports Federation (POSF), the LGUs of Quezon city and Baguio city were given the special box to make sports more accessible and enjoyable for everyone, and revitalize recreational activities in local communities.
DSWD Family Day	Joined the Family Day event of the Department of Social Welfare and Development (DSWD) by providing ice cream treats, hygiene supplies, and other giveaways for the families of Pantawid Pamilyang Pilipino Program (4Ps)







# CONSERVATION PILLAR

## CONNECTING WITH NATURE FOR FUTURE GENERATIONS

We recognize the interconnectedness of our business existence and success and the health of our planet and its capability to enable our people and communities to thrive.

The third pillar of our sustainability roadmap is “Conservation.” This aims to institutionalize consciousness of our environmental impact and actions to embed stewardship into our day-to-day operations.

Doing business amid the triple planetary crisis of climate change, pollution, and biodiversity loss, we leverage on technology to minimize our footprint, optimize efficiencies, innovate solutions, and drive collection action towards preserving the planet for future generations.



# OUR APPROACH TO ENVIRONMENTAL MANAGEMENT

GRI 3-3, 302-5

We make every effort to understand and comply with all regulations governing environmental management. We also promulgate official policies throughout the organization and monitor their implementation by each functional unit while implementing capacity-building initiatives and educational campaigns.

In 2023, we aimed to bolster the breadth and depth of our environmental commitment through the following:

- Training and policy-making activities in pursuit of an ISO certification on Environmental Management Systems (ISO 14001:2015) and Occupational Health and Safety (ISO 45001:2018)
- A self-paced employee learning program fostering a shared understanding of our climate action targets. The program covered topics on climate change, Net Zero and decarbonization, and their corresponding business risks and opportunities.
- Year-round employee campaigns that promoted practical applications of energy conservation, waste management, and climate awareness in their day-to-day lives at work and at home.
- Engagement with supply chain, service providers, and contractors reinforcing compliance with environmental laws and adherence to the UNGC principles for the environment as part of their accreditation, onboarding, and periodic audit requirements. We urged our partners to align with our environmental thrusts.

Through these initiatives, we have diversified and expanded our environmental target-setting and impact assessment, increased our number of working champions, and strengthened a culture of collaboration focused on shared goals.



# ENSURING COMPLIANCE WITH ENVIRONMENTAL LAWS

We continued to ensure compliance with relevant Philippine environmental laws. We submitted quarterly reports on operational progress to the Department of Environment and Natural Resources (DENR) through designated Pollution Control Officers (PCO). Under our Environmental Management System (EMS), the PCOs monitored and reviewed performance for continuous improvement.

At the same time, our supplier accreditation and onboarding processes included sustainability guidelines that mandate suppliers to adhere to applicable national and local environmental regulations consistently.

Among these regulations is RA 11058, or An Act Strengthening Compliance with Occupational Safety and Health Standards and Providing Penalties for Violations

thereof (OSH Law) and its Implementing Rules and Regulations (IRR), as well as other relevant guidelines laid down by the DENR, the Department of Labor and Employment (DOLE), and the Department of Energy (DOE).

As a result of these efforts, we have upheld the highest standards in occupational safety, health, and environmental performance. By rigorously monitoring compliance and supplier engagement, we have protected worker welfare and fostered sustainable communities in the areas where we operate. Our Occupational Safety, Health, and Environmental (OSH&E) Commitment, as approved by our President and CEO, declares our unwavering dedication to comply with all our legal requirements and attain the highest standards in environmental performance across all our operations.

## RESOURCE MANAGEMENT

As an organization, we continue to seek efficiency in our resource management, and this means we made every effort to identify significant environmental impacts, conducted periodic reviews of our environmental objectives and targets, and analyzed cost-saving opportunities. We also monitored the consequent reduction of Greenhouse Gas Emissions (GHG) from our energy efficiency initiatives.

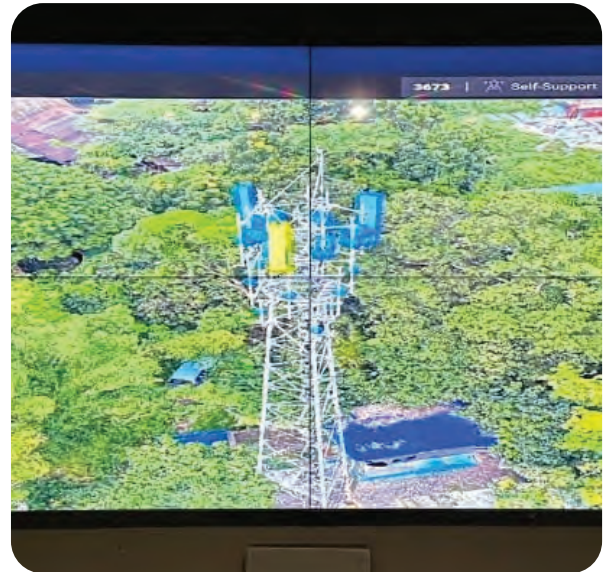
Among the key teams that play a significant role in the effectiveness of these initiatives and of our EMS in general are the Property and Facilities Management (PFM) group and the Environment, Health and

Safety (EHS) and Network Energy Team of our Network Operations. Throughout the year, they worked tirelessly to constantly monitor the consumption of electricity, fuel, and water across company facilities and operations.

At the same time, these dedicated units identified and implemented energy efficiency and conservation programs from as simple as temperature-setting to replacing old air conditioning units and chillers, plans to install building automation systems and rooftop solar panels, as well as the use of AI to operate energy efficient cell sites.

For our network facilities, we formed energy management teams to lead energy efficiency initiatives such as the following:

- Installation of direct current generator sets
- Process implementation for fuel requests and electricity validation tools aimed at improving resource consumption efficiency.
- Deployment in all wireless radio sites of a 'green radio' network solution that has intelligent and automated shutdowns, sleep mode, adaptive power to traffic consumption and multilayer radio power optimization. This solution significantly reduces energy usage and costs by managing power during low load conditions, as well as smart capacity adjustment. This allows us to consolidate and conserve radio resources while maintaining optimal radio coverage and network availability.



## ENVIRONMENTAL IMPACT MANAGEMENT

Another significant contribution of our PFM and EHS teams has been the creation of management plans that cover environmental management strategies for facilities in ecologically protected areas. At the same time, we also work with third party service providers to regularly assess and manage the environmental impacts of new facilities.

We maintain partnerships with DENR-accredited suppliers for hazardous waste to ensure the proper treatment of used lead-acid batteries. Recycling proceeds of our hazardous waste also helps fund our shared value programs on education, livelihood, and environmental stewardship.

Leveraging on our digital technology and robust network, we continue to work with relevant stakeholders and subject matter

experts to pursue eco-efficiency initiatives, enable efforts towards addressing climate change, protect biodiversity, and unlock nature-based climate solutions.





# FOCUS ON OPERATIONAL RESOURCE EFFICIENCY

GRI 3-3, 302-1, 302-5, 305-1, 305-2, 305-4, 305-5, GSMA-ENV-01, GSMA-ENV-02

Aligning with global standards and industry frameworks, we monitored and assessed environmental impacts such as GHG emissions, energy consumption, generated air pollution, water consumption, and waste generation. Our study and analysis of data gathered from these assessments allowed us to design and implement relevant mitigation measures and enhancements in our policies and processes.

We used the operational control approach in accounting for GHG emissions.

Scope 1 emission comes from the purchased fuel for service vehicles, generator sets, and forklifts as invoiced by the vendor. GHGs included are carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), and nitrous oxide (N<sub>2</sub>O), which are converted to carbon dioxide equivalent (CO<sub>2</sub>e). Conversion factors follow the Global Warming Potential (GWP) values for the 100-year time horizon from the Sixth Assessment Report (AR6) of the Intergovernmental Panel on Climate Change (IPCC).

For Scope 2 or indirect emissions, we adopted the location-based approach. As recommended by the Department of Energy (DoE), the Simple Operating Margin (SOM) Emission Factor (EF) is multiplied by the electricity consumed by all our facilities as indicated in the statement of account or invoice. This applies except for purchased renewable energy, which uses emission factors as provided by the vendors.

In 2023, Scopes 1 and 2 CO<sub>2</sub>e emission were monitored at 750,312 carbon dioxide equivalent (tCO<sub>2</sub>e). Using environmentally-extended input-output (EEIO) emission factors on our procurement data, we have estimated our Scope 3 GHG to be approximately 913,205 tCO<sub>2</sub>e. This significant contribution, accounting for 55% of our total carbon footprint, primarily stems from the purchases of capital goods and services.

In line with our decarbonization roadmap, we are implementing the following strategies to reduce our GHG Scope 1 and 2 emissions:

- Energy efficiency and consumption optimization
- Increase in purchased renewable energy sources
- Solar solutions
- Carbon-neutral fleet



CONVERSION FACTORS				
MOBILE FUEL COMBUSTION		STATIONARY OIL		
<b>1 LITER</b> 0.264 gallon	<b>1 GALLON</b> 144.945 megajoule for Diesel 126.833 megajoule for Gasoline	2.676492 kg of CO <sub>2</sub> per liter	0.0003612 kg of CH <sub>4</sub> per liter	0.000021672 kg of N <sub>2</sub> O per liter
<a href="https://www.eia.gov/energyexplained/unitsand-calculators/energy-conversion-calculators.php">https://www.eia.gov/energyexplained/unitsand-calculators/energy-conversion-calculators.php</a>		<a href="https://ghgprotocol.org/sites/default/files/Emission_Factors_from_Cross_Sector_Tools_March_2017.xlsx">https://ghgprotocol.org/sites/default/files/Emission_Factors_from_Cross_Sector_Tools_March_2017.xlsx</a>		
ON-ROAD GASOLINE FUEL		ON-ROAD DIESEL FUEL		GLOBAL WARMING POTENTIAL
8.78 kg of CO <sub>2</sub> per gallon	10.21 kg of CO <sub>2</sub> per gallon	273 N <sub>2</sub> O to CO <sub>2</sub>	29.8 CH <sub>4</sub> to CO <sub>2</sub>	
<a href="https://ghgprotocol.org/calculation-tools-and-guidance">https://ghgprotocol.org/calculation-tools-and-guidance</a>		<a href="https://report.ipcc.ch/ar6/wgl/IPCC_AR6_WGI_FullReport.pdf">https://report.ipcc.ch/ar6/wgl/IPCC_AR6_WGI_FullReport.pdf</a>		
STATIONARY FUEL COMBUSTION		ELECTRICITY		
<b>1 LITER</b> 0.264 gallon	<b>1 GALLON</b> 144.945 megajoule for Diesel 126.833 megajoule for Gasoline	<b>LUZON &amp; VISAYAS</b> 0.7122KG CO <sub>2</sub> e per megawatt-hour	<b>MINDANAO</b> 0.7797KG CO <sub>2</sub> e per megawatt-hour	
<a href="https://www.eia.gov/energyexplained/unitsand-calculators/energy-conversion-calculators.php">https://www.eia.gov/energyexplained/unitsand-calculators/energy-conversion-calculators.php</a>		<a href="https://www.doe.gov/ph/electric-power/2015-2017-national-grid-emission-factor-ngef">https://www.doe.gov/ph/electric-power/2015-2017-national-grid-emission-factor-ngef</a>		
		ELECTRICAL GRID		
		0.0036 GJ/kWh		
		<a href="http://extraconversion.com/energy-conversion-table/kilowatt-hours-to-megajoules.html">http://extraconversion.com/energy-conversion-table/kilowatt-hours-to-megajoules.html</a>		

## GHG SCOPE 1 EMISSIONS



GRI 3-3, 302-1, 302-2, 302-4, 305-3, 305-4, 305-5, TC-TL-130A.1, GSMA-ENV-01, GSMA-ENV-02



The Fleet-Logistics group used the fleet card data to monitor fuel consumption and design the appropriate control strategies.

Among the controls implemented was ensuring that we conduct regular preventive maintenance of vehicles on time for efficiency and availability. The fleet team is also implementing a nationwide fleet rationalization program to determine the optimal number of vehicles designed to reduce the number of service vehicles to

the appropriate count resulting in improved efficiencies and reduction in our fiber footprint.



PFM applied the same focus on operating of efficiency to control the fuel consumption of generators under their management. Aside from regular preventive maintenance, the team implemented a resiliency program: generators over 20 years old were replaced, while those between 10 and 20 years old were overhauled or reconditioned.



TRANSPORT FUEL		
Fuel Consumption (In Liters)	 Diesel	 Gasoline
<b>PLDT</b>	1,910,409	3,058,339
<b>SMART</b>	916,306	426,603
<b>ePLDT</b>	13,892	—
<b>Total</b>	<b>2,840,607</b>	<b>3,484,942</b>

GENSET & FORKLIFT* FUEL		
Fuel Consumption (In Liters)	 Diesel	 Gasoline
<b>PLDT</b>	567,916	10,171
<b>SMART</b>	8,853,585	—
<b>ePLDT</b>	534,000	—
<b>Total</b>	<b>9,955,501</b>	<b>10,171</b>

	PLDT	SMART	ePLDT	TOTAL
Diesel	2,478,325	9,769,891	547,892	<b>12,796,107</b>
Gasoline	3,068,510	426,603	—	<b>3,495,113</b>

\*Only PLDT uses fuel for forklift



TRANSPORT FUEL		
Energy Consumption (In GigaJoule)	 Diesel	 Gasoline
<b>PLDT</b>	73,103	102,405
<b>SMART</b>	35,063	14,284
<b>ePLDT</b>	532	—
<b>Total</b>	<b>108,697</b>	<b>116,689</b>



GENSET & FORKLIFT* FUEL		
Energy Consumption (In GigaJoule)	 Diesel	 Gasoline
<b>PLDT</b>	21,732	341
<b>SMART</b>	338,787	—
<b>ePLDT</b>	20,434	—
<b>Total</b>	<b>380,952</b>	<b>341</b>

	PLDT	SMART	ePLDT	TOTAL
Diesel	94,834	373,850	20,965	<b>489,649</b>
Gasoline	102,746	14,284	—	<b>117,030</b>

\*Only PLDT uses fuel for forklift

In addition, the company's Refleeting Program is being regularly reviewed to evaluate how and when we can start progressively increasing the number of electric vehicles (EVs) within the fleet. This greening of our fleet will map out how the company will comply with the recently passed Executive Order No. 12, which, among other provisions, prescribed the minimum % of EVs in a fleet as well as removed tariffs on EVs.

TRANSPORT FUEL		
GHG EMISSIONS (METRIC TONS CO <sub>2</sub> e)	 Diesel	 Gasoline
<b>PLDT</b>	5,110	6,943
<b>SMART</b>	2,451	968
<b>ePLDT</b>	37	—
<b>Total</b>	<b>7,597</b>	<b>7,911</b>

GENSET & FORKLIFT* FUEL		
Energy Consumption (In GigaJoule)	 Diesel	 Gasoline
<b>PLDT</b>	1,530	27
<b>SMART</b>	23,844	—
<b>ePLDT</b>	1,438	—
<b>Total</b>	<b>26,812</b>	<b>27</b>

	PLDT	SMART	ePLDT	TOTAL
Diesel	6,639	26,295	1,475	<b>34,409</b>
Gasoline	6,970	968	—	<b>7,938</b>

\*Only PLDT uses fuel for forklift

# GHG SCOPE 2 EMISSIONS GRI 305-2

PFM implemented the following initiatives that focused on renewable energy:

1. Solarization of qualified facilities rooftops. This involves installing solar PVs on usable rooftop space. The system's capacity depends on the available rooftop area. As there are no batteries to store the solar energy harnessed, the facility operates using commercial and solar power. Under the existing arrangements, the service provider owns the system while PLDT pays per use.

- Solar Rooftop Phase 1 (Visayas – PLDT Cebu Jones, PLDT Mandaue Cebu, PLDT Roxas, PLDT La Paz, and PLDT Bacolod). The system has been installed in these five facilities since the middle of 2022.
- Solar Rooftop Phase 2 (24 sites nationwide). The system will be installed at identified facilities by the 4Q of 2024.

2. Acquisition of renewable energy via enrolment in the Green Energy Option Program (GEOP) of the Department of Energy (DoE). GEOP is a sponsored program based on the Renewable Energy Act of 2008 or RA 9513,

wherein companies with a monthly minimum demand of 100KW can select a renewable energy supplier to supply 100% renewable energy to their qualified facilities.

- Green Energy Option Phase 1 (Ongoing): Visayas (PLDT Mandaue, PLDT Roxas, PLDT Calbayog, and Smart Banilad)
- Green Energy Option Phase 2 (Planned): Mindanao (PLDT CDO DFON, PLDT Ponciano, PLDT Ozamis, CLS Digos, Smart Bulua, and Smart Matina)
- Green Energy Option Phase 3 (Planned): Metro Manila (24 Metro Manila PLDT sites)

We have an ongoing initiative in all offices to regulate and maintain cooling at 24-26 degrees Celsius, applying the same principles to network rooms in PLDT and Smart PFM-managed facilities.

We are working on how best to measure the actual results of these initiatives.

Scope 2 Facilities	Consumption (KWH)	Energy Consumption (In GigaJoule)	GHG Emissions (Metric Tons CO <sub>2</sub> e)
PLDT Facilities	252,449,350	673,395	181,137
SMART Offices & Stores	15,678,712	56,443	11,187
SMART Network Facilities	631,464,057	2,273,271	455,846
ePLDT Offices	176,575	636	126
ePLDT Data Centers	98,677,091	355,238	59,668
<b>TOTAL</b>	<b>998,445,784</b>	<b>3,358,982</b>	<b>707,964</b>

The construction of our 11th data center facility, VITRO Sta. Rosa, in Laguna, is another example of our focus on embedding sustainability in our operations. For this project, we tapped the global expertise of RED Engineering and aligned with LEED standards for sustainable design, supply, and building operations.



Scheduled to start commercial operations in July 2024, VITRO Sta. Rosa will be powered by a combination of conventional and renewable energy. To ensure continuous power supply and business continuity, a power substation has been constructed within the data center premises. Combined with a robust back-up power infrastructure, the Vitro Sta. Rosa Data Center can deliver services for up to 72 hours in cases of natural and man-made disasters.

The facility will also utilize state-of-the-art cooling technology, hot or cold aisle containment, high-efficiency uninterruptible power supply systems, provisions for rain and wastewater storage and reuse, and construction material that will help maintain the ambient temperature within the building.



## CARBON REDUCTION FROM THE USE OF RENEWABLE ENERGY

GRI 305-5, GSMA-ENV-03, TC-TL-130A.1

Our decarbonization roadmap, targeting a 40% reduction in Scope 1 and 2 GHG emissions by 2030, assumes the use of renewable energy and green network technology initiatives. We aim to source a significant amount of renewable power in the long term which should help stimulate the alternative power market to expand generating capacity and ultimately help reduce the cost of renewables.

In 2023, through a supply partnership with Green Core Geothermal, Inc., the retail electricity supplier arm of First Gen Corporation (First Gen), PLDT and Smart are now using geothermal energy to power seven facilities located in Cebu, Samar, Capiz, and Iloilo. These facilities will source their renewable energy supply from Energy Development Corporation (EDC), First Gen's subsidiary that provides 100% renewable energy.

In addition, our data centers have a range of 20% to 27% RE supply and registered a Power Usage Effectiveness (PUE) of 1.61 in 2023, a 2% improvement from the previous year.

In line with our PLDT Group decarbonization roadmap, we are partnering with various providers to enable our transition to renewable energy and continuously increase renewables in our energy mix, especially for our data centers. Through these, we were able to reduce our Scope 2 GHG emissions by 10,610 metric tons of carbon dioxide (CO<sub>2</sub>) in 2023 or 23% compared to our 2019 baseline emissions. Such reduction further contributed to lowering our emissions intensity headcount and service revenue by 29% and 19% respectively, compared to our 2019 baseline level of emissions.

Our data center in Pasig had an absolute reduction of 15% compared to its 2019 baseline emission while our Cebu 1 data center had an 17% absolute reduction emission using the same base year.

ePLDT Data Centers	ePLDT Data Center Electricity Consumption			% reduction against baseline
	Baseline GHG Emission in metric ton (2019)	2023 GHG Emission in metric ton	GHG Emission reduced in 2023	
Vitro Pasig	31,738	21,955	4,677	15%
Vitro Makati Systems 1 & 2	6,179	25,479	3,230	52%
Vitro Clark (includes self-generated energy from solar panels)	2,862	5,484	1,265	44%
Vitro Cebu 2	1,912	3,813	812	42%
Vitro Cebu 1	3,601	2,936	625	17%
<b>TOTAL</b>	<b>46,292</b>	<b>59,668</b>	<b>10,610</b>	<b>23%</b>

	2019	2023	REDUCTION
<b>INTENSITY PER EMPLOYEE</b>	92.03	65.21	<b>29%</b>
<b>INTENSITY PER MILLION REVENUE</b>	10.52	8.54	<b>19%</b>

The PLDT Group has made significant strides in its decarbonization journey, achieving a notable reduction in carbon emissions through strategic partnerships with private entities. Despite the limited renewable energy opportunities in the country, the company was able to avoid 11.4 metric tons of carbon dioxide equivalent (CO<sub>2</sub>e), which translates to a 2.24% reduction in its baseline Scope 2 emissions and a 2.07% reduction in its combined Scope 1 and Scope 2 greenhouse gas (GHG) emissions.

This is a testament to the company's commitment to adapt to the challenges posed by the limited availability of renewable energy sources in the Philippines.

As PLDT Group continues to explore innovative solutions and collaborate with other stakeholders, it is poised to make even greater strides in its decarbonization journey, ultimately achieving its goal of a more environmentally friendly and resilient business model.

Emission Source	Electricity sourced from renewable sources (in kWh)	Avoided carbon emission (metric tons CO <sub>2</sub> e)
<b>PLDT Facilities</b>		
PLDT Mandaue Cebu	67,600	48
PLDT Bacolod	77,500	55
PLDT Roxas City Capiz	31,300	22
PLDT Cebu Jones	142,500	101
PLDT Calbayog	449,723	275
<b>TOTAL</b>	<b>768,623</b>	<b>502</b>
<b>Smart Facilities</b>		
Lapaz Iloilo Smart Site	67,400	48
Banilad Smart Site	356,234	218
<b>TOTAL</b>	<b>423,634</b>	<b>266</b>
<b>Data Centers</b>		
RIDC Vitro Paranaque	2,066,880	1,293
ePLDT Data Centers	16,317,481	10,610
<b>TOTAL</b>	<b>18,384,361</b>	<b>10,610</b>
<b>PLDT GROUP TOTAL</b>	<b>19,576,618</b>	<b>11,378</b>



# ENERGY AND GHG INTENSITY\*

GRI 302-3, 305-4, GSMA-ENV-03

2023

Energy Consumption (in Gigajoule)				GHG Emissions (metric tons CO <sub>2</sub> e)			
	Scope 1	Scope 2	Total		Scope 1	Scope 2	Total
PLDT	197,580	673,395	870,975	PLDT	13,609	181,137	194,746
SMART	388,134	2,329,714	2,717,848	SMART	27,263	467,033	494,297
ePLDT	20,965	355,873	376,839	ePLDT	1,475	59,794	61,269
Total	<b>606,679</b>	<b>3,358,982</b>	<b>3,965,661</b>	Total	<b>42,348</b>	<b>707,964</b>	<b>750,312</b>

Energy Intensity per Headcount				GHG Intensity per Headcount			
	Scope 1	Scope 2	Total		Scope 1	Scope 2	Total
PLDT	19.75	67.31	87.06	PLDT	1.36	18.11	19.47
SMART	91.91	551.67	643.58	SMART	6.46	110.59	117.05
ePLDT	22.91	388.93	411.85	ePLDT	1.61	65.35	66.96
Total	<b>40.07</b>	<b>221.83</b>	<b>261.90</b>	Total	<b>2.80</b>	<b>46.76</b>	<b>49.55</b>

Energy Intensity per Million Service Revenue				GHG Intensity per Million Service Revenue			
	Scope 1	Scope 2	Total		Scope 1	Scope 2	Total
PLDT	1.93	6.57	8.50	PLDT	0.13	1.77	1.90
SMART	4.23	25.37	29.60	SMART	0.30	5.09	5.38
ePLDT	3.00	50.93	53.93	ePLDT	0.21	8.56	8.77
Total	<b>3.01</b>	<b>16.69</b>	<b>19.71</b>	Total	<b>0.21</b>	<b>8.55</b>	<b>3.73</b>

\*PLDT, Smart, and ePLDT only



Scope 3 Emissions						
UPSTREAM EMISSION		CO <sub>2</sub> e (metric ton)		DOWNSTREAM EMISSION		
Category 1	Purchased Goods and Services	185,739		Category 11	Use of sold products	182,646
Category 2	Capital Goods	428,692				
Category 3	Fuel & energy related activities	69,449				
Category 5	Waste generated in operations	46,681				
TOTAL UPSTREAM EMISSIONS		730,560		TOTAL UPSTREAM EMISSIONS		182,646
TOTAL SCOPE 3 EMISSIONS					913,205	
GHG SCOPE 3 INTENSITY PER MILLION PESO SERVICE REVENUE					4.54	

GHG Emissions	CO <sub>2</sub> e (metric ton)
Scope 1	42,348
Scope 2	707,964
Scope 3	913,205
<b>TOTAL</b>	<b>1,663,517</b>

Per headcount	<b>109.86</b>
Per Million Peso Service Revenue	<b>8.27</b>

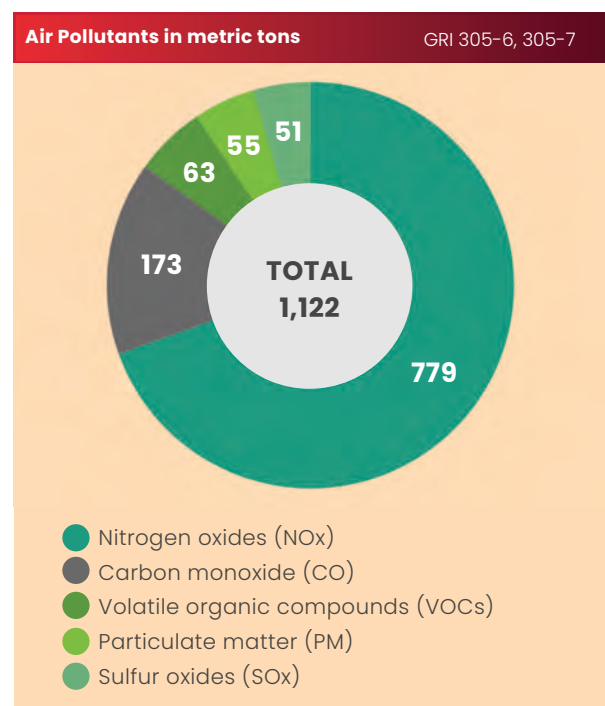
## MEASURING GENERATED AIR POLLUTION

Our continued investment in clean and renewable energy supply demonstrates our commitment to establishing clean and energy-efficient operations in all our facilities.

However, delivering uninterrupted services to areas without a reliable electricity source may entail the use of diesel generators for power. We are proactively seeking ways to mitigate the negative impact of such solutions and are exploring the use of hybrid- and fuel-cell-powered base stations in remote, off-grid areas.

As such, the monitoring programs of our PFM and ESH teams include those for air quality as we seek to mitigate impacts on communities. Our data on ozone-depleting substances (ODS) were based on monitored actual refrigerant use, and our air pollutant data were based on the diesel consumption of all our generator sets. Emissions were then estimated

using the Emission Factor (E.F.) for diesel engines (less than 600 Hp) from the United States Environmental Protection Agency's Compilation of Air Pollutant Emissions Factors (AP-42).



# MONITORING WATER CONSUMPTION AND CONSERVATION

GRI 3-3, 303-1, 303-2

As a steward of the environment and advocate of conservation, the PLDT Group remains committed to responsible water consumption and conservation.

Our PFM and ESH groups help monitor the performance of our major facilities for water consumption and provide reports to management regularly. They also facilitate the implementation of water conservation measures to ensure efficiency and reduce water consumption in all our facilities nationwide.

Towards these goals, we conducted regular maintenance works, including leak detection measures, standardization of water used in all water closet facilities, optimization of use in chiller plants and cooling waters, and construction of rainwater catchments in pre-identified locations or sites.

Conservation measures involved closed-loop cooling, recycling, and using rainwater whenever possible. We have equipped four of our facilities in Mindanao with rainwater catchments and identified two other sites in the Visayas to be next in line. Our Mindanao sites can potentially store up to 24,000 liters of rainwater, while those planned in the Visayas are estimated to hold about 50,000 liters. Collected rainwater was used to wash service vehicles, clean our facilities, and water plants on our premises.

In 2023, we noted a decrease in domestic water use within our PLDT facilities and an increase in water consumption within our Smart facilities, as compared to the previous year, due to movement of people to the building. In addition, we continue to work with institutional partners to provide awareness on water efficiency, help protect watersheds, collaborate on reforestation programs, and protect reforested lands as a significant part of the ecosystem that ensures continued water supply for the population.

- Rainwater collection systems and gray water storage are available in Cebu 2, Makati 2 and Clark Vitro data centers
- Wastewater reuse for irrigation and restroom are also available in selected data centers
- In compliance with their ISO 14001:2015 certifications, Vitro Pasig, Makati 2 and Clark have sewage treatment plants
- Vitro Sta. Rosa will have a rainwater catchment and sewage treatment plant once it goes live in July 2024

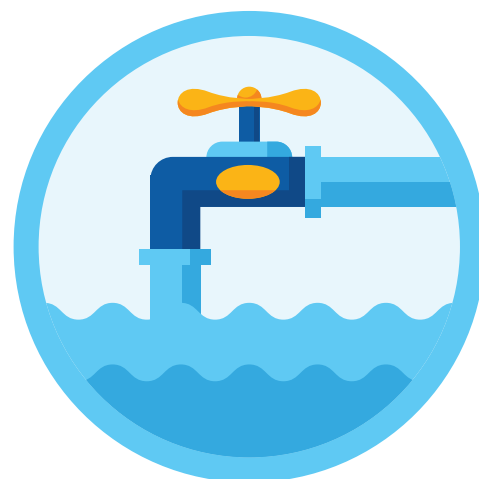
With fewer employees reporting to particular offices, especially in those facilities that use chiller plants, we have noted a corresponding impact on overall water consumption. As we have reduced the operating time of some of our cooling towers, the subsequent water evaporation rate and make-up water volume requirement also decreased.

GRI 303-5

Water Consumption (cubic meter)	TOTAL
Fixed offices and facilities	285,649
Network and wireless facilities	61,565
Data centers	108,097
<b>TOTAL</b>	<b>455,312</b>

Water recycled from collected rainwater	<b>194</b>
Water intensity (cubic meter per million Peso service revenue)	<b>2.26</b>



In addition, we continue to work with institutional partners to help protect watersheds, collaborate on reforestation programs, and protect reforested lands as a significant part of the ecosystem that ensures continued water supply for the population.

# INITIATIVES ON WASTE MANAGEMENT AND CIRCULARITY

GRI 3-3, 306-1, 306-2, GSMA-ENV-05, GSMA-ENV-06

We follow standard processes in all our facilities and have mechanisms to identify and classify the solid waste we generate. We conduct periodic ocular inspections, assessments, and evaluations of business activities on our premises to ensure that these processes and mechanisms remain relevant and responsive to the needs of the people using the facilities.

Meanwhile, we regularly coordinated with our maintenance and janitorial personnel to address emerging concerns immediately and capture suggestions for continuous improvement.

We segregate solid wastes at source through segregation bins placed in strategic locations. PLDT and Smart release advisories to join the groupwide movement to make the facilities plastic-free workplace by encouraging them

to use reusable containers. We also sought to minimize waste generation through recycling, with our regional offices maintaining good partnerships with Local Government Units (LGUs) to collect recyclables that can go to the local Material Recovery Facility (MRF).

At the same time, PLDT and Smart implemented several programs to promote recycling, such as the annual X-Trash Challenge and the PLDT Group's Be Kind. Recycle. Program in collaboration with the DENR and the United Nations Industrial Development Organization (UNIDO). In addition, we invested in a Treatment, Storage and Disposal (TSD) Facility in Baguio City bolstering localized efforts on proper e-waste management. This is the first barangay-led TSD facility in the North that is seen to cater to the hazardous waste in the Cordillera Autonomous Region.



Furthermore, we give proper importance to the handling of Hazardous Waste. Identification and classification of Hazardous Waste cover oils and compounds used in our equipment and fleet, electronic and electronic equipment waste, and medical wastes, among others. We have started to embed this same process in our supply chain including the arrangement involving the proper handling of fleet hazardous wastes, such as used oil, brake fluids, and contaminated parts generated by our accredited service shops from the maintenance of our service vehicles. The said hazardous waste will be collected and transported to a treatment facility accredited by the DENR. The pilot run includes four service shops in the NCR and will be deployed nationwide to cover all accredited service shops where our vehicles undergo maintenance or corrective repairs.

For Hazardous Wastes, PLDT and Smart ensure that items are correctly labeled and stored in temporary storage areas for

further processing by DENR-EMB Accredited vendors for transport, treatment, and disposal. These partners provide us with corresponding inventory and geotagged information throughout the process, as well as a Certificate of Treatment (CoT) upon completion of proper disposal.

For used lead-acid batteries (ULAB) that constitute a significant portion of our Hazardous Waste, we follow an internal process where employees can use our OneHub employee platform to file ULAB disposal requests and document end-to-end handling processes.

Requests are issued with corresponding tickets that undergo line manager and finance approvals before being sent to our logistics group for hauling. ULABs that are hauled on-site are covered by the DENR's required waste manifest documentation. These go directly to DENR-accredited TSD facilities. After that, a CoT is issued by the treater and further certified by the DENR.



From the request transaction to certification, we monitor our waste data and use it as a reference for any remittance made by our third-party haulers. Relevant proceeds are used to fund our corporate shared value programs and supported projects of the Philippine Business for Social Progress (PBSP).

As part of our accreditation process for our waste management partners, we conduct on-site assessments and facility inspections jointly with the DENR to ensure that their hazardous waste treatment and disposal facilities align with regulatory standards and requirements.

In 2023, our waste management and circularity initiatives were designed to achieve significant environmental and social impact within our sphere of influence. Key output metrics include the percentage of organizational waste diverted from landfills, the volume of electronic waste collected from

employees (over 2,300 kgs in 2023) and customers, and the recycling rate of recovered electronic waste. During the year, we have started to train employees on waste management and circularity as well as utilize multiple marketing and sales channels to promote these programs. These efforts have led to greater awareness among employees and customers about proper e-waste management and circularity solutions, increased recovery of electronic waste from households and even enhanced access to skills training and livelihood opportunities for the informal waste sector. There has also been a marked improvement in the level of participation of our employees and customers and adoption of circularity solutions and the beginnings of a shift towards more responsible consumption habits as evidenced by our impact metrics. These initiatives underscore our commitment to sustainability and the promotion of a circular economy.

<b>WASTES (In Metric Tons)</b>	<b>FIXED</b>	<b>WIRELESS</b>	<b>TOTAL</b>
Solid Waste	1,381.20	476.73	<b>1,857.93</b>
Hazardous Wastes*	43.09	304.48	<b>347.56</b>
<b>TOTAL</b>	<b>1,424.29</b>	<b>781.21</b>	<b>2,205.50</b>

<b>Solid waste (in metric ton)</b>	<b>QTY</b>
Waste generated in 2023	<b>1,857.93</b>
Disposed as follows:	
Turned-over to accredited recycler	<b>1,478.37</b>
Landfill	<b>296.79</b>
Mechanically treated	<b>78.60</b>
Composted	<b>4.18</b>

<b>Hazardous waste (in metric ton)</b>	<b>QTY</b>
Waste generated in 2023	<b>323.41</b>
Hazardous waste turned-over to accredited recyclers	<b>323.41</b>

*Note: Hazardous waste consists mostly of used lead acid batteries*

# TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

GRI 201-2

## GOVERNANCE

In the 2023 Global Risks Report of the World Economic Forum, natural disasters and extreme weather events were identified as the top risks for the Philippines through an Executive Opinion Survey (EOS)<sup>1</sup>. Additionally, the 2023 World Risk Index ranked the Philippines as the country with the highest overall disaster risk globally<sup>2</sup>.

In response to the challenges posed by climate change, the PLDT Board of Directors, through its Governance, Nomination, and Sustainability Committee (GNSC), oversees our sustainability strategy, framework, program, and policies, as well as climate-related risks and opportunities. The Group Enterprise Risk Management Department (GRMD) briefed the Risk Committee, who in turn updates the Board, at least once a year on known and emerging risks, the methodologies for identifying such risks, assessment processes, and impact measurement. The impact of climate change has been recognized in our top ten enterprise risks for the fourth consecutive year and is identified as one of our key ESG material topics.

The Corporate Sustainability Office (CSO) led by the Chief Sustainability Officer, in collaboration with the GRMD reporting to the Chief Risk Management Officer, facilitates the identification and management of climate risks and opportunities. From a top-down perspective, the GRMD ensures that

climate risks are strategically considered in business decisions, while the CSO designs the organizational climate roadmap and ensures alignment and contribution from business and functional units, which conduct risk assessments for their respective operations.

The CSO works closely with operational units, while the GNSC and RC oversee the effectiveness of climate-related risk management. Guided by the TCFD recommendations, we monitor and evaluate existing and upcoming legislation concerning climate change adaptation and mitigation that may affect our operation and financial position, including those of our subsidiaries and affiliates. We analyze how climate change impacts the value of our assets and craft business strategies under various climate change scenarios.

We also implement a standardized Business Continuity Management System (BCMS) dedicated to improving organizational resilience by protecting critical business functions that may be affected by climate-related risks. The Enterprise Business Continuity and Resilience Office (BCRO), established under the office of the President and CEO, oversees BCMS management strategies and programs, ensuring that we are prepared to handle various types of operational and business disruptions.

<sup>1</sup> [https://www3.weforum.org/docs/WEF\\_Global\\_Risks\\_Report\\_2023.pdf](https://www3.weforum.org/docs/WEF_Global_Risks_Report_2023.pdf)

<sup>2</sup> [https://weltrisikobericht.de/wp-content/uploads/2023/10/WRR\\_2023\\_english\\_online161023.pdf](https://weltrisikobericht.de/wp-content/uploads/2023/10/WRR_2023_english_online161023.pdf)

# STRATEGY

To better understand our readiness to respond to the impacts of climate change and adapt to a low-carbon economy, we have identified the following risks and opportunities that may impact our business and influence our financial planning.

## Transition Risks

Transition risks are the financial and operational exposures that we may face as the world transitions to a lower-carbon economy.

TRANSITION RISKS	DETAILS	POTENTIAL FINANCIAL IMPACT	MITIGATING ACTIONS AND PLANS
<b>Policy and Legal</b> (Includes both current and emerging regulations)	<p><b>Carbon tax</b></p> <ul style="list-style-type: none"> <li>The Philippine Department of Finance (DOF) Secretary formed a technical working group for the development of a carbon tax and emissions trading systems considered as crucial steps towards achieving a low-carbon economy.</li> </ul> <p>Reference:  <a href="https://www.dof.gov.ph/recto-calls-for-study-of-carbon-pricing-instruments-underscores-need-to-identify-optimal-mix-for-ph/">https://www.dof.gov.ph/recto-calls-for-study-of-carbon-pricing-instruments-underscores-need-to-identify-optimal-mix-for-ph/</a></p> <ul style="list-style-type: none"> <li>The Philippines could start at USD20.00 per ton in 2023 and increase by USD4.30 per ton per year by 2030 according to the International Monetary Fund.</li> </ul> <p>Reference:  <a href="https://www.bworldonline.com/top-stories/2023/01/04/496354/imf-says-carbon-pricing-may-raise-7-b-revenues/">https://www.bworldonline.com/top-stories/2023/01/04/496354/imf-says-carbon-pricing-may-raise-7-b-revenues/</a></p> <p><b>RA 11697 – Electric Vehicle Industry Development Act (EVIDA)</b></p> <ul style="list-style-type: none"> <li>EVIDA outlines the regulatory framework and creates a comprehensive roadmap for the operation of Electric Vehicles (EV) in the Philippines</li> </ul> <p>Reference:  <a href="https://www.officialgazette.gov.ph/downloads/2022/04apr/20220415-RA-11697-RRD.pdf">https://www.officialgazette.gov.ph/downloads/2022/04apr/20220415-RA-11697-RRD.pdf</a></p> <ul style="list-style-type: none"> <li>Related to EVIDA is the creation of a Comprehensive Roadmap for the Electric Vehicle Industry (CREVI) which aims to boost the development, commercialization, and utilization of EVs in the Philippines. By 2034, 5% of the fleet of commercial companies must be EVs.</li> </ul> <p>Reference:  <a href="https://doe.gov.ph/sites/default/files/pdf/energy_efficiency/REVI%20as%20of%2005-04-2023.pdf">https://doe.gov.ph/sites/default/files/pdf/energy_efficiency/REVI%20as%20of%2005-04-2023.pdf</a></p>	<p>The PLDT Group had a total GHG Scope 1 &amp; Scope 2 emissions of 750,312 metric tons in 2023. At an assumed carbon tax of USD20 per ton, this would translate to an additional expense and liability of about USD15 million (PhP855 million) in the reporting year.</p> <p>The decarbonization roadmap of the company has projected that with the existing and upcoming carbon efficiency initiatives, the estimated emission by 2025 will be at 542 thousand metric tons and 341 thousand metric tons by 2030. This would be equivalent to liability and expense of about USD15.5 million or approximately PhP884 million, and around USD17.1 million or PhP974 million in reporting years 2025 and 2030, respectively.</p> <p>(assumed forex USD1 = PhP57)</p> <p>The combined total of service vehicles of the fixed and wireless business of the PLDT Group is currently around 2,000 units. Under CREVI, 5%, or about 100 units, should be replaced with EVs by 2034. This may result in a write-off of an estimated book value of PhP9 million and an estimated investment of PhP120 million for the replacement EV.</p>	<p>Although not yet a law, as early as 2022, the PLDT Group has started to consider the inclusion of a shadow carbon tax in the evaluation of selected projects.</p> <p>Based on the recognition that projects could have social and environmental impacts, efforts to institutionalize the identification and inclusion of these in the evaluation of projects are being discussed.</p> <p>The PLDT Group launched its pilot EV in 2022. Several other EV models are being evaluated taking into consideration the battery and charging capacity, electricity efficiency, and designed driving distance, among others.</p>

TRANSITION RISKS	DETAILS	POTENTIAL FINANCIAL IMPACT	MITIGATING ACTIONS AND PLANS
<b>Technology</b>	<p><b>Network and infrastructure upgrades</b></p> <ul style="list-style-type: none"> <li>Upgrading existing facilities and infrastructure, such as migrating to 5G networks, may cause operational disruptions.</li> </ul> <p><b>Resource and carbon efficiency</b></p> <ul style="list-style-type: none"> <li>The Philippines' energy supply heavily relies on coal. Renewable energy supply requires more investments and build-out.</li> </ul> <p><b>Electronic waste (e-waste) management</b></p> <ul style="list-style-type: none"> <li>Adapting new technology often results in increased amounts of e-waste.</li> </ul>	<p>Multi-year capital investments are needed for additional base stations and solutions to enhance operational efficiency while minimizing emissions.</p> <p>Outdated facilities may be impaired, retired, and written off.</p>	<p>Older mobile technologies such as 2G and 3G are still being used in the Philippine market but may be phased out in the medium-term as more customers shift to data-capable LTE and 5G compatible handsets.</p> <p>Continuously explore and adopt new technologies to maximize capital investments and improve both operational and carbon efficiency</p> <p>Scale up the e-waste campaign which includes awareness, collection, treatment, storage and disposal.</p>
<b>Market</b>	<p><b>Changing customer behavior</b></p> <ul style="list-style-type: none"> <li>Customers are increasingly aware of their carbon footprint, demanding transparency and accountability from companies.</li> </ul>	<p>Potential loss of revenue if customers are not satisfied with the company's efforts to reduce its carbon footprint.</p>	<p>PLDT Group has maintained transparency by disclosing not only its carbon footprint, but also having it assured by a third party.</p> <p>Continue to report on progress related to efforts to reduce carbon footprint and engage suppliers to align with low-carbon economy goals.</p> <p>Diversify the supplier base.</p>
<b>Reputation</b>	<p><b>Increased stakeholder concern or negative stakeholder feedback</b></p> <p><b>Shifts in consumer preferences</b></p> <ul style="list-style-type: none"> <li>A Pulse Asia survey conducted in November to December of 2022 revealed that 8 out of 10 Filipino consumers prefer eco-friendly brands.</li> </ul> <p>Reference:  <a href="https://newsinfo.inquirer.net/1734646/pulse-asia-survey-over-80-filipino-consumers-prefer-eco-friendly-products">https://newsinfo.inquirer.net/1734646/pulse-asia-survey-over-80-filipino-consumers-prefer-eco-friendly-products</a> </p>	<p>Increase in sales and revenues, ability to attract potential investors, and improved access to financing. Failure to meet new customer preferences and stakeholder expectations may lead to a loss of market share, higher investment/financing costs, and reputational risks.</p>	<p>Develop a strategy and roadmap with clear, measurable goals aligned with the global ambition to achieve net-zero.</p> <p>Continuously innovate in service delivery.</p> <p>Regularly communicate to the company's various stakeholders the strategy, roadmap and progress made.</p>



## Opportunities from transition risks

Broadband using fiber-optic cables and data centers powered by renewable energy can be considered low-carbon investments under the LCI Registry Taxonomy. This is due to their significant role in reducing greenhouse gas emissions and supporting sustainable business practices, aligning with the global objective of transitioning to a low-carbon economy.

This presents a substantial commercial opportunity for us, particularly in leveraging digitization, machine learning, artificial intelligence (AI), and the Internet of Things (IoT) to support decarbonization. Insofar as increasing the adoption of renewable energy, we plan to focus not only on our own use but also leverage on our influence to encourage our suppliers and business partners to increase adoption of clean energy solutions. Emphasizing the environmental impact alongside financial considerations in purchasing decisions is vital for driving eco-efficient practices across the supply chain.

The telecommunications sector's interconnected nature with various industries positions us as key partner in carbon emission reduction efforts.

The commercial opportunity for us is from the growth of its data center business is significant. Based on the forecast by Structure Research's PH DCI Report (ca. April 2022), the 5-year CAGR for the combined retail and hyperscale data center market is 25%. For 2023, PLDT's data center revenues stood at PhP3.2 billion.

The opportunity in the fiber industry remains attractive, with about 6.5 million customers at the end of 2023 compared to an addressable market estimated to be between 10-12 million.

In 2023, the Philippine fiber broadband industry grew by 7% or PhP6.6 billion, 68% of which was from PLDT, which expects to take a significant share of market growth going forward.

## Physical Risks

Physical risks refer to the potential adverse impacts that climate-related events and phenomena can have on the company's operations, assets, and infrastructure.

To understand the physical risk exposure of us, we conducted analyses based on the following methodologies:

- **Downstream.** This approach examines the risk to customer revenue from high physical risk exposure under different climate scenarios
- **Operations.** This approach evaluates the risk to the company's assets and operations from high physical risk exposure under different climate scenarios

Below are the alternative scenarios considered:

- Representative Concentration Pathway (RCP 8.5)** – Business as usual scenario. The GHG emission will continue at the current rate and will result in global warming in excess of 4 degrees Celsius by 2100 compared to the pre-industrial period.

- ii. **Representative Concentration Pathway (RCP 4.5)** – There is strong mitigation actions to reduce GHG emissions to half of current levels by 2080. This scenario is more likely than not to result in global warming in excess of 2 degrees Celsius by 2100 compared to the pre-industrial period.
- iii. **Representative Concentration Pathway (RCP 2.6)** – Aggressive mitigation actions in place to halve the GHG emissions by 2050. This scenario is likely to result in global warming of less than 2 degrees Celsius by 2100 compared to the pre-industrial period.

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### Acute physical risks

An independent assessment has revealed that our operations face the most acute physical risk from typhoons and flooding.

1. **Typhoon** (*Data source: National Oceanic and Atmospheric Administration*)  
Analysis metric: Typhon Index – this represents the historical incidence and severity/strength of typhoon activity at a given location, weighted in favor of recent events. Spatial resolution is approximately 10x10km.
2. **Flooding** (*Data source: World Risk Index Aqueduct*)  
Analysis metric: Inundation Depth – the extent and depth of fluvial flooding at a given location in a given year. Spatial resolution is the river basin

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### Chronic physical risks

Among the top chronic physical risks we face that come with long-term impacts due to the changes in climate pattern are typhoons, sea level rise, heat waves, and water stress.

1. **Sea level rise** (*Data source: Climate Central*)  
Analysis metric: Inundation Depth – the extent and depth of coastal inundation due to sea level rise at a given location in a given year. Spatial resolution is 30x30m.
2. **Water stress** (*Data source: World Risk Index Aqueduct*)  
Analysis metric: Water Stress Index – projected water withdrawals to total renewable water supply in a given area. Spatial resolution is the river basin
3. **Heat waves** (*Data source: Climate Model Intercomparison Project 5 multi-model average*)  
Analysis metric: Heat Wave Days – the occurrence of extreme heat relative to local climactic conditions, measured based on the excess heat factor. Spatial resolution is 100x100km to 200x200km

## Summary of risks and scenario analysis

Overall, based on a third party assessment, 53% of the PLDT Group's customer revenues are exposed to high risk from one or more physical risk indicators. This exposure is primarily due to customers located in regions frequently hit by typhoons and prone to flooding. Similarly, 60% of the PLDT Group's assets and infrastructure in these areas are highly exposed, with typhoons and water stress being the most significant contributors to the overall risk.

### RCP 2.6 Scenario: Aggressive Mitigation

In an RCP 2.6 scenario, with aggressive mitigation efforts to limit global warming to below 2 degrees Celsius by 2100 compared to the pre-industrial period, approximately 45% of the PLDT Group's operational assets and facilities are at high risk of exposure to typhoons, water stress, and other physical risk indicators by 2030. This risk increases slightly to 46% by 2050. The customer base in locations highly susceptible to flooding and sea level rise is projected to be around 46% by 2023, increasing to 50% by 2050.

### RCP 4.5 Scenario: Strong Mitigation

In a scenario with strong mitigation actions to limit global warming to slightly above 2 degrees Celsius by 2100, the PLDT Group's assets' risk exposure is projected to be up to 59% by 2030 and 60% by 2050. Potential revenue loss in this scenario could be around 47% by 2030 and 53% by 2050.

### RCP 8.5 Scenario: Business as Usual

If business will continue as usual and global emissions remain on its current trajectory, resulting in global warming exceeding 4 degrees Celsius by 2100, the RCP 8.5 scenario predicts that 68% of the PLDT Group's operational assets will be at high risk by 2030, increasing to 79% by 2050. The revenue base will be at 73% risk by 2030, escalating to 80% by 2050.

## **Mitigating plans and actions**

To ensure the continuous delivery of quality services to our customers, we have taken proactive measures to strengthen our Business Continuity Plan (BCP) and Crisis Management Plans, as detailed in the Commitment section of this report. Our commitment to disaster resiliency is manifested through the establishment of a disaster recovery facility in Cebu in 2021, equipped with state-of-the-art technologies and infrastructure to ensure operational continuity in the face of calamities.

All facilities, including buildings and towers, are constructed in accordance with the National Structural Code of the Philippines (NSCP), designed to withstand wind speeds of 240 to 340 kilometers per hour.

Network towers located along typhoon paths are engineered to endure even higher wind speeds. Critical equipment are strategically placed in elevated locations to minimize the risks from both pluvial and fluvial flooding.

Our climate adaptation efforts include fortifying network towers through regular annual maintenance, structural investigations, retrofitting, and the conversion of guyed towers to self-support towers. As of 2023, 92% of these fortification measures have been completed, demonstrating PLDT's proactive approach to enhancing the resilience of its infrastructure against natural disasters and climate-related risks.

## **RISK MANAGEMENT**

The PLDT Group identifies and assesses climate-related risks using a Risk Management Framework, which is adopted from the ISO 31000 Risk Management Standard. This framework ensures a systematic approach to risk identification and assessment. Defined Enterprise Risk Assessment Guidelines are employed to evaluate these risks comprehensively, allowing for a thorough understanding of potential climate impacts on the organization.

From this evaluation, the prioritization of these risks follows the structured process guided by the Risk Management Framework. Climate risks are prioritized based on their scores, which are then reviewed against a Risk Assessment Matrix to determine their criticality. This systematic prioritization ensures that the most significant risks are addressed promptly and effectively.

The integration of climate-related risk management into the PLDT Group's overall risk management is critical for a holistic approach. This is a collaborative effort with key Business Units, such as Network Operations, Business Continuity and Resilience Office, and the Corporate Sustainability Office, among others, and strategies for climate-related risks are presented to the Risk Committee on an annual basis. This regular review ensures that climate risks are consistently monitored and managed within the broader risk management framework.

In the event of disasters or emergencies, there is an Emergency Operations Center (EOC) which will be activated 24/7. The EOC is a centralized monitoring command center that any employee can access through a dedicated number.



# METRICS AND TARGETS

The company supports the global action on climate change and the move towards Net Zero by 2050. To achieve this goal, the company has developed a 2030 decarbonization roadmap, which aims to reduce greenhouse gas (GHG) emissions from Scopes 1 and 2 by 40% compared to the 2019 baseline year. The company diligently tracks, monitors, and reports its operational GHG emissions following the guidance provided by the Greenhouse Gas Protocol.

Our decarbonization roadmap is built upon a comprehensive process that includes identifying emission sources, assessing available technologies, and implementing existing and planned initiatives. We are also beginning to introduce in the evaluation of projects an assessment of their social and environmental impacts, including the adoption of an internal carbon pricing mechanism. Although not yet a signatory to the Science Based Targets initiative (SBTi), our approach aligns with the same scientific principles, analyzing its current emission trajectory and projected emissions.

Our GHG emissions originate from various sources, such as network operations, network equipment deployment, building operations, and fleet transportation. In 2023, our Scope 1 emissions, or those direct GHG emissions from our owned or controlled fleet and facilities, were 42,348 tCO<sub>2</sub>e with GHG emission intensities of 2.80 tCO<sub>2</sub>e per employee and 0.21 tCO<sub>2</sub>e per million pesos of service revenue.

For our Scope 2 emissions, which represent indirect GHG emissions from purchased electricity, totaled 707,964 tCO<sub>2</sub>e in 2022. The GHG emission intensities were 46.76 tCO<sub>2</sub>e per employee and 3.52 tCO<sub>2</sub>e per million pesos of service revenue, net of 11,378 tCO<sub>2</sub>e avoided through the purchase of electricity from renewable sources.

We are currently refining our calculations for Scope 3 emissions, which occur within our value chain. For 2023, using our spend data and environmentally-extended input-output (EEIO) emission factors, our estimated Scope 3 emissions are 913,205 tCO<sub>2</sub>e, accounting for 55% of our total carbon emissions.

# **TASKFORCE FOR NATURE-RELATED FINANCIAL DISCLOSURES**

## **Governance**

"Nature is no longer a corporate social responsibility issue, but a core and strategic risk management issue.<sup>1</sup>" This is according to the World Economic Forum (WEF) report during the 54th Annual Meeting at Davos, Switzerland. Consequently, businesses must acknowledge the significance of nature-related risks and opportunities and integrate them into their risk management strategies.

The PLDT Group recognizes the importance of ensuring ecological balance to foster long-term value creation and support sustainable development of the country. A key component of this is the protection and conservation of biodiversity, which is essential for the well-being of our planet and our business.

Our programs and partnerships supporting biodiversity conservation is monitored by our Board of Directors through the GNSC, which has oversight over the Corporate Sustainability Office (CSO). The Chief Sustainability Officer collaborates with the Chief Risk Management Officer and various internal units to drive our sustainability initiatives, set targets, and report progress to the President and CEO, and to the GNSC. The CSO works closely with GRMD to identify and manage nature-related dependencies, impacts, risks, and opportunities.

Furthermore, we recognize the diversity of cultures, customs, and values of all

Indigenous Peoples (IPs) across the Philippines and respect their rights towards preserving their cultures, traditions, institutions, and ancestral domains. As we expand our network infrastructure, we engage in regular dialogues, community consultations, and due diligence processes in the construction and operations activities of our network facilities in ancestral lands and domains inhabited and managed by IPs and Indigenous Cultural Communities (ICCs).

We formed a cross-functional team (CFT) composed of the Project Management Office, Stakeholder Management Team, Technology Group, Joint Strategic Office, Build Team, and the Regulatory Department helping address concerns related to our network rollout especially those located in Protected Areas, forest lands and critical habitats. The CFT coordinates with the DENR and the National Commission on Indigenous Peoples (NCIP) ensuring that operations are with proper permits from national and local government, and the community organization within the area. To institutionalize our commitment to protect Indigenous Cultures, we have created and deployed an Indigenous Culture Communities Engagement Guide which includes technical guidance in the rollout within sites in ancestral domains, soft skills for engagements with IPs and local communities, and actual case studies of local community negotiations.

<sup>1</sup> <https://www.weforum.org/agenda/2024/01/businesses-address-nature-related-financial-risks/>

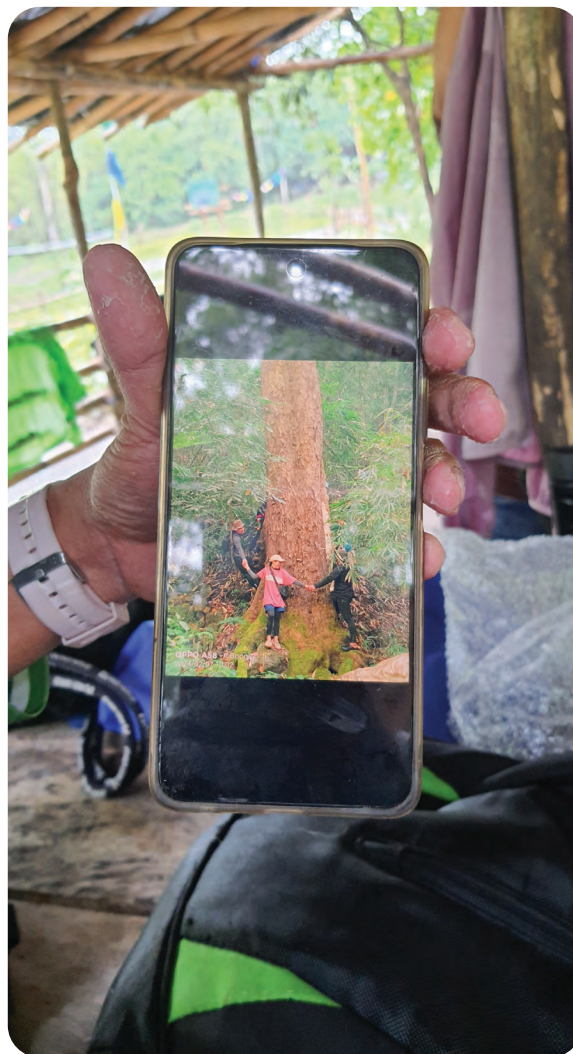
## Strategy

Leveraging on communications technology, we develop and implement initiatives that promote the protection, conservation, and sustainable use of biodiversity across our operations, value chain, and business relationships. These include mechanisms to assess and understand nature-related dependencies of our operations and implement mitigation measures to avoid, minimize, restore, and offset any impact on biodiversity and ecosystems.

We also pursue strategic partnerships and engage with our stakeholders to learn, raise awareness, and continuously enhance our shared capacity in supporting national plans and international covenants for biodiversity conservation. These include the Philippine Biodiversity Strategy and Action Plan, the Convention on Biological Diversity, the Convention on International Trade in Endangered Species of Fauna and Flora, the International Union for Conservation of Nature, UNESCO – World Heritage Convention, the Convention on the Conservation of Migratory Species of Wild Animals, and the Ramsar Convention on Wetlands, among others.

Following the Locate, Evaluate, Assess, and Prepare (LEAP) assessment framework, we have identified the following nature-related dependencies and impacts:

- a. Infrastructure Development and Network Rollout:** Our operations require building infrastructure, including cell sites, data centers, disaster recovery facilities, and laying of land-based and undersea cables in remote areas, including mountains, to provide high-speed connectivity and ensure reliability of network.
- b. Environmental Impact:** Infrastructure development may disrupt natural environments, such as damaging



ecosystems during the construction of cellular towers and submarine cables.

These challenges present opportunities to create a nature-positive impact without compromising service quality.

As a response strategy, we have undertaken several initiatives in support of the conservation of biodiversity and nature-based climate solutions with our subsidiaries, supply chain and other stakeholders:

**Reforestation Projects:** To protect critical forests in areas near our network rollout, we completed a five-hectare





reforestation project in the Talavera Watershed, Carranglan, Nueva Ecija, in partnership with the Philippine Business for Social Progress (PBSP) and a local people's organization Kalinga sa Kalikasan ng Puncan. Another partnership with PBSP involved the planting of 625 indigenous and fruit-bearing seedlings in the Upper Marikina River Basin Protected Landscape by our subsidiary company, ePLDT. We supported a multi-site reforestation program undertaken by Maynilad, a distribution utility that also belongs to the First Pacific Group. This includes participation in their Plant for Life program, and sponsoring one hectare within the reforestation site adopted by Maynilad to protect the watershed.

### **Biodiversity Conservation Partnerships:**

For our biodiversity conservation projects, we leverage the use the PLDT Group's network and communications technology and optimize partnerships with stakeholders, including industry partners and government agencies.

We collaborated with Huawei Technologies Phils. Inc. and the DENR to deploy Rainforest Connection (RFCx) "Guardians"

in selected protected forests in Palawan. Guardians use AI and machine learning technology to monitor illegal activities, including capturing sounds from chainsaws used in illegal logging and firing of gunshots, and protect critical biodiversity. Similarly, our Connected Mangroves project, in partnership with Ericsson, for the conservation of the Sasmuan Bangkung Malapad Critical Habitat and Ecotourism Area, utilized AI-enabled cameras to identify and preserve migratory bird species. This site is designated as one of the Ramsar sites in the Philippines.

**Peatland Protection:** In partnership with the DENR, we are using technology to conserve the Caimpugan Peatland in the Agusan Marsh Wildlife Sanctuary (AWMS). We are in discussion with the National University of Singapore Center for Nature-based Climate Solutions for the re-measure of the AMWS potential to sequester carbon. AMWS is designated as one of the Ramsar sites in the Philippines, and has been included in the UNESCO World Heritage Site tentative list.

**Marine Conservation:** We partnered with the Marine Environment and Resources Foundation, Inc. (MERF) through the University of the Philippines Marine Science Institute



(UP MSI) to study the carbon sequestration potential of seagrasses and develop local conservation strategies for 17 Marine Protected Areas (MPAs).

Recognizing the role of IP communities in biodiversity protection, we intensified training and learning campaigns for our employees, particularly field personnel managing network rollouts in IP areas. In partnership with the NCIP, we conducted cultural sensitivity training to reinforce our commitment to respecting IP rights and minimizing the impact of our operations on their communities.

We have installed rainwater catchment systems for the cooling towers at our data centers and other facilities to reduce water consumption and mitigate the risk of water scarcity. Though the launch of our *#BeKind.Recycle* in July 2023. We have organized an e-waste management and solid waste management webinar for employees, launched e-waste awareness programs for students and for our distributors, and have collected over 2,300 kgs of e-waste, with a target to further scale up efforts in 2024. This initiative promotes circularity within the mobile industry which aims to reduce the demand for virgin precious metals, helps mitigate supply chain disruptions and price fluctuations, and helps divert potentially harmful materials from landfills.

## Risk Management

Two of our top risks are climate-related. Our nature-related risk management aligns with the existing ERM process, based on the COSO framework and ISO 31000 Risk Management process, highlighting the maturity of our approach to nature-related risks.

We identify, assess, and prioritize risks using the COSO and ISO 31000 frameworks. Business units manage nature-related risks, including Network Operations (focused on infrastructure and service continuity), Supply Chain Management (green fleet objectives), Business Continuity and Resilience Management (crisis management), and Properties and Facilities Management (environmental compliance).

From a strategic perspective, we identify sustainability as a major thrust, driving operations and risk management implementation, including nature-related risks. Each unit assesses key risks annually and develops mitigation strategies, which are included in risk interviews and Risk Committee Meetings.

## Metrics and Targets

In 2023, we conducted various operational assessments of nature-related dependencies, impacts, risks, and opportunities through collaborations with organizations, government offices, and UN agencies. We aim to refine our processes, conduct inventories, and set goals and targets for managing our nature-related dependencies.

Our *#ConnectedWithNature* campaign emphasizes the importance of nature in our operations, stating that nature is our best ally in ensuring sustainability in our business and our home.





ACCOUNTABILITY



INTEGRITY



FAIRNESS



TRANSPARENCY



# COMMITMENT PILLAR

## DOING BUSINESS RESPONSIBLY

Defining sustainability as doing business responsibly, we anchor our actions on a set of values and principles that define who we are and aim to continuously cultivate trust among our stakeholders.

The fourth pillar of our sustainability roadmap is “Commitment”. This reinforces our commitment to uphold the highest standards of corporate governance and business ethics. These shape the foundation of our decisions within the organization, inspire the quality of our relationships with our stakeholders, and guide us towards our pursuit of long-term profitability.



# ENSURING RESPONSIBLE SUPPLY CHAIN MANAGEMENT

GRI 3-3, 308-1, 308-2, 414-1

The PLDT Group recognizes the significant contribution of supply chain stakeholders in the pursuit of sustainability. We, therefore, regard supply chain stakeholders as partners who are to be actively engaged in promoting ethical, environmental, and socially responsible business practices.

Our supply chain management team enforces a supplier or contractor relations policy designed to extend influence and monitor continued responsible conduct in business. Upon accreditation and onboarding, suppliers review and sign a Supplier Conforme document to commit to aligning with our Group's sustainability principles on human rights, labor, anti-corruption, and the environment.

The policy also promotes and implements corporate governance standards that embody the principles and values of integrity, fairness, transparency, and accountability. At the same time, it mandates all directors, employees, and consultants to uphold equal opportunity and honest treatment of suppliers in all business transactions.

These guidelines work together with our Anti-Corruption Policy and the Policy on Gifts, Entertainment, and Sponsored Travel, as well as the Implementing Guidelines on Solicitation and Acceptance of Gifts. Suppliers also need to submit annually and comply with the annual Conflict of Interest Disclosure as part of Supplier Qualification. The Corporate Governance Office (CGO) cross check disclosures received.

Similarly, the Group upholds a Procurement Policy with clear Health, Safety, and Environment provisions to ensure that suppliers comply with all relevant government rules and regulations.

For instance, suppliers must submit a copy of their business permits issued by Local Government Units. Such permits have environmental components such as Sanitation Fees and Garbage Fees, among others. Consistent with the same principle of accountability, the PLDT Group complies with requirements to secure Environmental Compliance Certificates from the DENR when selling assets to junk or scrap buyers.

In addition, our Procurement Policy contains the Code of Conduct for both our employees and suppliers and provides for a hazard-based Emergency Response Plan.

Furthermore, in line with the PLDT and Smart Child Safeguarding Policy, suppliers and vendors are prohibited from employing child labor in their provision of services to our organization. However, if a child's employment or participation is essential in providing services, (such as for promotional or information purposes through cinema, theater, radio, television, or other forms of media), suppliers are mandated to undertake such employment or participation in strict accordance with the pertinent provisions of the existing applicable Philippine laws and jurisprudence on child welfare and protection.



Supplier performance and policy alignment are reviewed, assessed, and audited periodically to ensure continuous compliance and alignment with our business and sustainability objectives. Our Supplier Environment, Health, and Safety audits also check supplier provisions against child labor and operational risk assessment measures involving children’s safety.

# SUPPLIER SCREENING AND ASSESSMENT

GSMA-SUP-02



**NEW SUPPLIERS THAT WERE SCREENED USING ENVIRONMENTAL CRITERIA**  
GRI 308-1

44

Total new suppliers as of December 2023

44

Total number of new suppliers that were screened using environmental criteria

-

Total number of new suppliers that were not screened using environmental criteria



**NEGATIVE ENVIRONMENTAL IMPACTS IN THE SUPPLY CHAIN AND ACTIONS TAKEN**  
GRI 308-2

716

Total number of suppliers as of December 2023

308

Total number of new and renewed suppliers in 2023

297

Number of suppliers assessed for environmental impacts

297


Number of suppliers identified as having significant actual and potential negative environmental impacts

-

Number of suppliers identified as having significant actual and potential negative environmental impacts with which improvements were agreed upon as a result of the assessment.

-

Number of suppliers identified as having significant actual and potential negative environmental impacts with which relationships were terminated as a result of the assessment



**NEW SUPPLIERS THAT WERE SCREENED USING SOCIAL CRITERIA**  
GRI 414-1

32

Total new suppliers as of December 2023

32


Total number of new suppliers that were screened using social criteria

-

Total number of new suppliers that were not screened using social criteria

-

*\*Screened for Social Criteria are local suppliers. This will be further expanded to include foreign suppliers.*



**NEGATIVE SOCIAL IMPACTS IN THE SUPPLY CHAIN AND ACTIONS TAKEN**  
GRI 414-2

716

Total number of suppliers as of December 2023

308

Total number of new and renewed suppliers in 2023

260

Number of suppliers assessed for social impacts

260

Number of suppliers identified as having significant actual and potential negative social impacts

-

Number of suppliers identified as having significant actual and potential negative social impacts with which improvements were agreed upon as a result of the assessment

-

Number of suppliers identified as having significant actual and potential negative social impacts with which relationships were terminated as a result of the assessment

100%

GRI 205-2

Percentage of business partners have been communicated to on the organization’s anti-corruption policies and procedures

ZERO

GRI 205-3

Of contracts terminated with business partners due to incidents of corruption

By the end of 2023, all active and newly accredited suppliers, or 100%, had received communication on the company’s anti-corruption policies and procedures. Active suppliers pertain to those that were engaged by the Company or with spend within the year. There are also active suppliers that were excluded from receiving anti-corruption communication. These suppliers cater to one-time transactions or those whose transactions are not critical and were exempted from undergoing the full qualification process because they meet the company’s established criteria.

# SUPPORTING LOCAL SUPPLIERS

GRI 204-1, GSMA-SUP-01

## The proportion of spending on local suppliers

In 2023, 74% of PLDT's and Smart's procurement budget were spent on services from local suppliers. Local suppliers are businesses registered in the Philippines and located within our operational areas across the country which are our significant locations of operations. Generally, we encourage offshore suppliers with innovative products and services to establish local fulfillment partners to achieve

more cost and process efficiencies as they transact with us. This strategic partnership with suppliers ensures a reliable source of goods and services and provides us access to future technological advancement. Strong partnerships can optimize spending on new technologies that often require substantial investment.

**74%**

Total amount of spending on goods and services from local suppliers

**26%**

Total amount of spending on goods and services from foreign suppliers

Throughout the year, the Procurement Team also actively supported and facilitated Radio Access Network (RAN) Energy Savings in support of our decarbonization roadmap and environmental management thrust. Power consumption of 4G, 5G and other sites can be reduced through radio optimization. Tuning radio parameters and enabling features are tested and proven to reduce power consumption by up to 15% depending on the size, traffic loading, location, and hour of the day.



# OUR APPROACH TO ENTERPRISE RISK MANAGEMENT

GRI 3-3

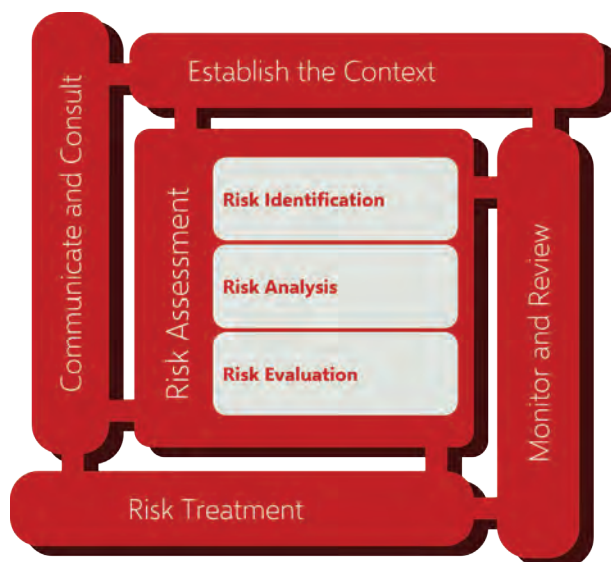
The PLDT Group operates in a complex and dynamic business environment which gives rise to various risks that can be threats or opportunities. Recognizing that such risks are an integral part of our operations, we are committed to managing our overall risk exposure systematically to support strategic decision-making.

Accordingly, the PLDT Group employs a comprehensive, integrated risk management program across all levels of the organization to identify, analyze, and manage the Group's risks to an acceptable level. The program enables the organization to enhance opportunities, reduce threats, and thus sustain competitive advantage. The PLDT Group believes that an effective risk management program will contribute to attaining objectives and creating value for the business and its stakeholders.

The Board's Risk Committee (RC), composed of non-executive directors, the majority of whom are independent directors, are primarily responsible for overseeing management's adoption and

implementation of an effective enterprise risk management (ERM) system. The RC also coordinates with the Audit Committee to review the Group's ERM system.

So far, the ERM system has facilitated risk-based decision-making within the organization. In 2023, we implemented initiatives to generate data streams across all levels, utilizing both top-down and bottom-up approaches.



## BOTTOM-UP METHOD

The Group Enterprise Risk Management Department (GRMD) is a stand-alone Business Unit with its own operations and structure. This team is the strategic body responsible for developing, managing, and enforcing a comprehensive risk management plan for the Group. The GRMD acts as the monitoring body for the individual risk management activities of the different units by gathering and assessing risk information. The team also advises upper management on the totality of risks, responds to externally imposed regulatory guidelines, coordinates with Internal Audit for periodic evaluation of risk treatment activities of critical risks, and reports to the PLDT Risk Committee quarterly regarding Group risk management activities.

The GRMD has a synergistic function with Internal Audit. In October to November 2023, the two departments executed “Project Ripple” and conducted joint risk interviews using the Enterprise Risk Library and Risk Assessment Guidelines. The data and insights gathered from the exercise will form the 2024 Enterprise Risk Register, which will serve as a single source of risk data for Internal Audit and the GRMD.

The GRMD also concluded a risk data exercise that focused on mapping Risk Treatment Strategies identified by Business Units in the Risk Committee Meetings held to complete the 2023 Enterprise Risk Register. The mapping was submitted to Internal Audit to support their risk assurance efforts.

At the end of every quarter, the PLDT Group also performs sensitivity analyses on foreign exchange and interest rate risks, which are disclosed in the quarterly financial reports.

In addition, sensitivity analyses are done for counterparty risks, which include the following:

- A quarterly Bank Standing Review to evaluate counterparties and determine counterparty limits
- Daily monitoring of exposures to deposits/investments and FX transactions
- Regular monitoring of exposure concerning derivatives, particularly if thresholds on the USD/PHP rate and interest rates are breached.

## TOP-DOWN METHOD

### PLDT Risk Committee – Oversight

The Risk Committee meets at least four times yearly to review the company’s risk exposure. The GRMD provided the Risk Committee with supplementary materials, including an executive summary of external risk reports and studies relevant to their meeting agenda, to enable informed decision-making.

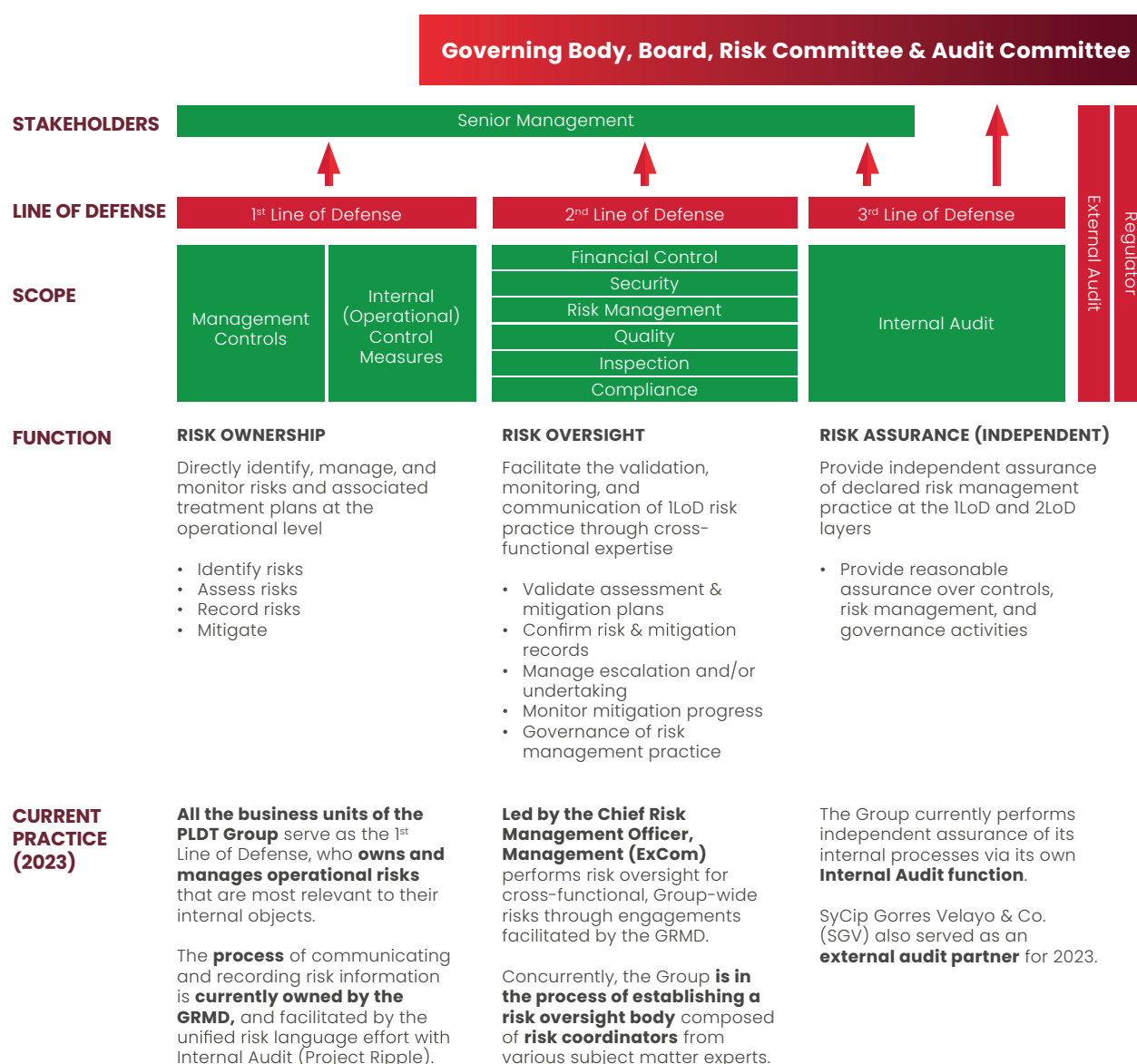
For the year 2023, the risk exposure of the following units was presented and reviewed by the Risk Committee in the following meetings, with GRMD providing materials for three of the four meetings:

MEETING DATE	AGENDA – RISK EXPOSURES	SUPPLEMENTARY MATERIALS
February 13	Review of the Risk Profiles of: <ul style="list-style-type: none"> <li>• Corporate Sustainability Office</li> <li>• Legal and Regulatory</li> </ul>	
July 20	Review of the Risk Profiles of: <ul style="list-style-type: none"> <li>• Network Group</li> <li>• Information Technology</li> <li>• Supply Chain – Procurement &amp; Logistics</li> </ul>	<ul style="list-style-type: none"> <li>• Telecoms Industry in 2023: Trends to Watch (GSMA)</li> <li>• 2023 Global Digital Trust Insights Survey (PWC)</li> <li>• “How HSBC uses AI to boost its digital banking immune system” (PYMNTS Digital Banking Tracker)</li> <li>• Supply Chain Trends Report (KPMG)</li> <li>• Supply Chain Sustainability (EY)</li> </ul>
September 18	Review of the Risk Profiles of: <ul style="list-style-type: none"> <li>• Customer Experience</li> <li>• People Group</li> </ul>	<ul style="list-style-type: none"> <li>• State of Customer Experience 2023 (CSG)</li> <li>• Empowering People with Customer Intelligence (Forrester)</li> <li>• Talent Trends for 2023 (Mercer)</li> <li>• Upskilling for shared prosperity in SEA (PWC)</li> <li>• Developing an Effective Governance Framework (Deloitte)</li> </ul>



MEETING DATE	AGENDA – RISK EXPOSURES	SUPPLEMENTARY MATERIALS
November 13	Review of the Risk Profiles of: <ul style="list-style-type: none"> <li>Transformation Office</li> <li>Cybersecurity Operations Group</li> </ul>	<ul style="list-style-type: none"> <li>Technology Trends Outlook 2023 (McKinsey)</li> <li>Top Risks in Cybersecurity 2023 (Bipartisan Policy Center)</li> <li>Factsheet on Public Company Cybersecurity Disclosures (US SEC)</li> </ul>

## RISK MANAGEMENT FRAMEWORK



# INTERNAL CONTROL FRAMEWORK

## COSO Internal Control Integrated Framework (IC IF) 2013

The audit of the Group's risk management process is the responsibility of Internal Audit. To assess the effectiveness of its Internal Control over Financial Reporting (ICFR), the PLDT Group has adopted the Committee of Sponsoring Organizations (COSO) Internal Control-Integrated Framework-2013 (COSO IC-IF 2013). It is recognized as the leading framework for designing, implementing, and conducting internal control and assessing the effectiveness of internal control systems.

### Risk Management Process

The company has adopted its Risk Management process from ISO 31000 and COSO Risk Management frameworks, both of which provide guidelines for managing risks systematically and consistently:

Included in the guidelines are Risk Identification, Assessment, and Prioritization:

- Identify risks that may impact objectives
- Identify a risk owner for the risk

- Analyze the risk by determining the impact and likelihood of the risk with consideration of existing controls, using the Risk Assessment Guidelines
- Classify the risk using the Risk Assessment Matrix to determine if it is for treatment or escalation

Risks are prioritized based on their corresponding Risk Score. All risks with a Moderate, High, and Severe score are considered Critical Risks and require escalation to upper management.

## ENTERPRISE RISK MATRIX

LIKELIHOOD	Highly Likely	5	10	15	20	25
	Probable	4	8	12	16	20
	Possible	3	6	9	12	15
	Unlikely	2	4	6	8	10
	Remote	1	2	3	4	5
		Very Low	Low	Moderate	High	Severe
IMPACT						

**RISK SCORE:** ■ Very Low (1-5) ■ Low (6-10) ■ Moderate (11-15) ■ High (16-20) ■ Severe (21-25)

Risk Score is determined by considering the risk's likelihood and impact on the PLDT Group and its objectives. The Risk Score is computed as follows:

LIKELIHOOD SCORE

x

IMPACT SCORE

=

FINAL RISK SCORE

- For "Likelihood," the probability and how often an event could occur are both considered.
- For "Impact," the effect of the risk is measured based on six categories:

CUSTOMER

REPUTATION

TECHNOLOGY

FINANCE

PEOPLE

GOVERNANCE

## Risk Awareness Culture

The ERM framework promotes and enhances an effective risk culture throughout the organization by utilizing the following strategies:

- **Board of Directors training.** In addition to the training provided to the RC members and as part of regulatory requirements, the PLDT Group conducts an annual corporate governance education session (ACGES) for all of its officers and directors on emerging trends and technologies, new laws and global best practices, including the related risks to the business.
  - **Employee Empowerment.** We initiated measures to allow employees to proactively identify and report potential risks throughout the organization. Risk Interviews with the different business units are conducted every year. These consist of one-hour interviews with key managers and unit heads on their objectives, changes in their organizations, and any risk areas around the achievement of their goals.
  - **Enabling Innovation.** We welcome new ideas or innovations for an effective risk culture.
  - **Safety by Design on Products and Services.** As part of the Group's Human Rights policy and in accordance with the Code of Business Conduct and Ethics, we ensure compliance with the local and global standards and relevant laws in developing all our products and services.
- Below are the topics discussed in the 2023 ACGES:
- Governance Imperatives, Opportunities, and Challenges in the Age of AI
  - Global Developments in AI Standards and Regulations
- **Employees Training.** We focused on training throughout the organization on risk management principles and provided an online Risk Management 101 e-learning module, accessible to all employees to educate them of basic risk management concepts.

In 2023, the Company completed the first phase of its ERM Digitization effort as the team finished the calibration of the new platform. The platform aims to digitize the risk identification, assessment, and treatment activities of the First Lines of Defense. The platform will be rolled out in 2024 to various business units to enable proactive management of operational risks and efficient monitoring by the GRMD and Internal Audit.

This project aims to enable the Enterprise Risk Management Framework and Standards in the new platform to:

1. Digitize the Risk Assessment forms and process
2. Automate risk workflows
3. Enable risk data collection and analysis
4. Track accountability on Risk Treatments
5. Establish a Risk and Control Library

# KEY IMPACTS, RISKS, AND OPPORTUNITIES

Through our advanced products and services, we accelerate our customers' digital transformation and enhance their quality of life. We have implemented strategic methodologies to manage and mitigate top risks to ensure the dependability and quality of our products and services. Furthermore, our materiality assessment is firmly rooted in our strategic business direction, emphasizing areas that significantly impact revenue generation, operational costs, and enterprise risk management.

TOP RISKS	IMPACTS (POTENTIAL OR EXISTING)	OPPORTUNITIES	MITIGATING ACTIONS
Ability to manage capital spending to support transformation initiatives	Limited financial resources with a high debt-to-equity ratio, consequent effects on share prices and investor decisions	Augment existing cost optimization initiatives with the following: <ul style="list-style-type: none"> <li>enhanced resource efficiency (i.e. "sweating the assets")</li> <li>explore sustainable financing options</li> </ul>	Conduct a stringent review of expenses and ensure a positive ROI for all initiatives
Complexities of competing in a dynamic environment	Hampered efforts to meet revenue targets, manage OPEX against economic headwinds and stiff competition	Drive product and service innovation towards enhancing profitability and cost efficiency	The rollout of cost reduction initiatives alongside transformation activities; exploration of new business models
Delivery of customer experience commitments	Increased consumer churn hampering efforts to retain/regain market leadership and deliver on revenue targets	Fortify competitive advantage through data-driven enhancements to CX engagement efforts. Explore creative means to drive customer loyalty and sharpen insight into customer dynamics (i.e., targeted incentives, scenario planning for CX)	Further strengthen Customer Lifecycle Management efforts while ensuring network rollout and continued delivery of service commitments
Ability to scale transformation across the organization	Impaired ability to service the needs of our consumers while evolving alongside the changing dynamics of the industry	Build on an agile and adaptive operating model for key lines of business. Form strategic partnerships for resource optimization and investment opportunities	The rollout of a culture transformation roadmap; implement various organizational improvements to ground new ways of working
Complex cyber landscape as a catalyst for sophisticated attacks and eroding consumer trust	Disruption of operations due to evolving threat actor capabilities; increased industry expectations on incident handling; reputational risk and exposure to legal liabilities	Regular reassessment of cybersecurity and privacy posture to scope areas for adaptation and continuous improvement. Bolster ties with industry peers to stay abreast on emerging techno-regulatory affairs or standards	Continued employee education and public awareness efforts; tightening of security risk compliance programs and overall security posture, including investment in cyber security platforms as part of an overall cyber defense strategy
Impact of evolving geopolitical and economic conditions	Rising costs in logistics, supply chain interruptions; potential financial and operational impact	Explore ways to strengthen current risk management and strategic planning efforts to integrate long-term scenario planning and emerging business models	Various initiatives to fortify the supply chain and future-proof operations; engage with and include key supply chain vendors in the company's business continuity plans to ensure alignment and preparedness



TOP RISKS	IMPACTS (POTENTIAL OR EXISTING)	OPPORTUNITIES	MITIGATING ACTIONS
Challenges in enforcing third-party accountabilities	Potential security risk, impact on enterprise reputation	Leverage industry experience and bandwidth to scope priority compliance areas and collaboration opportunities concerning third parties	Enhanced compliance management, procurement monitoring, and data governance over third-party usage
The evolving role of external partnerships in the extended enterprise	Supply chain disruptions; increased logistics costs	Build an agile and adaptive supply chain model that allows sudden shifts. Implement wider integration of sustainable resilience planning in the supply chain.	Strengthen vendor management and compliance efforts
Impact of climate change and geophysical movements on business operations	Damage to infrastructure leading to disruption of operations	Explore sustainable resilience for sites and physical assets	Fortification of assets vulnerable to climate risk, including the adoption of adaptation strategies
Failure to integrate sustainability objectives with operational requirements to achieve ESG goals	Impact on company ESG score hampering ability to deliver on stakeholder expectations	Expand or sustain current efforts on stakeholder engagement and best practices benchmarking for sustainability	Implement and regularly calibrate the sustainability roadmap and continue organization cascades and cross-functional collaboration

## Emerging long-term (3-5 years+) risks identified as having the most significant impact on the business in the future, and mitigating actions taken:

EMERGING RISK	Impact of Machine Learning (ML) and Artificial Intelligence (AI)	Impact of evolving techno-regulatory environment on business operations
CATEGORY	Technological	Geopolitical
DESCRIPTION	Increased complexity of markets due to the growing of AI and ML in automation and data generation	Shifts in privacy, security, and information technology imperatives spurred by the accelerated development of AI, ML, and frontier technologies
IMPACT ON BUSINESS	<ul style="list-style-type: none"> <li>Need for an enhanced governance structure to ensure responsible use of AI</li> <li>Lack of full understanding of AI and ML may lead to missed business opportunities</li> <li>Automation of decision-making on customer-facing platforms without ethical standards may increase the risk of discrimination and bias</li> <li>Legal and operational uncertainty about requirements, frameworks, oversight, controls, and expertise</li> <li>Lack of legal clarity as local governments formulate their own laws and policies</li> </ul>	<ul style="list-style-type: none"> <li>Increased compliance risk and regulatory scrutiny due to dynamic regulatory environment</li> <li>Added financial headwinds such as higher potential CAPEX for compliance activities</li> <li>Potential update of regulatory fines</li> </ul>
MITIGATING ACTIONS	Transformation of information technology capabilities, commercial, and customer experience processes	<ul style="list-style-type: none"> <li>Enhancement of governance structures</li> <li>Strengthening of data privacy, cyber, and information security efforts</li> </ul>

## ENTERPRISE BUSINESS CONTINUITY AND RESILIENCE

Business continuity has emerged as a critical practice for PLDT and Smart to ensure company preparedness, resilience, and adaptability. Through the years of implementing and practicing Business Continuity Management System (BCMS), it is evident as to how the organization's resilience has repeatedly been tested and proven amid unprecedented business disruptions and environmental challenges. Based on the Global Risk Report released by the World Economic Forum (WEF), the Philippines' top risks in the next two years are Natural Disasters and Extreme Weather Events, given that an average of 20 typhoons enter the Philippines annually. The emergence of new natural threats and unpredictable and more weather patterns brought by climate change pose significant

challenges and critically impact the robustness of connectivity infrastructure that supports delivering fixed and wireless services to customers.

We have prioritized business continuity and resilience for the past eight years through our Enterprise Business Continuity and Resilience Office (BCRO). BCRO has led our organization's efforts in implementing international standards, improving continuity strategies, establishing risk management procedures, raising awareness, and mitigating the impact of disruptions. This comprehensive approach ensures uninterrupted provision of products and services during emergencies, crises, or disasters for both PLDT and Smart.

### INTERNATIONAL STANDARDS (ISO) Certifications

PLDT and Smart utilize ISO 22301, a flexible, robust and internationally recognized framework, in establishing and implementing its BCMS. This international standard certification demonstrates our commitment to global best practices, resilience, and business continuity. Adhering to this standard demonstrates PLDT's and Smart's commitment to best practices in business continuity on a global scale. ISO 22301 covers vital aspects such as business impact assessment, risk assessment, business continuity planning, testing and exercising, and continual improvement. This holistic strategy ensures that we address all relevant aspects of

business continuity in a structured manner. Additionally, ISO 22301 adopts a risk-based approach to BCMS which allows for the prioritization of resources, focusing on areas of highest impact and enhancing the organization's resilience to potential threats.

Furthermore, this BCMS certification provides a structured way to support of our organization's sustainability objectives by effectively identifying and managing risks including climate-related risks, thus enabling our business units to augment their ability to sustain their operations in the face of climate change impacts.

Moreover, ISO 22301 Certification encourages our organization to implement practices that optimize resource use and minimize operational environmental impacts. As a requirement of the standard, network facilities and operations are regularly inspected and checked for compliance and to identify opportunities for improvement. This proactive measure by PLDT ensures the readiness of facilities, operations, and response and recovery procedures. Existing practices and efforts of network operations and facilities were observed including using solar panels, upgrading network equipment, and implementing waste management practices such as a reduce-reuse-recycle program.

Furthermore, assessing supply chain resilience is also one of the requirements of ISO 22301. Relevant supply chain risks

include disruptions in transportation networks, increased frequency of weather events that could affect the network infrastructure and delivery of required resources especially in regional areas. With this, we evaluated continuity capabilities of suppliers and integrated business continuity criteria into the supplier accreditation process, thereby promoting sustainability in the supply chain.

ISO 22301 certification emphasizes continual improvement in any aspect of the business continuity management system. As new risks emerge and climate change impacts evolve, being ISO 22301-certified means our organization is better positioned to adapt resilience strategies and business continuity practices to address changing circumstances, thereby enhancing long-term sustainability efforts.

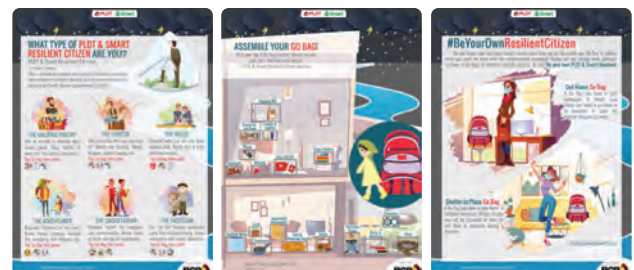
## ISO 22301:2019 Certification (Business Continuity Management System)

As of 2023, PLDT and Smart have achieved ISO 22301:2019 certification for a total of 24 sites: 15 PLDT sites and 9 Smart sites. These are critical network infrastructure that support the delivery of both fixed and wireless services nationwide.



## BCMS Awareness

The 2023 BCM e-learning release is about how important business continuity ideals and concepts are for everyone in the company, not just those involved in restoration and customer communication. In addition to the e-learning module, disaster preparedness talks were conducted as part of our awareness campaigns. These were supplemented by disaster preparedness posters, workplace announcements, and other contents shared through various available work media.



### BCMS Training and Documentation

PLDT's Enterprise Business Continuity and Resilience Office (BCRO) conducted a series of BCMS training sessions and provided documentation to empower employees with the knowledge and skills in implementing the Business Continuity Management System (BCMS).



### BCP Full Testing

The best way to verify the effectiveness of a Business Continuity Plan (BCP) is by testing the plan. Testing and exercising the plan help minimize the risk of potential errors and issues that may arise during actual incidents. Initiated in 2022, PLDT's BCRO continued to facilitate the most complex BCP testing method—full testing at sites undergoing ISO Certification. As of 2023, 82% of ISO-certified sites underwent Full Testing. These full tests are usually triggered by a power outage scenario, followed by testing different network equipment and operations involving concerned internal and external dependencies. This comprehensive BCP Testing approach adopted by BCRO underscores our proactive stance toward minimizing the impact of potential disruptions and ensuring operational continuity during adverse events.



### BCMS Internal Audit

To evaluate the effectiveness of our BCMS, PLDT's BCRO conducts internal audit activities to identify opportunities for improvement and check for compliance with BCMS requirements, operational processes, and the compliance of our facilities and business units to legal, regulatory, and all applicable requirements.



### Commitment to Quality

PLDT's BCRO successfully obtained certification under the **International Standard for Quality Management System (ISO 9001:2015)** by TUV Rheinland Cert GmbH, accredited internationally by Deutsche Akkreditierungsstelle (DAkkS). The ISO 9001:2015 certification is a globally recognized standard for quality management systems. It provides a





framework for organizations to establish, implement, maintain, and continually improve the quality management processes. From establishing comprehensive quality management processes to integrating best practices, the ISO 9001:2015 certification recognizes BCRO's commitment to implementing and maintaining a robust quality management system for its existing processes. This also demonstrates BCRO's commitment to the quality of business continuity services and guidance provided to internal business units.

## Mobilizing Disaster Response: Regional Disaster Management Teams (RDMTs)

Since their establishment, our Regional Disaster Management Teams (RDMTs) have been vital in the disaster and emergency response of PLDT and Smart. The teams include employees from Greater Metro Manila, South Luzon, North Luzon, Visayas, and Mindanao. Expanding the RDMTs has improved communication and coordination among members.

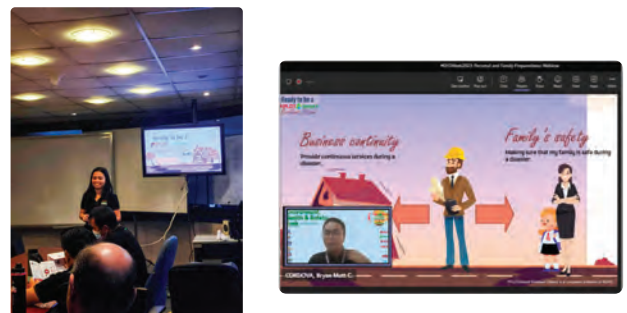


In 2023, the RDMTs were particularly active. They proactively shared updates on regional threats and provided inputs on their groups' response status. Members also found it easier to seek assistance and communicate through RDMT group chats.

To further enhance the interoperability of RDMTs, we implemented a semi-annual review and update of the groups and their members. These updates have led to faster and more efficient disaster responses in assisting employees and restoring our services.

## Resilient Citizen Program

BCRO's Resilient Citizen Program goes beyond workplace disaster preparedness and response. The program aims to empower employees to take proactive steps in preparing for emergencies at personal, family, and community levels. It encourages having a well-thought-out emergency plan, understanding how to respond to various disaster scenarios, and being equipped with essential supplies before emergencies strike. The program teaches participants to focus on their own preparedness while actively contributing to community resilience. This includes promoting disaster awareness, collaborating with local authorities, and participating in community-based disaster preparedness initiatives.





### Strengthen Stakeholder Confidence Thru Business Continuity Capability

Business Continuity compliance plays a crucial role in supporting the Enterprise Revenue Group in providing the business continuity-related requirements of their clients. Since PLDT and Smart are bound by formal contracts and financial arrangements with these valuable clients, being ISO 22301:2019 certified gives confidence that PLDT and Smart prioritize customer welfare, ensuring that they can withstand any unexpected disruptive event. The ISO 22301:2019 certification further provides a high level of assurance that having a business continuity management system in place can help minimize the impact and damage of any type of business disruption, thus ensuring the continuity in providing products and services to their customers.

### Business Continuity or Resilience and Sustainability

Given the growing threat of climate change, the traditional lens through which PLDT view BCMS has expanded from focusing on preparedness to embracing sustainability. While business continuity and sustainability are traditionally viewed as two different principles, it is important to note that the principle of BCMS can also serve as a foundation for sustainable business practices. The integration of these sustainable practices to business continuity planning does not only mitigate risks but also fosters long term viability.

Throughout the entire organization, it can be said that there is a strong relationship between its Resiliency and Sustainability programs through their shared and similar goals and objectives. For example, the company's continuity and resilience are strengthened by its commitment to sustainability. Recognizing and aligning with customer values, conscientiously selecting responsible and capable partners in the supply chain, and implementing proactive measures to anticipate, analyze and mitigate environmental risks contribute to the fortification of critical operations. This integration reflects the organization's proactive approach towards ensuring long-term success and resilience.

This enhances the principle that resilience complements sustainability. Sustainability

looks at how the company can meet its present needs without compromising that ability for future generations. At the same time, Resilience considers a system's ability to prepare for threats, absorb impacts, and recover and adapt after disruptive events. The nexus of these two is: how the company can meet its present need to be resilient and recover from disruptions to critical operations without compromising that ability for the future.

Moving forward, we are making a conscious effort to ensure that corporate sustainability and business continuity practices evolve and interact in mutually supportive ways. While there will be instances where business continuity and sustainability solutions differ—just as profit maximization and business continuity solutions are not always identical—the long-term goals will align. We aim to pursue more responsible and healthier business operations that neither aggravate nor increase exposure to disasters. So when disasters do occur, we are well-positioned to respond effectively and overcome such disruptions.

As we navigate the growing challenges of environmental uncertainties, integrating sustainability principles into resilience programs and business continuity strategies creates a powerful synergy.

This approach mitigates risks and promotes environmental stewardship and social responsibility. The business continuity efforts of PLDT and Smart serve as a blueprint for adapting, bouncing back, and thriving in the face of disruptions, focusing on safeguarding operations while contributing to a more sustainable environment. This holistic approach to resilience reflects our recognition of the interconnectedness of global challenges and the need for coordinated action to build a more sustainable and resilient future.

## **KEY PRIORITY: CYBERSECURITY AND DATA PRIVACY**

TC-TL-220A.1, TC-TL-230A.2, GSMA-INT-01, GSMA-INT-02

The PLDT Group has created a Data Privacy and Information Security Committee (DPISC) to oversee its overall cybersecurity strategy. It is the first Board Committee on privacy and information security among publicly-listed companies in the Philippines.

In 2023, the DPISC was composed of Mr. Manuel V. Pangilinan, Mr. Bernido H. Liu, Mr. Ray C. Espinosa, and Mr. Kazuyuki Kozu as members, and Mr. Alfredo S. Panlilio as Advisor. On matters relating to the interpretation of any law, issuance, or policy relating to Information Security and Privacy, the DPISC shall ensure that the inputs of the Chief Information Security Officer (CISO) and the Chief Data Privacy Officer (CDPO), are solicited and considered.

The primary purpose of the DPISC is to assist the Board in fulfilling its oversight function and give strategic direction to the governance functions on matters relating to data privacy and information security.

These functions are the following:

1. Promoting effective data privacy and information security governance
2. Reviewing and approving strategic plans on data privacy and information security to protect assets commensurate with the risk appetite of the organization and to ensure that the strategic plans are aligned with the overall business objectives
3. Holding Management accountable for compliance with regulatory standards and best practices on data privacy and information security
4. Fostering a culture where privacy and information security are considered “the new normal” by all employees, leading by example, demonstrating the right aptitude and behavior
5. Overseeing Management’s adoption and implementation of a system for identifying, assessing, monitoring, and managing enterprise-wide data privacy and information security risk

The CISO oversees the implementation and management of information and cybersecurity processes, especially regarding compliance with business directions and applicable local and international laws and regulations. The CISO reports quarterly to the DPISC to apprise them of operational, governance, risk, and audit-related information. Every cybersecurity strategy, from conceptualization to approval until finalization and implementation, goes through the President and CEO and the Executive Committee (ExCom).

The Company continuously updates its operations, management, processes, products, business partners, training, or technology through various channels to ensure that Privacy by Design principles are properly embedded. As of 2023, no legal proceedings were categorized as reportable to the regulator due to a significant lapse in complying with the Data Privacy Act.

## MAINTAINING ROBUST CYBERSECURITY PROCESSES AND INFRASTRUCTURES

The PLDT Group employs a comprehensive and systematic process to safeguard against IT system interruptions and cyber attacks, ensuring the continuity and security of operations.

At the core of this cybersecurity framework are predictive capabilities enabled by dedicated cyber threat intelligence and cyber threat hunting operations. These teams proactively identify and assess potential threats, using technology and deep industry insights to anticipate and neutralize threats before they can target the company.

This predictive approach significantly strengthens our preventive capabilities, with robust defense mechanisms that deflect potential cyber incidents before they impact our systems. By foreseeing potential attacks, we can implement targeted measures to bolster our defenses, enhancing our preparedness for any eventualities. Additionally, this foresight is critical in augmenting our detective capabilities, enabling us to identify and

mitigate risks promptly, often before they penetrate our digital environment.

The three interconnected capabilities—predictive, preventive, and detective—form the backbone of our cybersecurity strategy. This integrative approach ensures that we are always steps ahead in cybersecurity.

On the reactive front, our organization has established a robust cybersecurity incident response process spearheaded by our Cybersecurity Incident Response Team (CSIRT). This specialized team coordinates closely with IT and network asset owners to ensure a cohesive response to incidents. The CSIRT collaborates closely with other critical business units to effectively manage various aspects of security incidents. These units include the Legal Department, which addresses potential legal ramifications; the Data Privacy Office, which manages incidents involving breaches of Personally Identifiable Information (PII); and the Group Corporate Communications, which facilitates timely

and appropriate internal and external communications regarding any incidents.

This multidisciplinary collaboration ensures that our response to cybersecurity incidents is swift, effective, and comprehensive in addressing all potential impacts and stakeholders. Our layered approach to cybersecurity—from

proactive threat hunting to coordinated incident response—demonstrates our commitment to maintaining a secure and resilient IT infrastructure. Through continuous refinement of our processes and constant vigilance, we protect our information systems' integrity, availability, and confidentiality against the evolving landscape of cyber threats.

## IDENTIFYING AND ADDRESSING DATA SECURITY RISKS

Ensuring the integrity and security of data is paramount in our operations. Our proactive and comprehensive approach to data security risks spans both project-specific and enterprise-wide initiatives.

At the project level, we identify potential data security risks associated with the project. This stage thoroughly analyzes the project's scope, technology, data flows, and integration points with existing systems. We use risk analysis and identification checklists to identify risks comprehensively.

Once risks are identified, they are assessed based on their potential impact and the likelihood of occurrence, with the risks prioritized based on their severity. For each identified risk, mitigation strategies are developed to reduce risks by implementing security controls, redesigning certain aspects of the project, and applying encryption techniques for data protection.

The risk's severity and the project's specific context guide the choice of mitigation strategy. Risks are continuously monitored, and the risk assessment is updated with new information or project changes, ensuring prompt identification and management of emerging risks.

At the enterprise level, we conduct periodic risk assessments to identify and evaluate risks across the organization's asset level. These assessments involve a cross-functional team to ensure that all aspects of data security are considered, from technical to regulatory compliance risks. For Sarbanes-Oxley Act (SOX) requirements, the cybersecurity team collaborates closely with the internal audit team to ensure 100% compliance. Data security risks identified through these assessments are integrated into the company's broader ERM framework. This ensures that data security is considered alongside other types of risks (e.g., operational, financial) and enables a holistic approach to risk management.

The PLDT Group implements a comprehensive vendor risk management process, which includes the following key components: assessing the security posture of vendors, integrating security requirements into contracts, conducting regular audits to ensure compliance with these requirements, and involving vendors in the cybersecurity incident response value chain.



To ensure our data security approach aligns with industry best practices, the PLDT Group adopts third-party cybersecurity standards and frameworks, including ISO/IEC 27001, NIST Cybersecurity Framework, PCI-DSS, among other standards. These standards serve as benchmarks for establishing and evaluating the effectiveness of security measures. Compliance with these standards enhances trust among customers and partners and reinforces our commitment to robust data security practices.

# STRENGTHENING CYBERSECURITY WITH CONTINUOUS IMPROVEMENT

The PLDT Cyber Security Operations Group (CSOG) has developed a robust cybersecurity strategy to establish a secure and resilient environment within the organization. strategy, which remains in place, received approval from the management team and the Board of Directors in 2018 and was subsequently implemented in 2019.



The strategic plan is firmly rooted in an operational framework encompassing predictive, preventive, detective, and responsive capabilities. Central to this strategy is the support from our Security Operations Center and our Governance, Risk, and Compliance (GRC) practice, which form the backbone of our cybersecurity efforts.

In 2023, CSOG thoroughly reviewed our cybersecurity strategy, implementing enhancements across every facet of the layered security model—the Security Onion model. The model represents the multifaceted defense-in-depth strategy and underscores our dedication to bolstering cybersecurity while advancing our maturity posture annually. The Security Onion articulates the tailored defense-in-depth approach for the PLDT Group, illustrating the integration of people, processes, technology, and intelligence within CSOG’s cybersecurity framework.

The current cybersecurity roadmap covers the reference architecture incorporating essential technological updates and outlines planned projects to bolster our cybersecurity maturity posture. Furthermore, the operational framework extends across end-to-end governance, risk, and compliance management, ensuring comprehensive coverage across all security layers.

We have implemented the tier modeling framework to augment our security measures, particularly within active directory security controls. Additionally, the deployment of a cyber-attack and breach simulation tool facilitates the continuous validation of our security controls, further enhancing our defensive measures.

CSOG's commitment to maintaining an updated cybersecurity posture is evident in the annual update and issuance of policies and standards, including the Cybersecurity Classification of Violations

and Table of Penalties. These standards encompass various cybersecurity practices, such as access management, external party security management, information security compliance, incident management, and patch and vulnerability management.

The Corporate Information Security Policy (CISP) plays a pivotal role in operationalizing the strategic roadmap and ensuring the implementation of

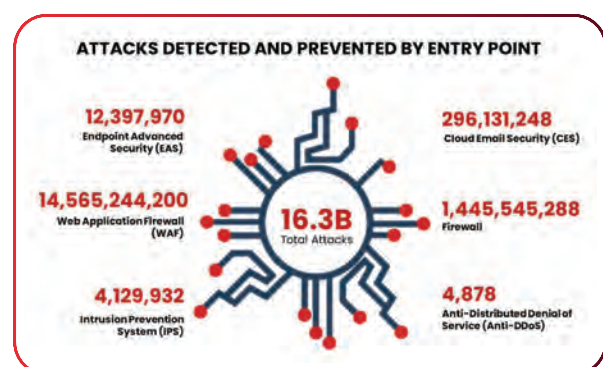
necessary controls to protect company information assets. This policy mandates adherence of every employee, third-party vendor, and supplier, thus ensuring compliance with all pertinent legal and regulatory requirements and fostering compliance with best practices within the organization. The CISP underscores the collective responsibility for upholding the highest cybersecurity standards.

## A SECURITY CULTURE

All employees undergo comprehensive training and must confirm understanding and commitment to compliance with the CISP and its supporting Standards. This confirmation is obtained through the completion of an annual mandatory e-learning module. Additional cybersecurity-related training is available upon request of the business.

Employees must complete the annual mandatory e-learning course within a specific period, and management strictly tracks their completion. Failure to complete the course constitutes a violation of the CISP, leading to the initiation of disciplinary proceedings.

Additionally, employees receive regular learning materials and advisories to ensure ongoing awareness of protocols and remain updated with the latest cybersecurity information. Quarterly phishing simulations and cyber war crisis simulations are conducted to assess, measure, and enhance the engagement and participation of all employees in handling cybersecurity incidents.



\* as of December 31, 2023

Furthermore, cybersecurity incident reporting is a formalized process within the PLDT Group. Various reporting methods are available to all employees, including a system of record implemented to facilitate incident reporting. The system allows employees to file and report security incidents easily. Reporting can be made through the organization's designated channels, ensuring prompt and efficient handling of cybersecurity incidents.

## MONITORING THROUGH BALANCED SCORECARD

Since 2019, CSOG has adopted the Balanced Scorecard Framework/ Methodology as a tool for measuring the performance and effectiveness of security controls and for alignment with CSOG objectives and goals of the PLDT Group. By applying the Balanced Scorecard framework, CSOG ensures that our cybersecurity efforts are technically proficient while contributing to the organization's overall strategic objectives, including financial stability, customer satisfaction, efficient internal processes, and continuous improvement and innovation in cybersecurity capabilities.

Below are the key metrics monitored by CSOG:

- **Customer Perspective:** Metrics related to internal and external customer trust and confidence in the security of data, services, business interruptions, customer satisfaction scores regarding cybersecurity, and the rate of customer retention or loss following cybersecurity incidents.
- **Internal Business Processes:** Metrics on the efficiency and effectiveness of cybersecurity governance, risk, and operations capabilities, such as time to detect and respond to threats, success rate of preventing breaches, and compliance with regulatory and industry standards.
- **Learning and Growth:** This includes internal and external training programs for staff, the development of cybersecurity skills within the organization, improvements in security technologies, and knowledge of management practices in cybersecurity with the ultimate objective of creating a sustainable culture of cybersecurity.
- **Financial Perspective:** Measures the cost-effectiveness of all cybersecurity initiatives, the return on investment in security technologies, and the financial impact of cyber threats and breaches.

CSOG aims to reach 100% for all sustainability metrics. These are the following:

- Operational measures to monitor and respond to data breaches and cyber attacks
- Regular employee training on cybersecurity issues
- Regular external security audits or vulnerability assessments of the company's systems, products, and practices affecting user data
- Regular internal security audits, vulnerability assessments, or penetration testing of the company's systems, products, and practices affecting user data

Conscious of our impact to our stakeholders, our commitment to cybersecurity is manifested through various output and impact metrics. Key output metrics include the number of malicious sites blocked, the number of detected and prevented cyberattacks, and the percentage of employees trained in cybersecurity, among others. Additionally, with the goal of integrating cybersecurity in our mainstream public engagements, we monitor the number of brand campaigns and customer channels utilized for raising awareness about these issues.

These efforts aim to generate positive value, which include reduced end user exposure to cyberattacks, as a consequence of the reduction of customer

exposure to malicious sites and reported cases of cybersecurity incidents. As a result, we aim to build on and increase confidence among our customers in the patronage and use of our digital services as they continue to trust us with their data and feel secure while engaging in our platforms.

With this holistic approach, the PLDT Group underlines an unwavering dedication to safeguarding our organization against cybersecurity threats, ensuring a secure and resilient digital environment for all stakeholders.

As of 2023, the PLDT Group has made significant investments in cybersecurity to further maintain a secure environment.

## CYBERSECURITY IN MAYA

At Maya, we identify data security risks through an institution-wide Information Security Risk Assessment (ISRA) involving all business units. We use multiple sources to identify risks, including threat intelligence from the industry, actual cyberattacks, targeted risk assessments, regulator advisories, and internal and external audits. Additionally, we engage independent security assessors to simulate cyberattacks, testing our system resilience and the Security Operations team's ability to detect incoming threats. In 2023, we launched a Bug Bounty program that engages hundreds of ethical hackers worldwide to ensure our software and infrastructure are secure and resilient.

Maya Philippines and Maya Bank's core security policies and products are certified with ISO 27001 and ISO 27701, the global standards for Information Security and Privacy Management systems, respectively. Our card processing business under Maya PH is Payment Card Industry Data Security Standard (PCI DSS) certified,

renewed annually. We also comply with regulations imposed by the Bangko Sentral ng Pilipinas, and our infrastructure is securely configured following the security baselines published by the Center for Internet Security (CIS).

2023 initiatives to strengthen Maya Cybersecurity:

- 1. ISO 27001 Certification:** We certified Maya Philippines with ISO 27001, the global standard for Information Security Management.
- 2. Artificial Intelligence (AI):** We use AI to quickly identify anomalous transactions, protecting our customers and the company against financial losses.
- 3. Facial Authentication:** In addition to one-time passwords (OTPs), we now use facial authentication to protect against account takeovers and strengthen compliance with Anti-Money Laundering regulations.



- 4. Penetration Testing:** Before launching Maya Bank, we conducted three rounds of penetration testing to ensure customer account safety and minimize the risk of external intrusion.
- 5. Automated Software Security:** With the majority of our code developed internally, we automated our software security processes to ensure all production code is secure and cannot be used to attack Maya.
- 6. Automated Incident Response:** We use Security Orchestration, Automation, and Response (SOAR) to significantly reduce incident handling times. Phishing cases can now be resolved in less than 5 minutes, down from 60-90 minutes.
- 7. Bug Bounty Program:** Our global Bug Bounty program engages ethical hackers to preemptively find vulnerabilities before malicious actors can exploit them.
- 8. Threat Modeling:** We implement organization-wide Threat Modeling to identify and confirm security threats during the conceptualization stage of products and services.

We conduct Security and Privacy training for employees and educational efforts for customers. Employee trainings are gamified and delivered through multiple channels such as email, Maya Hub (intranet) posts, games, in-person events, and computer-based training. Employees who reach a certain number of game points are exempt from the annual cybersecurity training. Non-compliant employees are reported to their group heads, and their training records reflect any missed training. Consumer education is conducted through social media posts and in-app reminders.

As part of our security awareness efforts, employees are trained to report suspicious activities to security. A 24/7 team monitors the reporting email and is capable of responding to immediate threats.

Our Security Incident Response Plan (SIRP) is closely tied to the company's Business Continuity Plan (BCP), including a recovery stage to facilitate a return to normal operations if any segments become unavailable due to a cyberattack. The BCP for security is tested annually, with the last test conducted in May 2023.

We implement multi-layered security across our infrastructure, with defenses in multiple layers to catch security threats that might breach other layers.

Our IT infrastructure undergoes multiple external audits annually:

- a. PCI DSS for card processing environments
- b. ISO 27001 for Information Security Management System
- c. Penetration Testing for all mobile apps and APIs
- d. Year-round Bug Bounty Program

We also engage external parties to conduct penetration tests simulating attacks from a hacker's point of view.

# PROACTIVELY PROTECTING DATA PRIVACY

The PLDT Group adheres the Philippines' Data Privacy Act (DPA) and other relevant laws and regulations governing data privacy and protection. The Privacy Office (PO), led by the Chief Data Privacy Officer (CDPO), who reports directly to the Chief Legal Officer, is pivotal in ensuring adherence to these laws and regulations.

The PO functions as the highest governance body overseeing compliance with the DPA. It is supported by specialized teams in program and risk management, regulatory compliance, incident

management, governance, education, capability planning, and administrative support. Its responsibilities encompass policy development, risk assessment, staff training, capability enhancement through technology implementation, regulatory engagement with the National Privacy Commission, and incident management.

The DPISC oversees the PO, ensuring alignment with organizational objectives and a proactive approach to safeguarding personal information.

## PRIVACY: 2023 HIGHLIGHTS

### SIM Registration Act Implementation

Implementation of the SIM Registration Act was in full swing in 2023. Before its implementation, PLDT and Smart actively worked with the National Privacy Commission (NPC) and the National Telecommunications Commission (NTC) to draft the law's implementing rules and regulations. The Privacy Office played a key role in this process, as well as in the design of the portal and the registration process.

Due to the Privacy Office's involvement, Smart's SIM registration process employed privacy by design principles to ensure compliance with the Data Privacy Act. The portal aimed to provide a great customer experience and secure personal data collection while respecting the subscriber's right to control the use of their data.

As part of the SIM Registration Act's implementation, the National Privacy Commission conducted compliance visits to all telecommunications companies. During their visit to Smart's corporate headquarters, the NPC interviewed various business units

to assess the company's compliance with the Data Privacy Act. Smart was required to present documentary artifacts, including its Certificate of Registration, sample data processing agreements, privacy notices, and consent forms. The company was also questioned about its privacy operations and practices.

Smart used this opportunity to showcase its privacy and information security framework to the regulator. The Cyber Security Operations Group (CSOG) presented its efforts to combat information and communication technology-related crimes, including the online sexual abuse and exploitation of children. The NPC's visit included a tour of the Smart store at Smart Tower, where store personnel demonstrated to Privacy Commissioner John Henry Naga how customers can register their Smart SIMs in-store.

Smart completed the compliance visit, meeting all additional NPC requirements within the year.

### Memorandum of Understanding with the NPC, Smart, Globe, and DITO

Smart entered into a Memorandum of Understanding (MOU) with the NPC, and two other mobile telco operators, Globe Telecom, and DITO Telecommunity. The MOU established a task force to coordinate the group's activities, including information dissemination, public education campaigns, and handling complaints on smishing and other SMS-based scams. The MOU was signed on May 10, 2023 with Privacy Commissioner Naga and the telcos Data Privacy Officers in attendance.



## POLICIES AND STANDARDS

TC-TL-220A.1, TC-TL-230A.2

PLDT has adopted the following policies and standards for its Privacy governance and operations:

a. **Personal Data Privacy Policy.**

This document articulates PLDT's commitment to comply with Republic Act 10173, otherwise known as the Data Privacy Act of 2012 (DPA), its Implementing Rules and Regulations (IRR), industry standards, and global best practices in privacy and data protection.

b. **Policy on the Use and Protection of Personal Data.** This document sets out the data protection requirements that need to be enforced to ensure compliance of PLDT with the DPA, the IRR, issuances of the National Privacy Commission (NPC), and other privacy laws and industry frameworks.

c. **Data Privacy Governance Policy.**

This policy enforces the Data Privacy Governance structure, standards, procedures, and guidelines that will enable PLDT to comply with the DPA, its IRR, issuances by the NPC and other privacy laws and industry frameworks.

d. **Breach Management Standards.**

This document specifies the requirements for the company to prepare and effectively respond to a potential personal data breach.

e. **Data Privacy Compliance Management Standards.**

These standards aim to i) establish a consistent and effective approach in managing Data Privacy compliance assessments and ii) ensure that privacy compliance issues are identified, reported, and addressed by implementing appropriate controls on time

f. **NPC Registration Standards.**

This document guides the PLDT Group in complying with the requirements for mandatory registration with the NPC. The guidelines defined are as specified in the NPC Circular No. 2022-04 for:

- Registration of Personal Data Processing System
- Notification regarding Automated Decision-Making or Profiling
- Designation of Data Protection Officer
- Use of the National Privacy Commission Seal of Registration

g. **Privacy Impact Assessment Standards.**

These standards aim to establish an effective approach in the conduct of Privacy Impact Assessments (PIA) and give guidelines on the PIA process.

h. **Personal Data Privacy Risk Management Standards.**

These standards aim to:

- Establish a consistent, effective, and efficient approach to identifying and managing privacy risks;
- Ensure that privacy risks identified from data processing activities, processes, and systems are addressed by (1) adhering to the privacy principles of transparency, legitimate purpose, and proportionality, (2) ensuring the existence of procedures for data subjects' exercise of rights, and (3) implementing the appropriate organizational, physical, and technical security measures to enhance the company's compliance with DPA, its IRR, issuances of the NPC, and other relevant Privacy Laws; and
- Promote organizational accountability where employees are responsible for the successful and timely implementation of risk treatment strategies.

i. **Privacy Management Program Standards.**

These standards specify the requirements for the structure and content of a Privacy Management Program (PMP) and the process for developing and implementing a privacy program.

j. **Privacy Manual Standards.** This document specifies the requirements to develop a clear, complete, and accurate Privacy Manual and to ensure its effective implementation in the organization.

k. **Records of Data Processing Activities Standards.** This document guides the company in maintaining its records of data processing activities in compliance with the National Privacy Commission's Mandatory Registration of Data Processing Systems. The standards aim to establish a consistent and effective approach to creating and maintaining the company's records of data processing activities.

l. **Upholding Data Subject Rights Standards.** These standards aim to establish a consistent and effective approach to enabling data subjects to exercise their rights.



In 2023, PLDT made the following revisions to its policies and standards:

- a. Data Privacy and Governance Policy, effective September 1, 2023, with new sections on Privacy Management Activities and Privacy Management Framework to strengthen compliance with the DPA and improve privacy practice in its operations.
- b. Policy on the Use and Protection of Personal Data, effective September 1, 2023, with a new section on Third Party Risk Management to enforce requirements for processing personal data. The issuance was also meant to update the policy, given the issuance of the new Third Party Privacy Management Standards.
- c. NPC Registration Standards, effective February 23, 2023, with updates to reflect the new NPC requirements for registration as set out in the NPC's Circular No. 2022-04. Updated sections provide for the registration of personal data processing systems under the NPC's new NPC Registration System; notification regarding automated decision-making or profiling; registration of the Data Protection Officer and Compliance Officer for Privacy; and the use of the NPC Seal of Registration.
- d. Records of Processing Activities, effective February 23, 2023, included guidance on the new requirements for registration as set out in NPC Circular No. 2022-04.
- e. Privacy Impact Assessment Standards, effective January 1, 2024, include updates reflecting the Privacy Office's direction toward a risk-based compliance approach. The new sections highlight the priority of reviewing assessments of personal data processing activities in identified focus areas of concern for the organization.
- f. Data Privacy Risk Management Standards, effective January 1, 2024, again following the risk-based compliance approach includes improvements on the process for escalation of privacy risks to management committees.
- g. Data Privacy Compliance Management Standards, effective January 1, 2024, with the risk-based compliance approach, new requirements on the full compliance audits for processing activities with the following characteristics:
  - With known severe and high open risks due to the nature and scope of the processing;
  - Where a reportable data breach has occurred; or
  - With recurring privacy incidents or data subjects complaints.

PLDT Group likewise issued a new standard, the Third Party Privacy Management Standards, which specify the requirements for compliance by third parties as Personal Information Processors (PIPs) holding responsibility and accountability for processing personal data under the control or custody of PLDT as the Personal Information Controller (PIC) and third parties with contracts involving personal data processing.

## Privacy Policy provides effective protections

The PLDT Group's Privacy Policy emphasizes transparency and accountability by clearly explaining the types of data we collect, our purposes for processing this data, and the rights of end-users regarding their personal information.

The Policy applies to all our activities and clearly requires all employees and third-party service providers to follow its rules and ensure full compliance with the DPA.

The Privacy Policy upholds the rights of individuals regarding their personal data and provides mechanisms for individuals to exercise these rights, demonstrating the Group's commitment to respecting data subject rights. Through the Privacy Policy, we inform customers about the nature, scope, and use of any information we collect and their rights over this information, including:

- Availability of opt-out options
- Instances where opt-in consent may be required and mechanisms to provide consent if desired
- To request access to their personal information
- To request data portability
- To request corrections of personal information
- To request deletions of their personal information
- Specific retention periods or criteria for data retention based on legal requirements, contractual obligations, and business needs.
- Security measures implemented to safeguard personal data against unauthorized access, disclosure, alteration, or destruction
- Circumstances under which customer information may be shared with third parties, including affiliates and non-affiliates.

Furthermore, the Group has guidelines on the handling of minor's personal data. The privacy notice sets out the details of the processing of minor's personal data. In cases where the processing of the personal data of minors is based on consent, the consent of the parents or legal guardians is obtained.

The Privacy Policy also outlines the various data protection measures to ensure the security and confidentiality of personal information. These measures include encryption, access controls, regular security assessments, and compliance with industry standards and best practices.

The organization conducts Privacy Impact Assessments (PIA) as part of PLDT's privacy practices. The PIA is an instrument for assessing the potential impacts on privacy of programs or initiatives that process personal information and, in consultation with stakeholders, for taking necessary actions to treat privacy risks. The PO group determines the various privacy risks based on the submitted information and documentation based on stakeholder consultations.

The PIA requires privacy risk treatment in cases where the processing of personal data poses higher privacy risks. PLDT Group's robust PIA process has been key in upholding data subject rights for the different stakeholders (customers, employees, service providers, etc.).

## PROTECTION THROUGHOUT THE INFORMATION LIFECYCLE

The PLDT Group collects personal data under different types of lawful bases as set out in the DPA. Certain types of data collection may require consent from individuals. For example, the PLDT Group may seek consent for certain marketing and promotional activities. Customers have the choice to subscribe to these communications voluntarily.

We collect information following the guidelines set by the DPA. Hence, our data collection and consent approach reflect a balance between obtaining the necessary information for service delivery and respecting individual's privacy preferences.

PLDT Group uses various types of personal data internally for legitimate business purposes, such as:

- Customer account management and service delivery
- Billing and invoicing processes
- Technical support and troubleshooting
- Marketing and promotional activities, where applicable and in compliance with applicable laws and regulations
- Compliance with legal and regulatory requirements

Data used internally includes basic contact information, account details, billing information, technical data related to service usage, and any information necessary to provide services and fulfill contractual obligations.

PLDT Group may share or disclose certain types of data to third parties under specific circumstances, including but not limited to:

- When required by law, legal process, or regulatory authorities
- To comply with contractual obligations or respond to requests from customers
- To enable PLDT Group's third-party service providers to render services (e.g., billing services, technical support)
- For marketing and promotional purposes with the individual's consent, where applicable (PLDT Group does not sell or lend personal information to third parties for their marketing purposes without the individual's explicit content.)

PLDT Group's data processing and sharing approach reflects its commitment to safeguarding customer privacy and ensuring transparency in its practices.

Meanwhile, PLDT retains various types of personal data necessary for providing services and fulfilling contractual obligations. This may include:

- Customer contact information such as names, addresses, phone numbers, and email addresses
- Account details including account numbers, subscription plans, and service preferences
- Billing information such as payment methods, billing addresses, and transaction records
- Technical data related to service usage, network performance, device information, and IP addresses

# POLICY ON REQUEST FOR CUSTOMER DATA FROM GOVERNMENT AND LAW ENFORCEMENT

To comply with laws and regulations, the PLDT Group may disclose customer data under the following conditions:

- **Legal Requirements:** We ensure all data disclosures align with existing privacy laws, data protection regulations, and any applicable court orders or subpoenas.
- **Validity of the Request:** We rigorously assess the legitimacy of requests, verifying that they originate from recognized government or law enforcement agencies and are backed by valid legal documents, such as a court order or warrant.
- **Scope of the Request:** We carefully examine each request to ensure it is tailored and limited to the information necessary for the relevant investigation or inquiry.
- **Customer Consent:** We consider customer consent whenever feasible before releasing their data. However, obtaining customer consent may not be required in situations involving law enforcement.

In turn, we consider the following principles for notifying customers about data requests from government and law enforcements and the timing of notification:

- **Legal Obligations:** We must first consider any legal requirements regarding customer notification. Some jurisdictions may mandate notification under certain circumstances, while others may leave it to the company's discretion.
- **Type and Scope of Request:** We assess the type and scope of the request from the government or law enforcement. We may lean toward notifying the affected customers if the request is for sensitive or personal customer information.
- **Timing of Notification:** The timing of notification is crucial. In some cases, immediate notification may be necessary to allow customers to act appropriately to protect their interests. However, a delay may be warranted in situations where notifications could compromise ongoing investigations or endanger individuals.



# EDUCATIONAL CAMPAIGNS ADVOCATING DATA PRIVACY

GRI 3-3

In 2023, our Privacy Office continued its Stand Up for Privacy campaign, highlighted by on-demand short courses on “The Basics of Privacy” and “Principles of Data Processing” hosted online in our learning portal.

We also launched “Jumpstart Privacy + Data Privacy Overview” to arm new PLDT Group employees with the tools, resources, knowledge, and support to comply with the privacy policies and standards. This program includes an orientation course on privacy and a welcome video from PLDT Group’s Data Privacy Officer.

For the 2023 e-learning course, PLDT Group used an experiential learning approach. We asked learners to act as investigators to spot and solve privacy-related issues based on contextual and situational clues and their stock knowledge of privacy and data protection principles. It was a successful run as 99% of employees completed the course by year-end.

In addition, the PO continued to explore various communication formats—such as its “Privacy Over Coffee” livestreamed talk show over Workplace and the Privacy Bulletin, a quarterly newsletter featuring news, trends, and articles on privacy. The newsletter is delivered straight to the email inboxes of all PLDT and Smart employees.

The PO also continued to build the company’s privacy culture via the following media:

- DPO.ph, an internal employee website where the Company houses all its privacy-related resources
- Workplace account of the Privacy Office
- Privacy Matters comics series, with comic strips released on data breaches,

security in storing data, data disposal, and ChatGPT

- Regular email blasts on new company privacy policies and standards and updates on National Privacy Commission issuances

On top of these initiatives that cater to the internal audience were events with external partners, such as:

- Smart’s annual Cybersmart event at Jose Rizal University which featured a Mobile Security and Privacy talk.
- Innovation Generation, part of PLDT’s StartUp Innovation Challenge, featured a talk on data collection for startups.
- The National Association of DPOs in the Philippines (NADPOP) strategic planning activity, with a talk on Getting Ready for Data Privacy and Cybersecurity in 2024.

## Privacy Incidents Disclosure

The PLDT Group recognizes the importance of transparency and accountability in safeguarding customer data. Aside from complying with regulatory mandates on breach reporting, PLDT also adheres to legal requirements and considers the following principles in its practice of privacy protection:

- **Compliance with Notification Requirements:** We abide by the mandate of the National Privacy Commission’s deadlines for the Commission and affected data subjects of any data breach. Aside from compliance with the law, PLDT and Smart understand that timely communication enables affected data subjects to take appropriate measures to protect themselves from risks arising from the incident.

- **Clear and Transparent Communication:** When notifying affected customers of a data breach, we communicate the nature and scope of the breach, the potential impact on affected data subjects, the steps we have taken to address the breach, and actions that the affected data subjects may take to protect themselves further.
- **Notification Channels:** We use various communication channels — including email, SMS, phone calls, and postal mail — to notify affected customers of data breaches. The choice of channel depends on the nature and severity of the breach and the contact information provided by the affected individuals.
- **Guidance and Support:** Besides notifying affected customers of a data breach, we provide advice and support to help customers mitigate the breach's impact. This may include recommendations for changing passwords, monitoring financial

accounts for suspicious activity, and accessing support services for identity theft protection.

We have noted a marked decline in the number of privacy incidents, which speaks to the success of the PO's efforts to institutionalize Privacy by Design and build a culture of privacy across the PLDT Group.

In 2023, we reported 18 privacy incidents involving customers (for PLDT and Smart combined), with only one determined to be covered by the mandatory reporting requirement of the NPC. Most of the privacy incidents were technical issues, 11 were caused by human error and the rest due to system configuration issues.

Meanwhile, the PO handled 64 requests to exercise data subject's rights for PLDT and Smart. This number excludes the standard data subject requests (such as correcting personal information in the records, etc.) that customer care agents already fulfill.

## Customer Privacy & Security

GRI 418-1, TC-TL-230A.1, TC-TL-220A.4

	FIXED	WIRELESS	TOTAL
Number of Substantiated complaints on customer privacy	<b>45</b>	<b>36</b>	<b>81</b>
Number of complaints from regulatory bodies	<b>0</b>	<b>1</b>	<b>1</b>
Total number of identified leaks, thefts, or losses of customer data	<b>1</b>	<b>15</b>	<b>16</b>
Total number of data breaches involving personally identifiable information	<b>1</b>	<b>17</b>	<b>18</b>
Number of customers whose information was requested in 2023	<b>195</b>		
Percentage of requests resulting in disclosure in 2023	<b>76%</b>		
Number of unique requests for customer information, including customer content and non-content data, from government or law enforcement agencies	<b>149</b>		
Customers, users, and account holders whose information is used for secondary purposes*	<b>~3.0M</b>	<b>~6.2M</b>	<b>~9.2M</b>

\*Secondary purpose is the intentional use of data by the entity (i.e., not a breach of security) outside the primary purpose for which the data was collected. Examples of secondary purposes include but are not limited to, selling targeted ads, improving the entity's products or service offerings, and transferring data or information to a third party through sale, rental, or sharing.

## Data Privacy and Information Security Committee

TC-TL-220A.1, TC-TL-220A.2, TC-TL-230A.2

The Company's Board of Directors pays close attention to privacy and information security, given its great importance to PLDT's business. The Board Committee on Data Privacy and Information Security Committee (DPISC) oversees data privacy and information security governance, reviews and approves the Company's strategic plans on data privacy and information security, oversees the adoption and implementation of a system for identifying, assessing, monitoring, and managing enterprise-wide data privacy and information security risks, including its framework, structure, policies, standards, and processes.

In 2023, the following items were discussed in the DPISC concerning information security:

- a. Global news on cybersecurity, including the latest research on the costs of ransomware attacks and cybercrime;
- b. The strategic focus of the Cybersecurity Operations Group, particularly on strengthening cybersecurity posture through vendor partnership and fortifying its supply chain;
- c. PLDT and Smart statistics in blocking cyber attacks, noting the increase in the attacks immediately after the launch of the SIM Registration platform;
- d. PLDT's community partnerships toward addressing online sexual abuse and exploitation of children (OSAEC) with the Department of Social Welfare and Development's Council for the Welfare of Children and the National Bureau of Investigation, among others;
- e. Recognition received by PLDT, including a Silver Anvil Award for its cybersecurity awareness campaign and the inclusion in the shortlists of the ASEAN Tech for ESG Awards and the World Communication Awards for PLDT's Child Protection Platform.

Meanwhile, the DPISC discussed the following items on privacy and data protection:

- a. Regulatory updates on privacy and data protection, which includes new issuances of the NPC and the implementation of new legislation—such as the SIM Registration Act—with impact on PLDT's privacy operations;
- b. Statistics on the handling of privacy incidents, comprised by personal data breaches and exercise of rights of data subjects, and trends observed on the types of incidents recorded and complaints received from data subjects;
- c. The Privacy Office's program focus for 2023, which are:
  - Privacy operations through standards, privacy by design, risk management, and compliance;
  - Privacy capability through technology enablement; and
  - Privacy capability through learning and awareness.
- d. Pivot to hybrid privacy operations anchored on a risk-based approach to DPA compliance; and
- e. The emerging regulatory landscape on Artificial Intelligence in the Philippines and globally.

Cybersecurity and data privacy are, likewise, significant pillars in PLDT Global's operations as a technology services provider. To continuously raise awareness on the cybersecurity threats, the PGC IT Security actively disseminates advisories to employees and stakeholders. Security policies and processes are also regularly updated to ensure that valuable information and digital assets are protected.

Ensuring a safe and secured digital ecosystem is a priority for PLDT Global. It is a key factor in gaining the trust and confidence of customers, partners, and stakeholders. To uphold data privacy within the organization, the PLDT Global Privacy Office has governance policies in place to mitigate potential risks. Furthermore, information initiatives and e-learning courses are also implemented so employees can gain a better understanding of the importance of data protection, not just in the business but in the community as well.



## DATA PRIVACY IN MAYA

At Maya, we believe that the provision and use of digital services should not compromise the privacy and security of consumers. We recognize that privacy is a fundamental human right thus we ensure that Privacy and Security are at the forefront of our process development strategies.

We begin with the customer's privacy in mind. This is why we have adopted the shift-left approach to ensure that our processes mirror the core principles of the Data Privacy Act – Transparency, Legitimate Purpose, and Proportionality. The early stages of product and process development already involve the data privacy team. In the practice of Privacy by Design and by Default, we sit down with the process owners to carefully assess and simulate the user journey and analyze the user experience for us to provide our tailor-fit guidance on how to operationalize our processing activities while ensuring that the privacy rights of our customers are upheld in the process.

### Transparent Communications

Our data collection touchpoints convey transparent communication to customers about how their personal data will be used to enable them to truly decide for themselves before proceeding to transact with us. Our privacy notices are crafted in such a way that they will encourage customers to actually read their contents. Take for example our Privacy Notice for Maya Bank where we have organized the contents through easier digestible sections so customers can navigate freely and zoom in on particular parts in case they want to reference back to a particular concern.

### Privacy In Action

Our internal privacy training and awareness campaigns aid us in continuously educating our employees for them to better understand and appreciate the principles of legitimate purpose and proportionality. Through these initiatives, our employees have learned to develop purpose-built controls for each product and service that we offer to our customers.

Because the Integration of Privacy principles in the product development framework saves time, effort, and development cost. This results in faster enablement of our services that will be of use to millions of Filipino consumers. As a testament to our efforts, Maya was recognized as a finalist for Privacy Management Program of the Year 2023 at the 2023 Privacy Awareness Week Awards by the National Privacy Commission.

### Consistent Privacy Review

Maya's Privacy Compliance Review procedure outlines the privacy assessment process to ensure transparency requirements are met for all processing activities of the business, its products, and services. All vendors and partners are properly reviewed as part of the sourcing intake process and stakeholders ensure that signed agreements are in place.

Minors or persons below the age of 18 are required to attach a copy of parental consent to ensure that a legal guardian is able to guide them in using the Maya App and its services. We have internal controls in place that filter certain services of the app to limit certain services of the app that could pose harm to minors.

### Privacy Policy

Maya adheres to the Data Privacy Act of 2012 and global standards such as ISO 27701 to maintain effective privacy practices. Privacy notices are provided at all data collection points, ensuring that customers are informed when sharing personal information. We communicate any changes in data usage to customers and obtain consent where necessary. Our privacy policy outlines data usage and potential sharing with third parties, with agreements ensuring third parties comply with our privacy standards. Users' privacy rights are clearly stated, and we conduct privacy risk assessments to mitigate potential harms. We have policies in place to address data subjects' privacy rights, including complaints and damages. Updates to our privacy policy are communicated via the Maya Consumer App and reflected on our official website to keep stakeholders informed.



Maya's Data Privacy Office participates in the internal audit of its processes, practices, and programs to ensure that it's complying with the relevant requirements of the applicable Privacy Laws and Regulations covering the business and its engagements internally and externally.

Maya also periodically partners with third-party audit firms to test the effectiveness and quality of its privacy governance framework and its operational process against global privacy and security standards. Both Maya Philippines and Maya Bank are ISO 27701 certified which attests to the Group's commitment to upholding data privacy in its operations.

## Information Cycle

The Data Privacy Office reviews the data collection touchpoints and ensures that we only collect the necessary information to perform the necessary processing to deliver our products and services to our customers and partners. Our data personalization settings enable customers to customize their Maya experience through granular consents and preferences that they can toggle on or off.

Maya has a data sharing and data disclosure policy in place which guides the organization when sharing or disclosing personal information to legitimate partners after a careful review and assessment. Maya never sells data of its customers and partners nor distributes data illegally to external parties.

Our data retention and purging rules follow the requirements of RA 9160 (Anti-Money Laundering Act of 2001) which requires retention of transactional data within the last five (5) years from the

transaction date, and customer data five (5) years after account closure, unless a legal basis has been identified to justify a longer retention period.

The Data Privacy Office is part of the Office of the Chief Information Security Officer of Maya. The Data Privacy Office currently has four members including the Head of the Data Privacy Office who reports directly to Maya's CISO and Group DPO. The Data Privacy Office oversees the governance and operational requirements of Maya Philippines, Inc. and Maya Bank, Inc.



GRI 201-4, 207-1, 207-2, 207-3, 207-4

# OUR APPROACH TO SUSTAINABLE TAX STRATEGY

The PLDT Group reiterates its commitment to creating value for stakeholders by efficiently managing costs to comply with tax obligations. Standards for tax governance and management are set across the Group through a responsible and sustainable tax strategy overseen by the Board of Directors and Audit Committee and executed by the Tax Group.

Our tax approach aligns with our core business principles of accountability, integrity, fairness, and transparency. We ensure our tax affairs comply with all applicable national and local laws and practices.













Our Code of Business Conduct and Ethics, which requires doing business and following the highest standards of ethics, guides our tax strategy. Similarly, our Anti-Corruption

Program embodies our zero-tolerance approach to tax integrity issues. We also enforce a whistleblowing policy to encourage anyone in the company to act in good faith and freely communicate their concerns about illegal or unethical practices without risk of retaliation.

We work cooperatively and transparently with tax authorities through regular and open dialogue to ensure accurate understanding and application of tax laws and to discuss tax positions and implications of material transactions affecting the Group.

The taxes we pay are our responsibility toward our stakeholders and the communities we are part of and play a vital role in the sustainable growth of our business and the country as a whole.

## 2023 TAX JURISDICTION: PHILIPPINES (IN MILLION PHP)

 <b>15,592</b> Total Employees	 <b>24,644</b> Employee Wages & Benefits	 <b>3,278</b> Taxes withheld and paid on behalf of employees <sup>1</sup>	 <b>12,993</b> Taxes collected from customers on behalf of a tax authority <sup>2</sup>
INDUSTRY-RELATED AND OTHER TAXES OR PAYMENTS TO GOVERNMENTS	<b>310</b> Real Property Tax	<b>27</b> Documentary Stamp Tax	<b>146</b> GIT Savings and income tax holiday
 <b>N/A</b> Significant uncertain tax positions	 <b>15,234</b> Balance of intra-company debt held by entities in the tax jurisdiction <sup>3</sup>	 <b>N/A</b> Revenues from third-party sales	 <b>2,095</b> Revenues from intra-group transactions with other tax jurisdictions <sup>4</sup>
 <b>36,435</b> Profit/loss before tax	 <b>496,290</b> Tangible assets other than cash and cash equivalents	 <b>7,964</b> Corporate income tax paid on a cash basis	 <b>9,612</b> Corporate income tax accrued on profit/loss

Please refer to the reconciliation between the provision for income tax at the applicable statutory tax rate and the actual provision for corporate income tax on page F-58 of 2023 17A

<sup>1</sup> Withholding tax on wages plus fringe benefit tax

<sup>2</sup> Expanded withholding tax plus final withholding tax plus withholding VAT plus VAT and Overseas communication tax

<sup>3</sup> Advances by Digital Telecommunications Phils.

<sup>4</sup> Intercompany revenue by PLDT Global Corporation

# CORPORATE GOVERNANCE FOR LONG TERM SUCCESS

As a publicly listed Philippine company with shares listed on the Philippine Stock Exchange (PSE) (ticker symbol: TEL) and with American Depositary Shares listed in the New York Stock Exchange (NYSE) (ticker symbol: PHI), PLDT Inc. (PLDT or the Company) complies with the corporate governance standards, principles and practices laid out in relevant laws of the Philippines and the US, and rules and regulations of Philippine Securities and Exchange Commission (PSEC), PSE, US SEC, and NYSE, including the Philippine Code of Corporate Governance for Publicly Listed Companies (CG Code for PLCs), Revised Corporation Code, US Securities Exchange Act, NYSE Listed Company Manual and Sarbanes-Oxley Act, among other applicable laws. Being an associated company of First Pacific Company Ltd., a company listed on the Hong Kong Stock Exchange, we also benchmark with the governance standards of Hong Kong.

The CG Code for PLCs defines corporate governance as “a system of direction, feedback, and control using regulations, performance standards, and ethical guidelines to hold the Board and senior management accountable for ensuring ethical behavior – reconciling long-term customer satisfaction with shareholder value – to the benefit of all stakeholders and society. Its purpose is to maximize the organization’s long-term success, creating sustainable value for its shareholders, stakeholders and the nation.” In PLDT, our system of direction, feedback, and control is exemplified in our governance framework, the Company’s Manual on Corporate Governance, Articles of Incorporation, and By-Laws. Our policies and Company practices serve as a guide for all employees on the standard of conduct that is necessary to support the Vision, Mission, and strategic goals of the Group.

## BOARD STRUCTURE

GRI 2-9, 2-10, 2-11, 2-12, 2-13, 2-14, 2-17, 2-18, 405-1

At the center of our governance framework is the PLDT Board, the body entrusted by shareholders with the authority to act for and on behalf of PLDT. In coordination with Management, the Board determines our Vision, Mission, and strategic objectives.

Our Board is composed of 13 qualified and competent members, each highly regarded in their respective fields and 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, risk management, audit and internal controls, environment and natural resources, and corporate governance. At least four of our non-executive directors have extensive experience in the telecommunications industry. Our directors possess complementary skills, expertise, and the requisite independence, probity, and diligence in exercising their fiduciary duties. They are business owners or leaders and hold, or have held, senior management positions.

The PLDT Board\* is composed of:



**Manuel V. Pangilinan**  
Chairman of the Board



**Manuel L. Argel, Jr.<sup>1</sup>**  
Non-executive Director



**Helen Y. Dee**  
Non-executive Director



**Ray C. Espinosa**  
Non-executive Director



**James L. Go**  
Non-executive Director



**Kazuyuki Kozu**  
Non-executive Director



**Bernido H. Liu**  
Independent Director



**Artemio V. Panganiban**  
Lead Independent Director



**Alfredo S. Panlilio<sup>2</sup>**  
Executive Director



**Bernadine T. Siy**  
Independent Director



**Marilyn A. Victorio-Aquino**  
Executive Director



**Naoki Wakai**  
Non-executive Director



**Marife B. Zamora**  
Non-executive Director

<sup>1</sup> The Board elected Mr. Rolando L. Macasaet as the representative director of the Social Security System to the Company's Board, effective January 30, 2024, to serve the unexpired term of his predecessor in office, Hon. Manuel L. Argel, Jr., who submitted his resignation on January 1, 2024

<sup>2</sup> On December 5, 2023, the PLDT Board accepted the retirement of Mr. Alfredo S. Panlilio as President and CEO effective December 31, 2023 due to health reasons.

\*as of December 31, 2023



Eight non-executive directors, three independent directors, and two executive directors are on the PLDT Board. Independent directors are selected based on specific independence criteria under applicable laws and rules, our By-laws, and the CG Manual. Under our CG Manual, an independent director is, broadly, a person who is independent of Management and who, apart from their fees and shareholdings, is free from any business or other relationship with the Company which could, or could reasonably be perceived to materially interfere with their exercise of independent judgment in carrying out their responsibilities as a director of the Company. More specific independence standard criteria are enumerated in our By-Laws and CG Manual.

To ensure that the Board has an effective and balanced mix of knowledge, expertise, experience, and diversity in terms of, among other factors, age, gender, and ethnicity, the Board, through its Governance, Nomination and Sustainability Committee (GNSC), implements a selection process and reviews the qualifications of directors to be nominated for election by the stockholders, or appointment by the Board, as the case may be.

The GNSC follows PLDT's Guidelines on the Search, Screening, and Selection of Directors and Screening Checklist, which contain, among others, the criteria and qualifications for directorship and a matrix of skills, expertise, and experience relevant to the responsibilities of the Board, and considers other pertinent factors, such as conflict of interest and directorships and/or positions in other corporations. External sources, such as professional search firms, director databases and/or other reputable sources, are used, as appropriate, to further enhance the search for and widen the base of potential nominees.

PLDT has a Board Diversity Policy that articulates the organization's recognition of the enhanced quality of decision-making

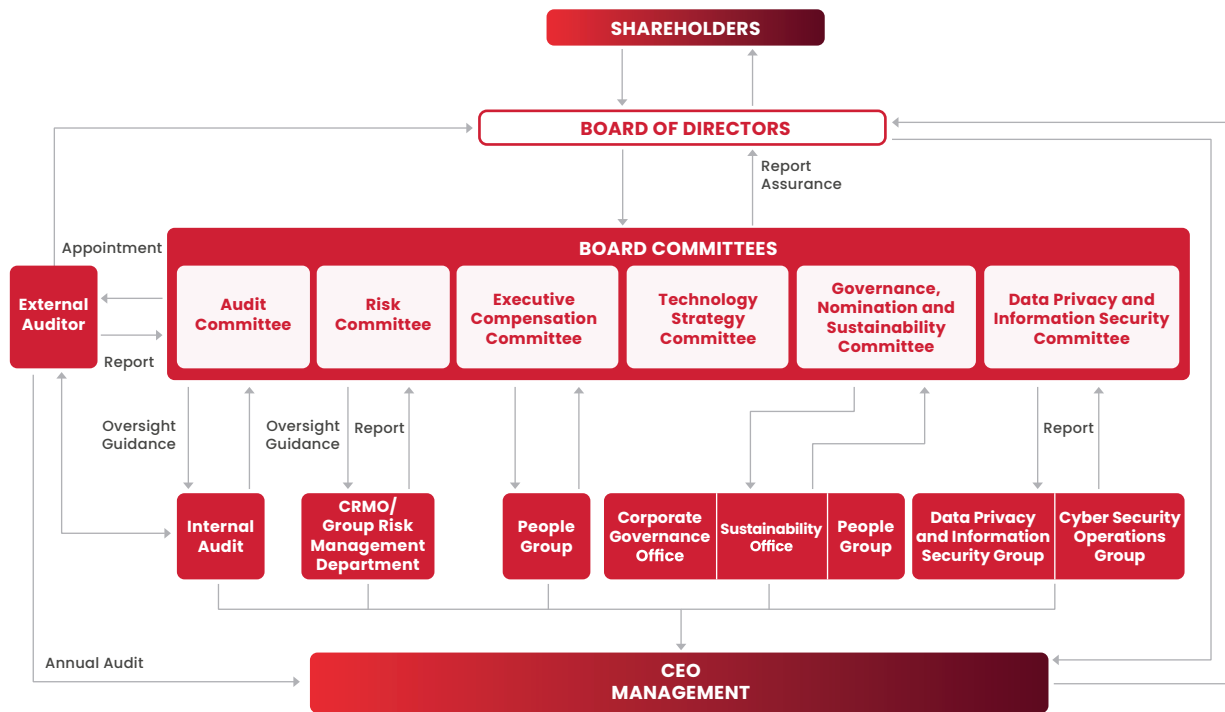
capability and performance of a Board that is composed of a mix of directors who are equipped with knowledge, skills, professional or business experience, cultural and educational background, ethnicity, gender, age, length of service, and is a combination of non-executive, executive, and independent directors. Our Board Diversity Policy ensures that while respecting the fundamental rights of our shareholders to nominate and elect directors, both the GNSC and the Board will carefully consider the appropriate mix, complementation, and interplay of the various diversity aspects in the selection of qualified director-nominees, including independent director-nominees, who will be recommended for election by the stockholders or the Board, as applicable, for our organization to achieve the benefits of Board diversity as well as to fairly and effectively promote the interest of all the stakeholders, particularly the long-term interest of the stockholders of PLDT.

Our directors are elected each year in the Annual Stockholders' Meeting (ASM) to serve until the next ASM and until their successors are elected and qualified, except in case of death, resignation, disqualification, or removal from office. On June 13, 2023, PLDT held its ASM and duly elected its directors to serve as such for the ensuing year. As of year-end of 2023, the average tenure of directors in the PLDT Board was 10.8 years.

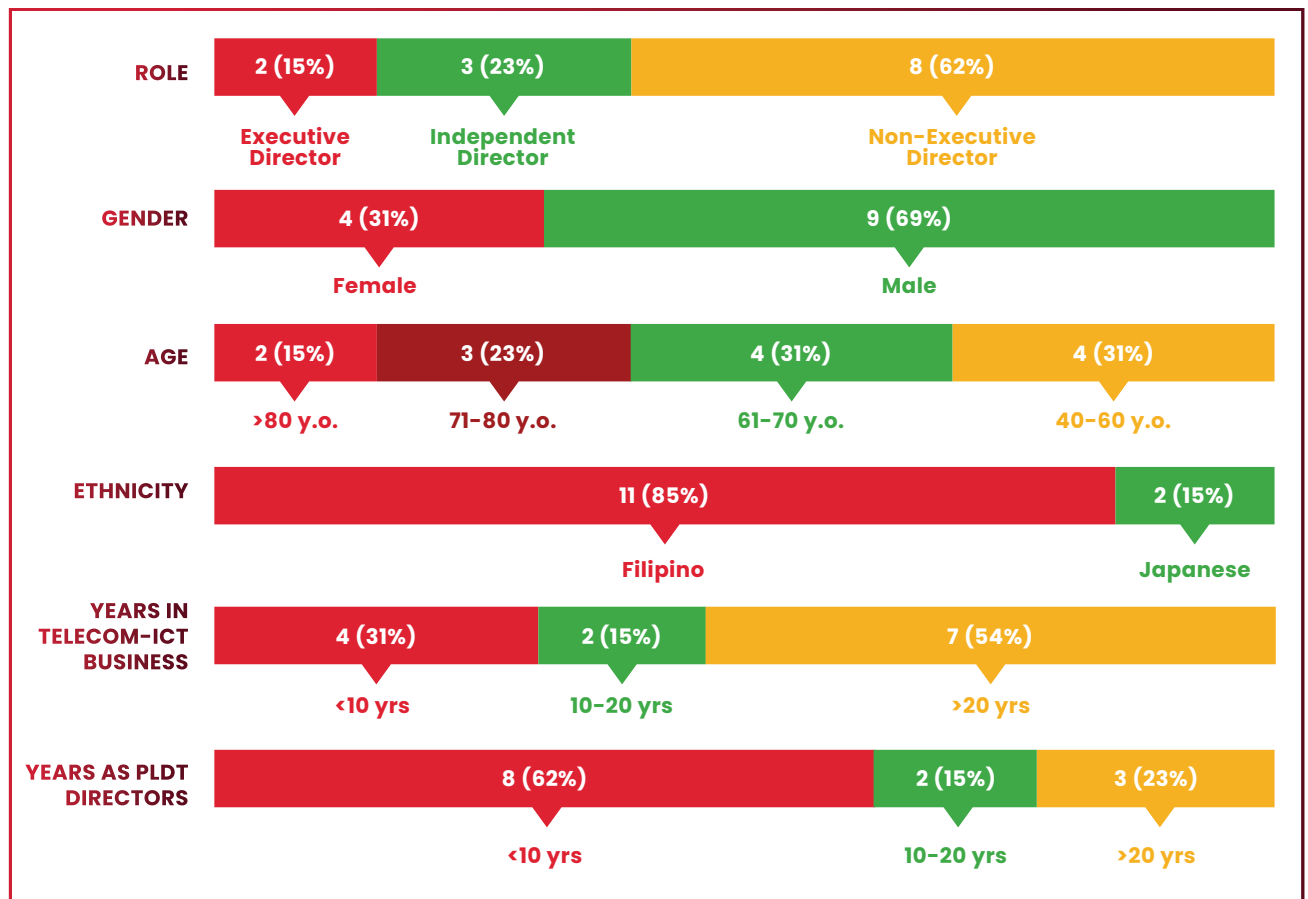
Committed to fulfilling its role with diligence and excellence, the PLDT Board conducts an annual self-assessment to evaluate the performance of the Board as a whole, the Board Committees, and individual directors, including the President and CEO. Each Board Committee also conducts an annual self-assessment of its performance. This process enables the Board to identify strengths and areas for improvement. Individual directors also provide feedback and views on PLDT's strategies, performance, and future direction.



## Commitment Pillar

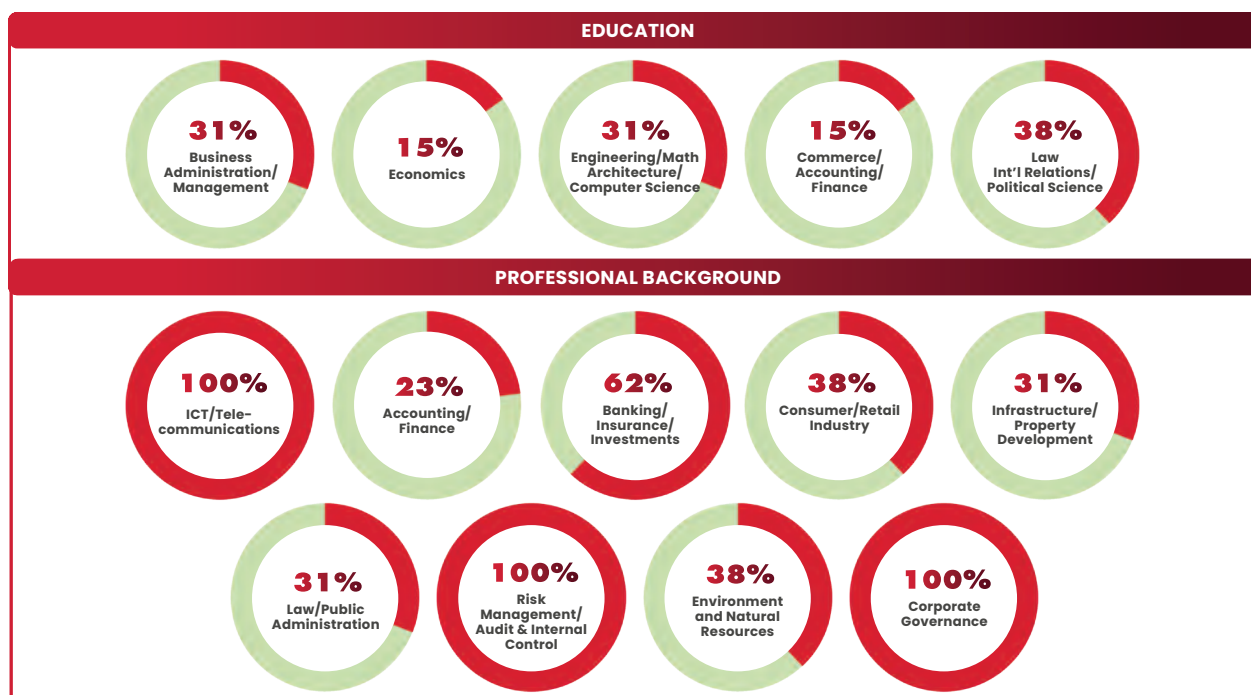


## 2023 BOARD DIVERSITY FACTORS GRI 202-2, 405-1



## DIRECTORS' EDUCATION AND PROFESSIONAL BACKGROUND

Several of our directors have educational, professional background, and business experience in more than one field.



## BOARD COMMITTEES

GRI 2-12

With assistance from the Audit Committee (AC), the Board carries out its oversight responsibilities for financial reporting, internal control system, internal audit and independent audit mechanisms, and reviews material related party transactions (MRPTs) that meet the materiality threshold set in the MRPT Policy and the Guidelines on the Proper Handling of Related Party Transactions (RPTs). To continuously improve controls and processes, periodic internal and external audits of operations and disclosures are conducted.

With assistance from the GNSC, the Board establishes and oversees the implementation of PLDT's sustainability strategy, framework, programs and policies, and oversees the Company's social investments and commitments

to making a meaningful impact on communities. It 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 the communities where the Company operates. The GNSC oversees PLDT's disclosure of material and reportable information regarding non-financial and sustainability matters, including those concerning the management of economic, environmental, social, and governance aspects of the business. These include organizational learning and diversity and inclusion activities, stakeholder engagement framework and digital transformation programs, environmental stewardship, climate action, biodiversity conservation initiatives, and

supplier ESG programs, among others. Corresponding progress in all these areas is communicated annually via PLDT's sustainability report, as reviewed and approved by the GNSC.

The Board is assisted by the Executive Compensation Committee (ECC) in developing the compensation philosophy or policy of the Company consistent with its strategy, culture, and control environment. The ECC likewise reviews and approves corporate goals and objectives relevant to the compensation of the President and CEO, and evaluates his performance in light of such goals and objectives. The ECC likewise determines the long-term incentive component of the compensation of the President and CEO considering factors such as the Company's performance and relative shareholder return, the value of similar incentive awards to CEOs at comparable companies, and the awards given to the President and CEO in the previous years. As approved by the PLDT Board, the Company's Long Term Incentive Plan, which applies to Senior Management, including Executive Directors, key officers and executives, includes profitability, sustainability metric including those that impact climate change, customer experience, among its metrics.

With assistance from the Risk Committee (RC), the Board fulfills its oversight responsibilities for the Company's assessment, management, and monitoring of key enterprise risks. It reviews Management reports on the Company's major risk exposures and their corresponding mitigation measures, including sustainability-related risks. The Board likewise reviews, on a quarterly basis, the Company's capital and debt structure and its compatibility with the Company's strategic goals and associated risk appetite.

Through the Technology Strategy Committee (TSC), the Board reviews and approves the strategic vision for the role of technology in the Company's overall business strategy, including the technology strategy and roadmap. The Board likewise oversees the Company's effective execution of its technology-related strategies. It ensures the optimized use and contribution of technology to the Company's business and strategic objectives and growth targets.

The Data Privacy and Information Security Committee (DPISC) assists the Board in the performance of its functions to promote and foster a culture of data privacy and information security governance; reviews and approves the Company's strategic plans on data privacy and information security; ensures accountability for compliance with regulatory standards and applicable best practices; and oversees Management's adoption and implementation of a system for identifying, assessing, monitoring and managing enterprise-wide data privacy and information security risks, including its framework, structure, policies, standards, and processes.

In pursuit of good corporate governance, the following Board Committees have been constituted to assist the Board in performing its functions and responsibilities. The respective charters of the Board Committees provide that each shall have the necessary resources and authorities to discharge their duties, including obtaining external legal or professional advice.

ADVISORY BOARD/COMMITTEE MEMBERS			
Mr. Benny S. Santoso	Mr. Orlando B. Vea	Mr. Christopher H. Young	Mr. Roberto C. Yap, S.J. <sup>1</sup>

The Advisory Board/Committee provides guidance and suggestions, as necessary, on matters deliberated upon during Board meetings.

RISK COMMITTEE (RC) MEMBERS		
Hon. Artemio V. Panganiban Chairperson/ Retired Supreme Court Chief Justice/Lead Independent Director	Ms. Bernadine T. Siy Independent Director	Mr. Bernido H. Liu Independent Director
Mr. Kazuyuki Kozu	Mr. James L. Go	Mr. Danny Y. Yu Chief Risk Management Officer Non-voting Member <sup>2</sup>

AUDIT COMMITTEE (AC) MEMBERS		
Ms. Bernadine T. Siy Chairperson/Independent Director	Hon. Artemio V. Panganiban Retired Supreme Court Chief Justice Lead Independent Director	Mr. Bernido H. Liu Independent Director
AC Advisors:		
Mr. James L. Go	Mr. Kazuyuki Kozu	Ms. Corazon S. de la Paz-Bernardo

GOVERNANCE, NOMINATION, AND SUSTAINABILITY COMMITTEE (GNSC) MEMBERS			
Mr. Manuel V. Pangilinan Chairman	Hon. Artemio V. Panganiban Retired Supreme Court Chief Justice/Lead Independent Director	Mr. Bernido H. Liu Independent Director	Ms. Bernadine T. Siy Independent Director
Mr. Kazuyuki Kozu	Ms. Gina Marina P. Ordoñez Chief People Officer Non-voting Member	Ms. Melissa V. Vergel de Dios Chief Sustainability Officer Non-voting Member	

Mr. Alfredo S. Panlilio <sup>3</sup> GNSC Advisor
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EXECUTIVE COMPENSATION COMMITTEE (ECC) MEMBERS		
Mr. Manuel V. Pangilinan Chairman	Hon. Artemio V. Panganiban Chairperson/Lead Independent Director	Ms. Bernadine T. Siy Independent Director
Mr. Bernido H. Liu Independent Director	Mr. Kazuyuki Kozu	Ms. Gina Marina P. Ordoñez Chief People Officer/Non-voting Member

TECHNOLOGY STRATEGY COMMITTEE (TSC) MEMBERS		
Mr. Manuel V. Pangilinan Chairman	Atty. Ray C. Espinosa	Mr. James L. Go
Mr. Kazuyuki Kozu	Mr. Alfredo S. Panlilio <sup>3</sup>	Mr. Orlando B. Vea Non-voting Member

DATA PRIVACY AND INFORMATION SECURITY COMMITTEE (DPISC) MEMBERS			
Mr. Manuel V. Pangilinan Chairman	Atty. Ray C. Espinosa	Mr. Kazuyuki Kozu	Mr. Bernido H. Liu Independent Director
Mr. Alfredo S. Panlilio <sup>3</sup> DPISC Advisor			

<sup>1</sup> Effective August 3, 2023

<sup>2</sup> Effective May 4, 2023

<sup>3</sup> Retired effective December 31, 2023

# UPHOLDING BUSINESS ETHICS

GRI 2-15, 2-23, 2-24, 2-27, UNGC Principles 1-2

The PLDT Group remains committed to the highest standards of business ethics in pursuit of business targets and sustainability goals. We anchor our business decisions and actions on core principles of Accountability, Integrity, Fairness, and Transparency, which principles govern how we do business. Our core principles inspire the quality of relationships internally within the organization and externally with our stakeholders and are embodied in our Manual on Corporate Governance and the Code of Business Conduct and Ethics.

## Manual on Corporate Governance (CG Manual)

The CG Manual defines our corporate governance framework and structure. Supplementary to PLDT's Articles of Incorporation and By-Laws, it assigns and delineates functions and responsibilities and identifies powers, authorities, and resources needed 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, including its minority shareholders and its other stakeholders, and the Company's obligation to comply with applicable disclosure rules.

## Code of Business Conduct and Ethics (Code of Ethics)

The Code of Ethics was adopted to strengthen the implementation of the CG Manual. It sets the governance and ethical standards that shall govern and guide all business relationships of the Group, its directors, officers, and employees.

Upholding our CG Manual and Code of Business Conduct and Ethics, corresponding responsibilities, accountabilities, and reporting lines are integrated into our corporate governance structure and are clearly defined across various organizational units.

The following enabling policies further strengthen our Code of Ethics:

### Conflict of Interest Policy (COI Policy)

This policy enjoins PLDT's directors, employees, and consultants to promptly disclose conflict of interest situations to relevant authorities. If warranted, the employee concerned should obtain

appropriate approvals and inhibit from any action, transaction or decision involving an existing or potential conflict of interest. The Company has established an online conflict of interest disclosure system to facilitate the immediate disclosure and management of conflicts of interest.

### Material Related Party Transactions Policy (MRPT Policy)

The MRPT Policy provides the processes, controls and safeguards for properly handling related party transactions following applicable laws and regulations. The policy defines processes for the proper review, approval, and disclosure of related party transactions that meet the materiality threshold defined therein and covers PLDT and the PLDT Group. MRPTs are reviewed by the Audit Committee, composed entirely of independent directors, and subject to approval by the Board.



### **Policy on Gifts, Entertainment, and Sponsored Travel (Gifts Policy)**

PLDT Group's Gifts Policy provides safeguards on the receipt and acceptance of gifts given by third parties to ensure that such gifts do not affect the objective, independent or effective performance by directors, officers, and employees of their duties to the Company. The Company established an online Gifts, Entertainment and Sponsored Travel disclosure system to facilitate the immediate disclosure of offers or receipt of gifts, entertainment and sponsored travel from third parties for proper disposition.

### **Supplier/Contractor Relations Policy (S/C Relations Policy)**

The S/C Relations Policy provides rules for arm's length transactions and fair treatment of prospective and existing suppliers. The Policy specifically adopts the processes of vendor accreditation and competitive bidding as the general rule to ensure that contracts are awarded only to qualified and duly accredited vendors who offer the best value for money for PLDT's requirements. External parties, including suppliers and contractors, may report concerns and violations related to human rights, child rights, and labor laws to the Corporate Governance Office at CGOHotline@pldt.com.ph.

### **Expanded Whistleblowing Policy (EWB Policy)**

The EWB Policy provides guidelines on handling employee disclosures or complaints regarding (i) violations of corporate governance rules, including corporate governance policies; (ii) questionable accounting and auditing matters; and (iii) violations covered by our Human Resources Manual. The EWB Policy protects whistleblowers

and witnesses from retaliation, and to ensure confidentiality and fairness in the handling of a disclosure or complaint, PLDT maintains an online disclosure system, Whistleblowing Helplines, and other reporting facilities, such as a dedicated electronic mailbox and a special contact number.

As of December 31, 2023, four new whistleblowing cases were received by PLDT: (i) one case, which was consolidated with the EWB case received and pending as of December 31, 2022, was closed and resolved with appropriate action taken by the Management, and (ii) three cases are under investigation. PLDT did not receive any Complaint on Retaliation or case that would fall under the jurisdiction of line management and/or outside the scope of the EWB Policy.

For Smart, one new whistleblowing complaint was received and closed during the covered period. Four new cases, which were determined to fall under the jurisdiction of line management and/or were outside the scope of the EWB Policy, were received: (i) two cases were closed and resolved, (ii) one case was archived due to lack of supporting evidence, and (iii) the other case is still pending investigation.

No new whistleblowing complaint or complaint on retaliation was received by PLDT Global Corporation (PGC), ePLDT, Inc., Digital Telecommunications Philippines, Inc., and Digital Mobile Philippines, Inc. However, a new case deemed to be outside the scope of the EWB Policy was received and closed by PGC during the covered period.

There were no incidents of corruption noted or received by the corporate governance office through its whistleblowing system in 2023.

# CHAMPIONING ANTI-CORRUPTION

GRI 3-3, 205-1, 205-3, UNGC PRINCIPLE 10

PLDT's anti-corruption policy, as embodied in its Code of Ethics and Policy on Gift-Giving Activities, prohibits direct and indirect bribery and corrupt practices in compliance with applicable laws and regulations. Guidance and procedural safeguards are provided in the conduct of gift-giving activities to comply with applicable laws, respect the gift-receiving policies of intended gift recipients, and uphold PLDT's core principles and values.

Appropriate monitoring and preventive measures are in place to reinforce observance of the anti-corruption policy, including Sarbanes Oxley Act Section 404 (SOX 404) internal controls, accounting and auditing controls, training and communication programs, whistleblowing facilities and enforcement mechanisms, third-party due diligence, vendor accreditation and performance review, anti-corruption and corporate governance provisions in procurement contracts, among others. The Company likewise has specific Guidelines for Handling Requests for Donations that provide the review and approval process to ensure integrity and transparency in evaluating and granting donations.

The Code of Ethics provides that disciplinary actions against violators shall include dismissal and filing of appropriate civil and criminal actions. Violators are defined as (i) persons who commit prohibited acts or who fail to implement prescribed acts when there is an obvious opportunity to do so; (ii) employees who knowingly abet such acts of commission or omission or who

fail to report such acts that violate the Code; and (iii) persons of authority who fail to impose the necessary disciplinary measures against violators.

## ZERO INCIDENTS

In which directors were removed or disciplined for corruption

In which employees were dismissed or disciplined for corruption

conflicts of interest

insider trading



## Anti-Corruption Communication

GRI 205-2

EMPLOYEE RANK	2023								
	PLDT			SMART			TOTAL		
	Active Employees <sup>1</sup>	Received Communication	Percentage	Active Employees <sup>1</sup>	Received Communication	Percentage	Active Employees <sup>1</sup>	Received Communication	Percentage
Rank and File	4,143	4,143	100.00%	1,592	1,592	100.00%	5,735	5,735	100.00%
Management	5,114	5,114	100.00%	1,964	1,963	99.95%	7,078	7,077	99.99%
Executives	671	671	100.00%	625	625	100.00%	1,296	1,296	100.00%
Officers	87	87	100.00%	52	52	100.00%	139	139	100.00%
<b>TOTAL</b>	<b>10,015</b>	<b>10,015</b>	<b>100.00%</b>	<b>4,233</b>	<b>4,232</b>	<b>99.98%</b>	<b>14,248</b>	<b>14,247</b>	<b>99.99%</b>

<sup>1</sup> Total Employees as of November 24, 2023

BY REGION	2023								
	PLDT			SMART			TOTAL		
	Active Employees <sup>1</sup>	Received Communication	Percentage	Active Employees <sup>1</sup>	Received Communication	Percentage	Active Employees <sup>1</sup>	Received Communication	Percentage
LUZON	8,246	8,246	100.00%	3,659	3,658	99.97%	11,905	11,904	99.99%
VISAYAS	952	952	100.00%	306	306	100.00%	1,258	1,258	100.00%
MINDANAO	817	817	100.00%	268	268	100.00%	1,085	1,085	100.00%
<b>TOTAL</b>	<b>10,015</b>	<b>10,015</b>	<b>100.00%</b>	<b>4,233</b>	<b>4,232</b>	<b>99.98%</b>	<b>14,248</b>	<b>14,247</b>	<b>99.99%</b>

<sup>1</sup> Total Employees as of November 24, 2023

## Anti-Corruption Training

GRI 205-2

EMPLOYEE RANK	2023								
	PLDT			SMART			TOTAL		
	Active Employees <sup>2</sup>	Received Training	Percentage	Active Employees <sup>2</sup>	Received Training	Percentage	Active Employees <sup>2</sup>	Received Training	Percentage
Rank and File	4,149	3,968	95.64%	1,588	1,581	99.56%	5,737	5,549	96.72%
Management	5,097	4,998	98.06%	1,958	1,950	99.59%	7,055	6,948	98.48%
Executives	673	665	98.81%	625	622	99.52%	1,298	1,287	99.15%
Officers	85	74	87.06%	52	52	100.00%	137	126	91.97%
<b>TOTAL</b>	<b>10,004</b>	<b>9,705</b>	<b>97.01%</b>	<b>4,223</b>	<b>4,205</b>	<b>99.57%</b>	<b>14,227</b>	<b>13,910</b>	<b>97.77%</b>

BY REGION	2023								
	PLDT			SMART			TOTAL		
	Active Employees <sup>2</sup>	Received Training	Percentage	Active Employees <sup>2</sup>	Received Training	Percentage	Active Employees <sup>2</sup>	Received Training	Percentage
LUZON	8,234	7,989	97.02%	3,654	3,637	99.53%	11,888	11,626	97.80%
VISAYAS	952	917	96.32%	302	301	99.67%	1,254	1,218	97.13%
MINDANAO	818	799	97.68%	267	267	100.00%	1,085	1,066	98.25%
<b>TOTAL</b>	<b>10,004</b>	<b>9,705</b>	<b>97.01%</b>	<b>4,223</b>	<b>4,205</b>	<b>99.57%</b>	<b>14,227</b>	<b>13,910</b>	<b>97.77%</b>

<sup>2</sup> Total Employees as of December 31, 2023

The Policy on Gift-Giving Activities, together with the Gifts, Entertainment and Sponsored Travel Policy (Gifts Policies) are communicated to all employees, in addition to the Code of Ethics and other corporate governance policies.

The Corporate Governance Orientation Module, which includes a discussion on the Code of Ethics and its implementing corporate governance policies is mandatory for each employee's onboarding orientation. As a reference, the Code of Ethics is accessible on demand to all employees online at ONE Hub, a cloud storage platform. Refresher courses conducted annually likewise include the application of the Gifts Policies and Code of Ethics to business situations.

In 2023, a CG Refresher module was completed by PLDT and Smart employees, and advisories on the Gifts Policies were issued as organizational reminders during the Christmas season. As of year-end, 97.01% of PLDT employees<sup>3</sup> and 99.57% of Smart employees received training on PLDT's and Smart's corporate governance policies, including the Gifts Policies and Code of Ethics. Additionally, 100% of PLDT employees and 99.98% of Smart employees received advisories on compliance with the Companies' Gifts Policies.

For Governance Body members – At the start of the service of a new director, the Chairman, President and CEO, Chief Financial Officer, Corporate Secretary, and Chief Governance Officer give the new 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, By-Laws, Annual Report, CG Manual, Code of Ethics, and the Charters of the Board Committees.

In 2023, all of PLDT directors received communication on PLDT's Gifts Policies through an advisory. As part of the PLDT Board's and Officers' governance training for the year, the Company conducted its SEC-approved 17th Annual Corporate Governance Enhancement Session (ACGES) on Artificial Intelligence (AI) standards and regulations, governance imperatives, opportunities and challenges on November 9, 2023. Ten of the Company's directors<sup>1</sup> attended the ACGES along with the directors and officers of the PLDT Group companies and other Philippine-based affiliate companies of the First Pacific Company Ltd. The ACGES topics and speakers are annually determined by the Board through the GNSC and submitted for approval by the PSEC.

<sup>3</sup> 99.97% of PLDT employees completed their governance training refresher module by February 16, 2024.

Business Partners – The Code of Ethics forms part of the Corporate Governance (CG) Guidelines for Suppliers, among other relevant CG Policies. It contains standards of behavior expected from suppliers/contractors concerning corporate governance and ethical compliance in their transactions with PLDT. Suppliers and contractors are required to indicate that they conform to the CG Guidelines as part of accreditation requirements. Dissemination of the CG Guidelines and ensuring that suppliers/contractors indicate their conformity thereto are responsibility of the Supply Chain Management.

The PLDT Group collaborates and continues to work with institutions and organizations engaged in programs and advocacy efforts in the field of corporate governance, compliance, and business ethics, such as the Integrity Initiative Inc. (III), Good Governance Advocates and Practitioners of the Philippines (GGAPP), and Ethics and Compliance Initiative (ECI).

As a sponsoring partner member of the ECI, the PLDT Group has access to ECI's vast online library on governance and related topics and opportunities to attend and participate in discussion groups and training sessions, as well as interact with other governance and ethics professionals worldwide. In the process, the Group can benchmark its governance practices against those of leading companies.

PLDT and Smart are participant signatories to the Statement from Business Leaders for Renewed Global Cooperation on the United Nations Global Compact. PLDT and Smart attended the first Asia-Pacific Anti-Corruption Collective Action Forum at the Fairmont Makati in Manila, Philippines, on September 25, 2023. The forum was a joint initiative of the Organisation for Economic Co-operation and Development (OECD) and the Asian Development Bank (ADB). It was hosted by the Basel Institute of Governance in partnership with the Anti-Corruption Initiative for Asia and the Pacific (ACI).

## Advocating for Human Rights

GRI 3-3, 2-23, UNGC PRINCIPLE 1, 2

On January 30, 2024, the Board approved and adopted the PLDT Human Rights Policy in recognition of the organization's role in building a digital society that respects human rights and upholds the right of every Filipino to participate in economic, social, and cultural life.

The policy highlighted the Group's support for internationally recognized human rights principles and, aligned with the Code of Ethics, prescribes guidelines on respecting human rights in all business engagements with stakeholders in the workplace, marketplace, and community.

<sup>1</sup> Director James L. Go has been granted by the SEC permanent exemption from its governance training requirement



Through the policy, the Company articulates support for the principles set out in the following international instruments:

- United Nations Universal Declaration of Human Rights
- International Bill of Human Rights
- International Labor Organization's Declaration on Fundamental Principles and Rights at Work
- International Covenant on Social, Economic, and Cultural Rights
- United Nations Global Compact Principles
- United Nations Convention on the Rights of the Child
- United Nations Declaration on the Rights of Indigenous Peoples
- United Nations Convention on the Rights of Persons with Disabilities

The Group also adheres to a Diversity and Inclusion Policy that defines standard guidelines for promoting diversity and collaboration within its workforce and expresses its commitment to zero tolerance of harassment, abuse, intimidation, retaliation, or prejudice among employees.

At the same time, freedom of association and expression is upheld, as PLDT recognizes the right of employees to organize and engage in collective bargaining negotiations and peaceful assembly, as well as make use of relevant information to discuss and address employee concerns.

Furthermore, the Group adopted a zero-tolerance policy towards all forms of forced labor, human trafficking, slavery, child labor, and human rights abuses within its operations and within the supply chain, consistent with continuous compliance with Philippine laws and regulations. Among these laws are the Magna Carta of Women (RA 9710), the Anti-Sexual Harassment Act of 1995 (RA 7877), the Anti-Rape Law of 1997 (RA 8353), the Rape Victim Assistance and Protection Act of 1998 (RA 8505), the Anti-Violence Against Women and Their Children Act of 2004 (RA 9262), An Act Strengthening the Prohibition on Discrimination Against Women With Respect to Terms and Conditions of Employment (RA 6725), and Safe Spaces Act (RA 11313).

As participants to the United Nations Global Compact (UNGC), PLDT and Smart are committed to UNGC's Ten Principles on Human Rights, Labour, Environment, and Anti-Corruption. Our human rights due diligence approach is aligned with the UN Guiding Principles on Business and Human Rights — identifying and prioritizing the most salient human rights issues in connection with the Company's products, services, and technologies, as well as creating strategies to manage risks and mitigate their adverse effects. Due diligence processes include impact assessments, control measures, mitigation and tracking, employee training, and continuous stakeholder engagement applicable to Company policies.

# OUR POLICIES ON ANTI-COMPETITIVE AND ANTI-TRUST BEHAVIOR

GRI 2-16, 3-3, 206-1

PLDT proactively ensures full compliance with competition-related laws, rules, and regulations. The Group reviews contracts with diligence and care, especially given policies on anti-competitive and antitrust behavior.

PLDT continues to report on its case against the Philippine Competition Commission (PCC), which was first mentioned in the 2018 report and remains pending. Our external counsel handles and manages the case.

Below are disclosures on pending cases:

PLDT is currently involved in litigation with the PCC relating to PLDT's investments in the telecommunications business of San Miguel Corporation (SMC). 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 Telecom (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, acquisition by PLDT

and Globe of equity interest, including outstanding advances and assumed liabilities, in the telecommunications business of SMC. In April 2017, the PCC filed a petition before the Supreme Court to annul the writ of preliminary injunction issued by the CA. The petition remains pending with the Supreme Court.

Following news reports on August 8, 2022 that Dito filed a complaint with the PCC against Globe and Smart involving the same issue pending with the National Telecommunications Commission on International Simple Resale (ISR), Smart received a Subpoena Duces Tecum dated December 7, 2022 from the PCC Competition Enforcement Office, pursuant to an ongoing full administrative investigation involving the telecommunications industry. Smart was given notice in the Subpoena, that it is the subject of ongoing investigation pursuant to Section 2.9 of the 2017 PCC Rules of Procedure. The investigation involves allegations of violation/s by Smart of Section 14(b)(1), 15(b), 15(c) and 15(i) of the Philippine Competition Act. In the subpoena, Smart was directed to submit its corporate documents, documents, and information pertaining to its operations as a public telecommunications entity (PTE), its relationship with other PTEs, and documents and information on ISR.

*More details can be found in the 2023 Form 17-A under Item 3: Legal Proceedings*

# APPENDICES

05



## CONCERN PILLAR

TYPES OF INJURY BY GENDER	2021				2022				2023			
	Male		Female		Male		Female		Male		Female	
Abrasions	1	5%	0	0%	0	0%	0	0%	3	16%	0	0%
Avulsion	1	5%	0	0%	0	0%	0	0%	1	5%	0	0%
Contusion, bruises, hematoma	2*	9%	1	5%	1	5%	1	5%	1	5%	2*	11%
Cuts, lacerations, punctures	10	46%	1	5%	7**	37%	0	0%	5*	27%	0	0%
Dislocation, fractures	1	5%	0	0%	3*	16%	0	0%	2**	11%	0	0%
Animal bite	11	50%	1	5%	13	69%	0	0%	20	106%	3	16%
Electrocution & Burns	3**	14%	0	0%	0	0%	0	0%	1	5%	0	0%
Fall, trip, slip	11**	50%	1	5%	7	37%	0	0%	4**	21%	1	5%
Foreign body	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Incise Wounds	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Soft tissue injury	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Sprains	3	14%	0	0%	6****	32%	0	0%	1	5%	0	0%
Concussion	0	0%	0	0%	0	0%	0	0%	1*	5%	0	0%
Trauma	5*	23%	0	0%	1	5%	0	0%	0	0%	1	5%
Vehicle accident	3*	14%	0	0%	1*	5%	0	0%	4***	21%	0	0%

Types of Injury by Region	2021						2022						2023			
	Luzon		Visayas		Luzon		Visayas		Mindanao		Luzon		Visayas		Mindanao	
Abrasions	1	5%	0	0%	0	0%	0	0%	0	0%	0	0%	3	16%	0	0%
Avulsion	0	0%	1	5%	0	0%	0	0%	0	0%	1	5%	0	0%	0	0%
Contusion, bruises, hematoma	2*	9%	1	5%	2	11%	0	0%	0	0%	3*	16%	0	0%	0	0%
Cuts, lacerations, punctures	5	23%	6	27%	4*	21%	3*	16%	0	0%	5*	27%	0	0%	0	0%
Dislocation, fractures	1	5%	0	0%	2	11%	1*	5%	0	0%	1*	5%	0	0%	1*	5%
Animal bite	8	37%	4	18%	11	59%	1	5%	1	5%	19	101%	4	21%	0	0%
Electrocution & Burns	3**	14%	0	0%	0	0%	0	0%	0	0%	1	5%	0	0%	0	0%
Fall, trip, slip	9*	41%	3*	14%	7	37%	0	0%	0	0%	5**	27%	0	0%	0	0%
Foreign body	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Incise Wounds	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Soft tissue injury	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Sprains	2	9%	1	5%	6	32%	0	0%	0	0%	1	5%	0	0%	0	0%
Concussion	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	1*	5%	0	0%
Trauma	5*	23%	0	0%	1	5%	0	0%	0	0%	1	5%	0	0%	0	0%
Vehicular accident	2*	9%	1	5%	1*	5%	0	0%	0	0%	2*	11%	0	0%	2**	11%

\* With one disabling injury each.

\*\* With two disabling injury each.

\*\*\* With three disabling injury each.

\*\*\*\* With four disabling injury each.

\*\*\*\*\* With five disabling injury each.

Zero case for Mindanao in 2021

GRI 2-4

SAFE MAN HOURS	2021	2022	2023
Number of Employees	11,336	10,480*	10,004
Total Hours of Employee Exposure	21,895,725	18,710,965	18,852,168
Number of Lost Time Accidents	7	8	10
<b>Gender</b>			
Male	7	8	9
Female	-	-	1
<b>Region</b>			
Luzon	6	6	6
Visayas	1	2	1
Mindanao	-	-	3
Number of Non-Disabling Injuries	48	32	40
Days lost due to lost time accidents	154	298	129
<b>Gender</b>			
Male	154	298	126
Female	-	-	3
<b>Region</b>			
Luzon	151	292	71
Visayas	3	6	2
Mindanao	-	-	56
Total man-hours work without LTA	-	1,409,013	3,748,381
Frequency rate	0.32	0.43	0.53
Severity rate	7.03	15.93	6.84

SAFE MAN HOURS	2021	2022	2023
<b>Total Hours of Employee Exposure</b>	<b>21,895,725</b>	<b>18,710,965</b>	<b>18,852,168</b>
Male	15,904,644	13,981,310	14,265,928
Female	5,991,081	4,729,655	4,586,240
<b>Total Hours of Employee Exposure</b>	<b>21,895,725</b>	<b>18,710,965</b>	<b>18,852,168</b>
Luzon	18,095,424	15,217,560	15,820,027
Visayas	2,032,846	1,902,604	1,640,529
Mindanao	1,767,454	1,590,801	1,391,612
<b>Frequency Rate</b>	<b>0.32</b>	<b>0.43</b>	<b>0.53</b>
Luzon	0.33	0.39	0.38
Visayas	0.49	1.05	0.61
Mindanao	-	-	2.16
<b>Gender</b>			
Male	0.44	0.57	0.63
Female	-	-	0.22
<b>Severity Rate</b>	<b>7.03</b>	<b>15.93</b>	<b>6.84</b>
Luzon	8.34	19.19	4.49
Visayas	1.48	3.15	1.22
Mindanao	-	-	40.24
<b>Gender</b>			
Male	9.68	21.31	8.83
Female	-	-	0.65

Notes

\*Restated

Frequency Rate (FR) = (No of Lost Time Accidents (LTA) x 1000000) / Total Manhours Worked

Severity Rate (SR) = (Days Lost due to LTA x 1000000) / Total Manhours Worked

## Appendices

Performance Management		2021 <sup>a</sup>		2022 <sup>a</sup>		2023 <sup>b</sup>	
Total active employees							
By gender	17,570		17,446		16,194		
Male	11,264		11,367		10,703		
Female	6,306		6,079		5,491		
By employee level	17,570		17,446		16,194		
Rank and File	7,981		7,806		6,993		
Management	8,058		7,983		7,507		
Executives	1,377		1,488		1,530		
Officers	154		169		164		
Employees who received performance evaluation	% over total employee		% over total employee		% over total employee		
By gender	15,963	90.85%	16,906	96.90%	15,806	97.60%	
Male	10,179	90.37%	11,054	97.25%	10,496	98.07%	
Female	5,784	91.72%	5,852	96.27%	5,310	96.70%	
By employee level	15,963	90.85%	16,906	96.90%	15,806	97.60%	
Rank and File	7,030	88.08%	7,474	95.75%	6,777	96.91%	
Management	7,507	93.16%	7,831	98.10%	7,388	98.41%	
Executives	1,296	94.12%	1,439	96.71%	1,483	96.93%	
Officers	130	84.42%	162	95.86%	158	96.34%	

Notes

\* Restated

<sup>a</sup> Companies included are PLDT, Smart, and ePLDT

<sup>b</sup> Companies included are PLDT, Smart, ePLDT, and PGC

EMPLOYEE DIVERSITY	2021 <sup>a</sup>		2022 <sup>b</sup>		2023 <sup>c</sup>	
Total Employee	17,446		16,194		15,592	
By Gender						
Male	11,367	65.16%	10,703*	66.09%	10,408	66.75%
Female	6,079	34.84%	5,491*	33.91%	5,184	33.25%
By Age Group						
Under 30 years old	6,196	35.52%	4,983*	30.77%	3,958	25.38%
30 to 50 years old	8,465	48.52%	8,787*	54.26%	9,273	59.47%
Over 50 years old	2,785	15.96%	2,424*	14.97%	2,361	15.14%
By Level						
Rank and File	7,806	44.74%	6,993*	43.18%	6,506	41.73%
Management	7,983	45.76%	7,507*	46.36%	7,428	47.64%
Executives	1,488	8.53%	1,530*	9.45%	1,501	9.63%
Officers	169	0.97%	164	1.01%	157	1.01%

Notes

\* Restated

<sup>a</sup> Companies included are PLDT, Smart, and ePLDT

<sup>b</sup> Companies included are PLDT, Smart, ePLDT, and PGC

<sup>c</sup> Covers the whole PLDT Group (PLDT, Smart, ePLDT, PGC, Multisys, and all other subsidiaries)

EMPLOYEE DIVERSITY	2021 <sup>a</sup>		2022 <sup>b</sup>		2023 <sup>c</sup>	
By Region						
Philippines						
Luzon	11,727	67.22%	13,642	84.24%	13,185	84.56%
Visayas	4,520	25.91%	1,377	8.50%	1,289	8.27%
Mindanao	1,199	6.87%	1,152	7.11%	1,096	7.03%
Asia Pacific	-	0.00%	12*	0.07%	11	0.07%
Americas	-	0.00%	11*	0.07%	11	0.07%
EMPLOYEE DIVERSITY	2021 <sup>a</sup>		2022 <sup>b</sup>		2023 <sup>c</sup>	
Total Employee	17,446		16,194		15,592	
By Gender						
Solo Parents	463	2.65%	503	3.11%	535	3.43%
Male	91	0.52%	154	0.95%	190	1.22%
Female	372	2.13%	349	2.16%	345	2.21%



New Hires	2021 <sup>a</sup>		2022 <sup>b</sup>		2023 <sup>c</sup>	
<b>New Employee Hires</b>	<b>1,289</b>	<b>7.39%</b>	<b>561</b>	<b>3.46%</b>	<b>428</b>	<b>2.74%</b>
<b>By Gender</b>						
Male	929	5.33%	315	10.06%	252	1.62%
Female	360	2.06%	246	1.52%	176	1.13%
<b>By Age Group</b>						
Under 30 years old	952	5.46%	325	2.01%	257	1.65%
30 to 50 years old	329	1.89%	224	1.38%	162	1.04%
Over 50 years old	8	0.05%	12	0.07%	9	0.06%
<b>By Level</b>						
Rank and File	940	5.39%	302	1.86%	227	1.46%
Management	231	1.32%	181	1.12%	138	0.89%
Executives	103	0.59%	72	0.44%	55	0.35%
Officers	15	0.09%	6	0.04%	8	0.05%
<b>By Region</b>						
<b>Philippines</b>						
Luzon	1,115	6.39%	554	3.42%	420	2.69%
Visayas	101	0.58%	6	0.04%	2	0.01%
Mindanao	73	0.42%	1	0.01%	5	0.03%
Asia Pacific	-	0.00%	-	0.00%	1	0.01%
Americas	-	0.00%	-	0.00%	-	0.00%

\*Restated

a Companies included are PLDT, Smart, and ePLDT

b Companies included are PLDT, Smart, ePLDT, and PGC

c Covers the whole PLDT Group (PLDT, Smart, ePLDT, PGC, Multisys, and all other subsidiaries)

Employee Turnover	2021 <sup>a</sup>		2022 <sup>b</sup>		2023 <sup>c</sup>	
<b>Attrition Rate<sup>d</sup></b>	<b>1,414</b>	<b>8.11%</b>	<b>1,953</b>	<b>12.06%</b>	<b>1,404</b>	<b>9.00%</b>
Work Optimization Program	769	4.41%	1,031	6.37%	538	3.45%
Other Voluntary Separation	645	3.70%	922	5.69%	866	5.55%
<b>By Gender</b>						
Male	827	4.74%	1,059	6.54%	806	5.17%
Female	587	3.36%	894	5.52%	598	3.84%
<b>By Age Group</b>						
Under 30 years old	464	2.66%	584	3.61%	440	2.82%
30 to 50 years old	465	2.67%	656	4.05%	628	4.03%
Over 50 years old	485	2.78%	713	4.40%	338	2.15%
<b>By Level</b>						
Rank and File	650	3.73%	704	4.35%	578	3.71%
Management	667	3.82%	1,043	6.44%	638	4.09%
Executives	82	0.47%	191	1.18%	159	1.02%
Officers	15	0.09%	15	0.09%	29	0.19%
<b>By Region</b>						
<b>Philippines</b>						
Luzon	1,227	7.03%	1,725	10.65%	1,244	7.98%
Visayas	99	0.57%	120	0.74%	92	0.59%
Mindanao	88	0.50%	108	0.67%	66	0.42%
Asia Pacific	-	0.00%	-	0.00%	2	0.01%
Americas	-	0.00%	-	0.00%	-	0.00%

\*Restated

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b Companies included are PLDT, Smart, ePLDT, and PGC

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d Attrition rate is computed as total number of separated employees over the total employee count as of the reporting period

e Work Optimization Program, previously known as Manual Rightsizing Program (MRP), is a strategic effort to reduce operational costs and make the workplace adaptable to shifting market preferences and increasing competition. This program is implemented in compliance with the Labor Code of the Philippines and all other relevant labor laws and regulations in the country.

## Appendices

Ratio of average basic salary and remuneration of women to men	EMPLOYEE BENEFITS											
	PLDT			Smart			ePLDT			PGC		
	2021	2022	2023	2021	2022	2023	2021	2022	2023	2021	2022	2023
<b>Luzon</b>												
Rank & File	0.99	0.98	0.98	0.95	0.95	0.97	0.92	0.90	0.90	N/A	0.92	1.04
Management	0.97	0.97	0.98	0.91	0.93	0.94	0.69	0.77	0.79	N/A	0.92	0.93
Executives	0.95	0.97	1.00	0.94	0.94	0.94	0.89	0.87	0.84	N/A	1.03	1.13
Officers	0.96	0.99	0.79	1.17	1.06	1.05	0.93	0.98	1.03	N/A	0.73	0.78
<b>Visayas</b>												
Rank & File	1.01	1.00	1.03	0.90	0.91	0.95	0.90	0.76	0.97	N/A	N/A	N/A
Management	0.94	0.90	0.96	0.82	0.85	0.84	N/A	0.64	0.92	N/A	N/A	N/A
Executives	0.77	0.87	0.94	0.96	0.99	0.93	N/A	N/A	N/A	N/A	N/A	N/A
<b>Mindanao</b>												
Rank & File	1.09	1.06	1.06	0.79	0.86	0.89	N/A	N/A	N/A	N/A	N/A	N/A
Management	0.98	0.98	1.01	0.91	0.93	0.89	N/A	N/A	N/A	N/A	N/A	N/A
Executives	0.79	0.79	0.80	0.77	0.80	0.79	N/A	N/A	N/A	N/A	N/A	N/A
<b>Asia Pacific</b>												
Rank & File	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A		N/A
Management	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A		1.49
Executives	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A		0.87
Officers	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A		N/A
<b>Americas</b>												
Rank & File	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A		N/A
Management	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A		0.76
Executives	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A		1.30
Officers	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A		0.90
<b>Total</b>												
<b>Rank &amp; File</b>	<b>1.00</b>	<b>0.99</b>	<b>0.99</b>	<b>0.94</b>	<b>0.94</b>	<b>0.96</b>	<b>0.92</b>	<b>0.90</b>	<b>0.89</b>	<b>N/A</b>	<b>0.92</b>	<b>1.04</b>
<b>Management</b>	<b>0.97</b>	<b>0.96</b>	<b>0.98</b>	<b>0.91</b>	<b>0.92</b>	<b>0.93</b>	<b>0.69</b>	<b>0.76</b>	<b>0.79</b>	<b>N/A</b>	<b>0.92</b>	<b>1.36</b>
<b>Executives</b>	<b>0.84</b>	<b>0.98</b>	<b>1.00</b>	<b>0.95</b>	<b>0.94</b>	<b>0.94</b>	<b>0.89</b>	<b>0.87</b>	<b>0.85</b>	<b>N/A</b>	<b>1.03</b>	<b>1.01</b>
<b>Officers</b>	<b>0.96</b>	<b>0.99</b>	<b>0.79</b>	<b>1.17</b>	<b>1.06</b>	<b>1.05</b>	<b>0.93</b>	<b>0.98</b>	<b>1.03</b>	<b>N/A</b>	<b>0.73</b>	<b>0.83</b>

Ratio s of standard entry level wage by gender compared to local minimum wage			
	2021	2022	2023
<b>PLDT</b>			
Male	2.01	2.05	2.48
Female	2.04	2.15	2.89
<b>SMART</b>			
Male	2.21	2.29	2.25
Female	2.21	2.16	2.25

Ratio s of standard entry level wage by gender compared to local minimum wage			
	2021	2022	2023
<b>ePLDT</b>			
Male	2.14	2.41	2.31
Female	2.12	2.28	2.26
<b>PGC</b>			
Male	not available	2.46	2.74
Female	not available	2.30	2.47

Note:

PLDT Group main office is in Makati, Metro Manila. The average monthly salary plus other compensation of entry level employees of the company is more than twice as the Estimated Equivalent Monthly Rate (EEMR) in Metro Manila, including the mandatory 13th-month pay, using the daily minimum wage set by the National Wages Productivity Commission (NWPC) of the Department of Labor and Employment (DOLE) for both male and female.

For PLDT, 2023 this is the combined average of 2022 and 2023 new entry-level hires in Metro Manila.

Parental Leaves	2021 <sup>a</sup>			2022 <sup>b</sup>			2023 <sup>b</sup>		
	Paternity	Maternity	Total	Paternity	Maternity	Total	Paternity	Maternity	Total
Employees entitled to parental leave	5,428	6,080	11,508	5,327	5,491*	10,818	5,374	5,078	10,452
Employees that took parental leave	368	246	614	451	283	734	527	283	810
Employees that returned to work in the reporting period after parental leave ended	367	243	610	448	277	725	526	277	803
<b>Return to work rate</b>	<b>99.73%</b>	<b>98.78%</b>	<b>99.35%</b>	<b>99.33%</b>	<b>97.88%</b>	<b>98.77%</b>	<b>99.81%</b>	<b>97.88%</b>	<b>99.14%</b>
Employees that took parental leave in previous period and returned to work	359	293	652	369	241	610	448	277	725
Employees that returned to work after parental leave ended that were still employed 12 months after their return to work	349	270	619	361	219	580	437	245	682
<b>Retention Rate</b>	<b>97.21%</b>	<b>92.15%</b>	<b>94.94%</b>	<b>97.83%</b>	<b>90.87%</b>	<b>95.08%</b>	<b>97.54%</b>	<b>88.45%</b>	<b>94.07%</b>

Notes

\*Restated

<sup>a</sup> Companies included are PLDT, Smart, and ePLDT

<sup>b</sup> Companies included are PLDT, Smart, ePLDT, and PGC

Defined benefit obligation			
PLDT	2021	2022	2023
Defined benefit obligation	21,915,832,800	15,506,880,900	17,616,095,600
Fair value of assets	14,436,208,300	16,294,223,500	14,419,307,700
Net defined benefit asset / (liability)	(7,479,624,500)	787,342,600	(3,196,787,900)
Percentage of salary contributed by employee	none	none	none
Smart	2021	2022	2023
Defined benefit obligation	2,991,122,600	2,776,929,000	2,799,540,600
Fair value of assets	4,137,390,400	3,485,203,200	3,617,192,600
Net defined benefit asset / (liability)	1,146,267,800	708,274,200	817,652,000
Percentage of salary contributed by employee	5% to 10%	5% to 10%	5% to 10%

Defined benefit obligation			
ePLDT	2021	2022	2023
Defined benefit obligation	56,018,800	199,581,400	130,355,400
Fair value of assets	-	-	-
Net defined benefit asset / (liability)	(56,018,800)	(199,581,400)	(130,355,400)
Percentage of salary contributed by employee	none	none	none
PGC	2021	2022	2023
Defined benefit obligation	not available	not available	57,713,780
Fair value of assets	not available	not available	-
Net defined benefit asset / (liability)	not available	not available	(57,713,780)
Percentage of salary contributed by employee			none

Note: The company engages the assistance of an external actuary whose calculations depend on certain assumptions, such as future salary rate increase, attrition and mortality rates, as well as discount rate, which could have a material impact on the results.

Employee Training Details	2021 <sup>a</sup>			2022 <sup>b</sup>			2023 <sup>b</sup>		
	Employee Count	Training Hours	Ave. Training Hours	Employee Count	Training Hours	Ave. Training Hours	Employee Count	Training Hours	Ave. Training Hours
<b>TOTAL</b>	<b>17,446</b>	<b>391,843</b>	<b>22.46</b>	<b>16,194*</b>	<b>273,568</b>	<b>16.89*</b>	<b>15,267</b>	<b>365,437</b>	<b>23.94</b>
<b>By Gender</b>									
Male	11,367	245,761	21.62	10,703*	165,047	15.42*	10,189	206,152	20.23
Female	6,079	146,082	24.03	5,491*	108,520	19.76*	5,078	159,285	31.37
<b>By Employee Level</b>									
Rank and File	7,806	164,678	21.10	6,993*	114,394	16.36*	6,250	139,455	22.31
Management	7,983	180,878	22.66	7,507*	129,997	17.32*	7,373	196,915	26.71
Executives	1,488	42,045	28.26	1,530*	26,269	17.17*	1,490	26,815	18.00
Officers	169	4,242	25.10	164*	2,908	17.73*	154	2,252	14.62

Notes

\*Restated

<sup>a</sup> Companies included are PLDT, Smart, and ePLDT

<sup>b</sup> Companies included are PLDT, Smart, ePLDT, and PGC

# CONSERVATION PILLAR

## Three-year comparative Scope 1 GHG Emissions

Emission Source	Energy (GJ)			GHG emissions (metric tons CO <sub>2</sub> e)		
	2021	2022	2023	2021	2022	2023
PLDT Transport fuel	211,425	197,358	175,508	14,490	13,545	12,052
PLDT Gensets fuel	23,637	21,037	22,064	1,666	1,485	1,556
PLDT Forklift fuel	—	44	8	—	3	1
<b>Total</b>	<b>235,06</b>	<b>218,43</b>	<b>197,580</b>	<b>16,156</b>	<b>15,033</b>	<b>13,609</b>

<b>Emission intensity per headcount</b>	<b>20.74</b>	<b>20.84</b>	<b>19.75</b>	<b>1.43</b>	<b>1.43</b>	<b>1.36</b>
<b>Emission intensity per million service revenue</b>	<b>2.60</b>	<b>2.17</b>	<b>1.93</b>	<b>0.18</b>	<b>0.15</b>	<b>0.13</b>

Emission Source	Energy (GJ)			GHG emissions (metric tons CO <sub>2</sub> e)		
	2021	2022	2023	2021	2022	2023
Smart Transport fuel	52,004	56,876	49,347	3,602	3,940	3,419
Smart Gensets fuel	324,805	396,187	338,787	22,838	27,884	23,844
<b>Total</b>	<b>376,809</b>	<b>453,063</b>	<b>388,134</b>	<b>26,440</b>	<b>31,824</b>	<b>27,263</b>

<b>Emission intensity per headcount</b>	<b>69.48</b>	<b>96.07</b>	<b>91.91</b>	<b>4.88</b>	<b>6.75</b>	<b>6.46</b>
<b>Emission intensity per million service revenue</b>	<b>3.94</b>	<b>4.93</b>	<b>4.23</b>	<b>0.28</b>	<b>0.35</b>	<b>0.30</b>

Emission Source	Energy (GJ)			GHG emissions (metric tons CO <sub>2</sub> e)		
	2021	2022	2023	2021	2022	2023
ePLDT Transport fuel	1,316	593	532	92	41	37
ePLDT Gensets fuel	10,419	23,637	20,434	733	1,664	1,438
<b>Total</b>	<b>11,735</b>	<b>24,230</b>	<b>20,965</b>	<b>824</b>	<b>1,705</b>	<b>1,475</b>

<b>Emission intensity per headcount</b>	<b>17.08</b>	<b>27.85</b>	<b>22.91</b>	<b>1.20</b>	<b>1.96</b>	<b>1.61</b>
<b>Emission intensity per million service revenue</b>	<b>2.04</b>	<b>3.26</b>	<b>3.00</b>	<b>0.14</b>	<b>0.23</b>	<b>0.21</b>

## TOTAL SUMMARY

Emission Source	Energy (GJ)			GHG emissions (metric tons CO <sub>2</sub> e)		
	2021	2022	2023	2021	2022	2023
Transport fuel	264,745	254,828	225,387	18,184	17,527	15,508
Gensets fuel	358,861	440,861	381,284	25,237	31,032	26,839
Forklift fuel	—	44	8	—	3	1
<b>Total</b>	<b>623,606</b>	<b>695,732</b>	<b>606,679</b>	<b>43,420</b>	<b>48,562</b>	<b>42,348</b>

<b>Emission intensity per headcount</b>	<b>35.74</b>	<b>43.30</b>	<b>40.07</b>	<b>2.49</b>	<b>3.02</b>	<b>2.80</b>
<b>Emission intensity per million service revenue</b>	<b>3.25</b>	<b>3.48</b>	<b>3.01</b>	<b>0.23</b>	<b>0.24</b>	<b>0.21</b>

## Three-year comparative GHG Scope 2 Emissions

Emission Source	Energy (GJ)			GHG emissions (metric tons CO <sub>2</sub> e)		
	2021	2022	2023	2021	2022	2023
PLDT offices and facilities	738,935	781,737	673,395	147,555	155,630	181,137
Smart offices and stores	40,452	53,415	56,443	8,025	10,590	11,187
Smart network facilities	1,978,455	2,215,614	2,273,271	397,002	444,483	455,846
ePLDT offices	418	509	636	83	101	126
ePLDT data centers	286,666	326,864	355,238	54,635	54,376	59,668
<b>Total</b>	<b>3,044,926</b>	<b>3,378,138</b>	<b>3,358,982</b>	<b>607,301</b>	<b>665,179</b>	<b>707,964</b>

<b>Emission intensity per headcount</b>	<b>174.53</b>	<b>210.27</b>	<b>221.83</b>	<b>34.81</b>	<b>41.40</b>	<b>46.76</b>
PLDT	<b>65.18</b>	<b>74.59</b>	<b>67.31</b>	<b>13.02</b>	<b>14.85</b>	<b>18.11</b>
Smart	<b>372.29</b>	<b>481.13</b>	<b>551.67</b>	<b>74.69</b>	<b>96.50</b>	<b>110.59</b>
ePLDT	<b>417.88</b>	<b>376.29</b>	<b>388.93</b>	<b>79.65</b>	<b>62.62</b>	<b>65.35</b>

<b>Emission intensity per million service revenue</b>	<b>15.88</b>	<b>16.90</b>	<b>16.69</b>	<b>3.17</b>	<b>3.33</b>	<b>3.52</b>
PLDT	<b>8.17</b>	<b>7.78</b>	<b>6.57</b>	<b>1.63</b>	<b>1.55</b>	<b>1.77</b>
Smart	<b>21.13</b>	<b>24.67</b>	<b>25.37</b>	<b>4.24</b>	<b>4.95</b>	<b>5.09</b>
ePLDT	<b>49.83</b>	<b>44.08</b>	<b>50.93</b>	<b>9.50</b>	<b>7.33</b>	<b>8.56</b>



### Three-year comparative GHG Scope 1 and Scope 2 Emissions

2021			2022			2023		
Scope 1	Scope 2	Total	Scope 1	Scope 2	Total	Scope 1	Scope 2	Total
235,062	738,935	973,997	218,439	781,737	1,000,176	197,580	673,395	870,975
376,809	2,018,907	2,395,715	453,063	2,269,028	2,722,092	388,134	2,329,714	2,717,848
11,735	287,084	298,819	24,230	327,372	351,602	20,965	355,873	376,839
623,606	3,044,926	3,668,532	695,732	3,378,138	4,073,870	606,679	3,358,982	3,965,661

2021			2022			2023		
Scope 1	Scope 2	Total	Scope 1	Scope 2	Total	Scope 1	Scope 2	Total
20.74	65.18	85.92	20.84	74.59	95.44	19.75	67.31	87.06
69.48	372.29	441.77	96.07	481.13	577.20	91.91	551.67	643.58
17.08	417.88	434.96	27.85	376.29	404.14	22.91	388.93	411.85
35.74	174.53	210.28	43.30	210.27	253.57	40.07	221.83	261.90

2021			2022			2023		
Scope 1	Scope 2	Total	Scope 1	Scope 2	Total	Scope 1	Scope 2	Total
2.60	8.17	10.77	2.17	7.78	9.96	1.93	6.57	8.50
3.94	21.13	25.07	4.93	24.67	29.60	4.23	25.37	29.60
2.04	49.83	51.87	3.26	44.08	47.34	3.00	50.93	53.93
3.25	15.88	19.13	3.48	16.90	20.38	3.01	16.69	19.71

2021			2022			2023		
Scope 1	Scope 2	Total	Scope 1	Scope 2	Total	Scope 1	Scope 2	Total
16,156	147,555	163,711	15,033	155,630	170,662	13,609	181,137	194,746
26,440	405,028	431,468	31,824	455,073	486,897	27,263	467,033	494,297
824	54,718	55,542	1,705	54,476	56,181	1,475	59,794	61,269
43,420	607,301	650,721	48,562	665,179	713,741	42,348	707,96	750,312

2021			2022			2023		
Scope 1	Scope 2	Total	Scope 1	Scope 2	Total	Scope 1	Scope 2	Total
1.43	13.02	14.44	1.43	14.85	16.28	1.36	18.11	19.47
4.88	74.69	79.56	6.75	96.50	103.24	6.46	110.59	117.05
1.20	79.65	80.85	1.96	62.62	64.58	1.61	65.35	66.96
2.49	34.81	37.30	3.02	41.40	44.43	2.80	46.76	49.55

2021			2022			2023		
Scope 1	Scope 2	Total	Scope 1	Scope 2	Total	Scope 1	Scope 2	Total
0.18	1.63	1.81	0.15	1.55	1.70	0.13	1.77	1.90
0.28	4.24	4.52	0.35	4.95	5.29	0.30	5.09	5.38
0.14	9.50	9.64	0.23	7.33	7.56	0.21	8.56	8.77
0.23	3.17	3.39	0.24	3.33	3.57	0.21	3.52	3.73

Upstream Emission CO2e (metric ton)		2021	2022	2023
Category 1	Purchased Goods & Services	25,753	34,171	185,739
Category 2	Capital Goods	599,358	642,979	428,692
Category 3	Fuel & energy related activities	64,103	71,103	69,449
Category 5	Waste generated in operations	56,560	121,800	46,681
<b>Total Upstream Emission</b>		<b>745,774</b>	<b>870,054</b>	<b>730,560</b>

Downstream Emission CO2e (metric ton)		2021	2022	2023
Category 11	Use of sold products	346,188	289,301	182,646
<b>Total Upstream Emission</b>		<b>346,188</b>	<b>289,301</b>	<b>182,646</b>
<b>Total Scope 3 Emission</b>		<b>1,091,962</b>	<b>1,159,354</b>	<b>913,205</b>
<b>GHG Scope 3 intensity per million service revenue</b>		<b>5.69</b>	<b>5.80</b>	<b>4.54</b>

GHG Emissions CO2e (metric ton)		
2021	2022	2023
43,420	48,562	42,348
607,301	665,179	707,964
1,091,962	1,159,354	913,205
<b>1,742,683</b>	<b>1,873,095</b>	<b>1,663,517</b>

Solid waste (in metric ton)		2021	2022	2023
Waste generated		2,150.45	3,998.84	1,857.93
Solid waste disposed		2,150.45	3,998.84	1,857.94

Hazardous waste (in metric ton)		2021	2022	2023
Waste generated		492.55	1,692.76	323.41
Hazardous waste turned-over to accredited recyclers		492.55	1,692.76	323.41

Note: Hazardous waste consist mostly of used lead acid batteries

Air Pollutants (in metric tons)		2021	2022	2023
Nitrogen Oxides (NOx)		748	786	779
Carbon monoxide (CO)		154	59	173
Volatile organic compounds (VOCs)		38	62	63
Particulate matter (PM)		60	55	55
Sulfur Oxides (SOx)		166	170	51
<b>TOTAL</b>		<b>1,165</b>	<b>1,131</b>	<b>1,122</b>

Water Consumption (cubic meter)		2021	2022	2023
Fixed offices and facilities		368,386	300,013	285,649
Network and wireless facilities		34,884	47,174	61,565
Data centers		65,154	73,800	108,097
<b>TOTAL</b>		<b>468,425</b>	<b>420,987</b>	<b>455,312</b>

Water recycled from collected rainwater		626	288	194
Water intensity (cubic meter per million service revenue)		2.44	2.11	2.26

## TAX

TAX JURISDICTION: PHILIPPINES (IN MILLION PHP)	2021 <sup>a</sup>	2022 <sup>b</sup>	2023 <sup>c</sup>
Tax Jurisdiction	Philippines		
Total Employees	17,446	16,194*	15,592
Employee Wages & Benefits	25,344	29,812	24,644
Taxes withheld and paid on behalf of employees <sup>1</sup>	3,606	4,255	3,278
Taxes collected from customers on behalf of a tax authority <sup>2</sup>	10,016	17,031	12,993
Industry-related and other taxes or payments to governments			
Real Property Tax	242	274	310
Documentary Stamp Tax	14	95	27
Significant uncertain tax positions	N/A	N/A	N/A
Balance of intra-company debt held by entities in the tax jurisdiction <sup>3</sup>	22,547	16,231	15,234
Revenues from third-party sales	N/A	N/A	N/A
Revenues from intra-group transactions with other tax jurisdictions <sup>4</sup>	16,220	14,797	2,095
Profit/loss before tax	34,154	13,509	36,435
Tangible assets other than cash and cash equivalents	519,805	505,535	496,290
Corporate income tax paid on a cash basis	5,130	6,949	7,964
Corporate income tax accrued on profit/loss	7,478	2,774	9,612
GIT savings and income tax holiday	-	-	146

Reconciliation between the provision for income tax at the applicable statutory tax rate and the actual provision for corporate income tax can be found on the 17-A

### Notes

\*Restated

a Companies included are PLDT, Smart, and ePLDT

b Companies included are PLDT, Smart, ePLDT, and PGC

c Covers the whole PLDT Group (PLDT, Smart, ePLDT, PGC, Multisys, and all other subsidiaries)

1 Withholding tax on wages plus fringe benefit tax

2 Expanded withholding tax plus final withholding tax plus withholding VAT plus VAT and Overseas communication tax

3 Advances by Digitel Telecommunications Phils.

4 Intercompany revenue by PLDT Global Corporation

SUPPLY CHAIN	2021	2022	2023
Percentage of business partners have been communicated to on the organization's anti-corruption policies and procedures	100.00%	100.00%	100.00%
Proportion of spending on local suppliers	65.02%	76.90%	73.82%

Customer Privacy & Security	2021	2022	2023
Number of Substantiated complaints on customer privacy	455	222	81
Number of complaints from regulatory bodies	2	4	1
Total number of identified leaks, thefts, or losses of customer data	11	12	16
Number of unique requests for customer information, including customer content and non-content data, from government or law enforcement agencies	not available	146	149
Customers, users, and account holders whose information is used for secondary purposes*	~4.1M	~7.1M	~9.2M

\*Secondary purpose is defined as the intentional use of data by the entity (i.e., not a breach of security) that is outside the primary purpose for which the data was collected. Examples of secondary purposes include but are not limited to, selling targeted ads, improving the entity's products or service offerings, and transferring data or information to a third party through sale, rental, or sharing.

GRI 2-4

ANTI-CORRUPTION COMMUNICATION	2021	2022	2023
Total Employee	16,798	15,222*	14,248

By Employee Category	16,791	99.96%	15,221	99.99%	14,247	99.99%
Rank and File	7,437	99.92%	6,476	100.00%	5,735	100.00%
Management	7,818	100.00%	7,239	99.99%	7,077	99.99%
Executives	1,376	100.00%	1,356	100.00%	1,296	100.00%
Officers	160	99.38%	150	100.00%	139	100.00%

By Region	16,791	99.96%	15,221	99.99%	14,247	99.99%
Luzon	14,089	99.95%	12,725	99.99%	11,904	99.99%
Visayas	1,456	100.00%	1,350	100.00%	1,258	100.00%
Mindanao	1,246	100.00%	1,146	100.00%	1,085	100.00%

\*restated

Note: Covering PLDT and Smart only. Employee headcount is the number of employees when the email communication was sent

ANTI-CORRUPTION TRAINING	2021	2022	2023
Total Employee	16,759	15,196*	14,227

By Employee Category	16,746	99.92%	15,127	99.55%	13,910	97.77%
Rank and File	7,370	99.91%	6,414	99.64%	5,549	96.72%
Management	7,843	99.97%	7,234	99.74%	6,948	98.48%
Executives	1,372	99.78%	1,339	98.75%	1,287	99.15%
Officers	161	99.38%	140	93.33%	126	91.97%

By Region	16,746	99.92%	15,127	99.55%	13,910	97.77%
Luzon	14,046	99.91%	12,644	99.48%	11,626	97.80%
Visayas	1,455	100.00%	1,339	99.78%	1,218	97.13%
Mindanao	1,245	100.00%	1,144	100.00%	1,066	98.25%

\*restated

Note: Covering PLDT and Smart only. Employee headcount is the number of employees as of the end of the reporting year

# GRI CONTENT INDEX

GRI Standard	Disclosure	Page No.	Omission
Statement of use		PLDT Group has reported the information cited in this GRI content index for the period 1 January 2023 to 31 December 2023 with reference to the GRI Standards.	
GRI 1 used		GRI 1: Foundation 2021	
Applicable GRI Sector Standard (s)		None	
<b>General disclosures</b>			
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	2-2 Entities included in the organization's sustainability reporting	4, 7, 9	
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GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	100		
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	202-2 Proportion of senior management hired from the local community	64, 176		
<b>Employment</b>				
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GRI 402: Labor Management Relations 2016	402-1 Minimum notice periods regarding operational changes	70		
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GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	100	
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GRI 3: Material Topics 2021	3-3 Management of material topics		Managed by third party
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures		
Supplier social assessment			
GRI 3: Material Topics 2021	3-3 Management of material topics	136	
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	137	
	414-2 Negative social impacts in the supply chain and actions taken	137	
Customer health and safety			
GRI 3: Material Topics 2021	3-3 Management of material topics	95	
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	95	
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	95	

GRI Standard	Disclosure	Page No.	Omission
<b>Marketing and labeling</b>			
GRI 3: Material Topics 2021	3-3 Management of material topics	96	
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	96	
	417-2 Incidents of non-compliance concerning product and service information and labeling	96	
	417-3 Incidents of non-compliance concerning marketing communications	96	
<b>Customer privacy</b>			
GRI 3: Material Topics 2021	3-3 Management of material topics	166	
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	167	

## SASB INDEX

Disclosure	Accounting Metric	Category	Unit of Measure	Code	Page Located
Environmental Footprint of Operations	(1) Total energy consumed, (2) Percentage grid electricity, (3) Percentage renewable	Quantitative	Gigajoules (GJ), Percentage (%)	TC-TL-130a.1	110, 113
Data Privacy	Description of policies and practices relating to behavioral advertising and customer privacy	Discussion and Analysis	N/A	TC-TL-220a.1	151, 168
	Number of customers whose information is used for secondary purposes	Quantitative	Number, Percentage (%)	TC-TL-220a.2	168
	(1) Number of law enforcement requests for customer information, (2) Number of customers whose information was requested, (3) Percentage resulting in disclosure	Quantitative	Number, Percentage (%)	TC-TL-220a.4	167
Data Security	(1) Number of data breaches, (2) Percentage involving personally identifiable information (PII), (3) Number of customers affected	Quantitative	Number, Percentage (%)	TC-TL-230a.1	67
	Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards	Discussion and Analysis	N/A	TC-TL-230a.2	151
Product End-of-life Management	Materials recovered through take back programs, percentage of recovered materials that were (1) Reused, (2) Recycled, and (3) Landfill	Quantitative	Metric tons (t), Percentage (%)	TC-TL-440a.1	121
Competitive Behavior & Open Internet	Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations	Quantitative	Reporting Currency	TC-TL-520a.1	n/a
	Average actual sustained download speed of (1) Owned and commercially-associated content and (2) Non-associated content	Quantitative	Megabits per second (Mbps)	TC-TL-520a.2	40
Managing System Risks from Technology Disruptions	Discussion of systems to provide unimpeded service during service interruptions	Discussion and Analysis	N/A	TC-TL-550a.2	44



Activity Metric	Category	Unit of Measure	Code	Page Number
1. Number of mobile subscribers	Quantitative	Number	TC-TL-000.A	12
2. Number of fixed line subscribers	Quantitative	Number	TC-TL-000.B	12
3. Number of broadband subscribers	Quantitative	Number	TC-TL-000.C	12
4. Mobile network data traffic	Quantitative	Number	TC-TL-000.D	12

## UNGC TEN PRINCIPLES

Fundamental Responsibilities	Principles	Page No.
Human Rights	Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights	70, 180, 185
	Principle 2: Make sure that they are not complicit in human rights abuses	180, 185
Labour	Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	70
	Principle 4: The elimination of all forms of forced and compulsory labour	70
	Principle 5: The effective abolition of child labour	70, 97
	Principle 6: The elimination of discrimination in respect of employment and occupation	70
Environment	Principle 7: Businesses should support a precautionary approach to environmental challenges	44
	Principle 8: Undertake initiatives to promote greater environmental responsibility	44
	Principle 9: Encourage the development and diffusion of environmentally friendly technologies	44
Anti-Corruption	Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery	182

## GSMA ESG METRICS FOR MOBILE

Topic	Core Metrics	KPI Code	Page Number
<b>Environment KPIs</b>			
Emissions	<b>Science-based targets</b>	GSMA-ENV-01	109, 110
	1.1 Disclose whether you have set, or have committed to set, GHG emissions targets that are in line with the goals of the Paris Agreement – to limit global warming to well below 2°C above pre-industrial levels and pursue efforts to limit warming to 1.5°C – and to achieve net-zero emissions before 2050.		
	<b>Scope 1, 2 and 3 emissions</b>	GSMA-ENV-02	109, 110
	1.2a Scope 1 and 2 GHG emissions i. Absolute Scope 1 and 2 emissions (tonnes CO <sub>2</sub> e) ii. Absolute Scope 1 and 2 emissions (tonnes CO <sub>2</sub> e) per 1GB data iii. Percentage change in absolute Scope 1 and 2 emissions since last reporting period		
	1.2b Scope 3 GHG emissions i. Absolute Scope 3 emissions (tonnes CO <sub>2</sub> e) ii. Absolute Scope 3 emissions (tonnes CO <sub>2</sub> e) per 1GB data iii. Percentage change in absolute Scope 3 emissions since last reporting period		

Topic	Core Metrics	KPI Code	Page Number
Energy	<b>Energy Consumption</b>	GSMA-ENV-03	113, 116
	1.3a Total energy consumption i. Total energy consumed (MWh) ii. Total energy consumed (MWh) per 1GB of data		
	1.3b Network energy consumption i. Total network energy consumed (MWh) ii. Total network energy consumed (MWh) per 1GB of data		
	1.3c Network energy mix i. Percentage grid renewable ii. Percentage grid non-renewable iii. Percentage off-grid renewable iv. Percentage off-grid non-renewable		
<b>Environment KPIs</b>			
Waste Reduction	<b>Materials repaired or reused</b>	GSMA-ENV-04	44
	"1.4a Network equipment repaired or reused i. Percentage of network equipment repaired or reused, by units ii. Percentage of network equipment repaired or reused, by purchase price"		
	"1.4b Handsets and other customer premises equipment (CPE) repaired or reused i. Percentage of handsets and CPE repaired or reused, by units ii. Percentage of handsets and CPE repaired or reused, by purchase price"		
	<b>Waste generated</b>	GSMA-ENV-05	119
	1.5a Total waste generated (tonnes) per 1GB of data		
	1.5b Network waste (tonnes) per 1GB of data		
	1.5c Handset and other CPE waste (tonnes) per 1GB of data		
	1.5d All other waste (tonnes) per 1GB of data		
	<b>Materials recycled</b>	GSMA-ENV-06	119
	1.6a Network waste recycled i. Percentage of network waste (from 1.5b) recycled (units) ii. Percentage of purchase price of recycled network waste		
	1.6b Handset and CPE waste recycled i. Percentage of handset and CPE waste (from 1.5c) recycled (units) ii. Percentage of purchase price of recycled handset and CPE waste		
	1.6c All other waste recycled i. Percentage of all other waste (from 1.6d) recycled (units) ii. Percentage of purchase price of all other recycled waste		
<b>Digital Inclusion KPIs</b>			
Network Coverage	Population covered by mobile network 2.1 Percentage of population covered by operator's mobile network Breakdown by: 3G, 4G, 5G	GSMA-INC-01	41
Affordability	Device and subscription affordability 2.2a Cost of the most affordable smartphone, as percentage of monthly GDP per capita 2.2b Average cost of 1GB of data, as percentage of monthly GDP per capita	GSMA-INC-02	41
Digital Skills	Digital skills programmes 2.3 Number of people (excluding employees) who have completed a basic, intermediate or advanced digital skills training programme (as per ITU definition), divided by total subscribers	GSMA-INC-03	50

Topic		Core Metrics	KPI Code	Page Number
Digital integrity KPIs				
Data Protection	Customer data incidents 3.1a Number of data breaches, per million subscribers 3.1b Percentage of data breaches involving PII 3.1c Number of customers affected, per million subscribers 3.1d Number of regulatory actions for data protection violations (e.g. marketing-related complaints, data breaches), per million subscribers	GSMA-INT-01	151	
Digital Rights	Digital rights policy 3.2 Is there a policy specifically covering digital rights protection and transparency, privacy, freedom of expression, government mandates to shut down or restrict access, and/or government requests for data? (yes/no)	GSMA-INT-02	151	
Online Safety	Online safety measures 3.3 Do you have controls or programmes in place to improve online safety for children and other vulnerable groups? (yes/no)	GSMA-INT-03	51, 100	
Supply Chain KPIs				
Sustainable supply chain	Sustainable procurement policy	GSMA-SUP-01	137	
	4.1a Do you have a sustainable procurement policy in place? (yes/no) 4.1b If yes, how many of the following elements does it cover? a. Organisational governance b. Human rights c. Labour practices d. Environment e. Fair operating practices f. Consumer issues g. Community involvement and development			
	Supplier assessments	GSMA-SUP-02	138	
	4.2a Percentage of suppliers screened against the sustainable procurement policy using company defined and documented assessment procedure, within the previous two years 4.2b Percentage of suppliers assessed against the sustainable procurement policy through site visits, within the previous two years			
	1.4b Handsets and other customer premises equipment (CPE) repaired or reused i. Percentage of handsets and CPE repaired or reused, by units ii. Percentage of handsets and CPE repaired or reused, by purchase price			

This report may contain some statements which constitute “forward-looking statements” that are subject to a number of risks and opportunities that could affect PLDT’s business and results of operations. Although PLDT believes that expectations reflected in any forward-looking statements are reasonable, it can give no guarantee of future performance, action or events.

## CERTIFICATION

This is to certify that MSpectrum Inc. has provided Renewable Energy (RE) to PLDT Inc., particularly in their Smart site in Lapaz Iloilo, from January 1, 2023 to December 31, 2023.

Below is the RE delivered and its equivalent sustainability metrics:

SITE	MWh Generated	CO2e Reduced (tonnes)	Equivalent in Trees Planted
PLDT Lapaz Iloilo Smart Site	67.40	48.00	2,201

Based on DOE's 2015-2017 National Grid Emission Factor (NGEF)

Parameters	(t-CO2e/MWh)
2015-2017 Average EGrid, On-peak	0.7122

*[Signature]*  
Engr. Precious Reg. Saborido  
Head, Operations and Maintenance

For Internal use only

## CERTIFICATION

This is to certify that MSpectrum Inc. has provided Renewable Energy (RE) to PLDT Inc. through the following sites from January 1, 2023 to December 31, 2023.

Below is the RE delivered and its equivalent sustainability metrics:

SITE	MWh Generated	CO2e Reduced (tonnes)	Equivalent in Trees Planted
PLDT Mandalue Cebu	67.60	48.14	2,211
PLDT Bacolod	77.50	55.20	2,525
PLDT Shaver City Cagay	21.20	22.21	1,025
PLDT Cebu Jones	142.50	101.49	4,661
<b>Total</b>	<b>318.90</b>	<b>227.14</b>	<b>10,433</b>

Based on DOE's 2015-2017 National Grid Emission Factor (NGEF)

Parameters	(t-CO2e/MWh)
2015-2017 Average EGrid, On-peak	0.7122

*[Signature]*  
Engr. Precious Reg. Saborido  
Head, Operations and Maintenance

For Internal use only

## CERTIFICATION

This is to certify that MPower has provided Renewable Energy (RE) to

**ePLDT, Inc.**  
with Contestable Service ID Number (CSIN)  
200397680101

from December 26, 2022 to December 25, 2023

Here is the monthly RE delivered and the equivalent Carbon Emission Reduction/Carbon Credit.

Month	Measured Energy (MWh)	Renewable Energy (MWh)	Percentage
January	2,630.26	522.05	20.00%
February	2,943.91	588.78	20.00%
March	2,974.19	594.84	20.00%
April	3,227.80	645.56	20.00%
May	3,243.49	648.70	20.00%
June	3,296.67	659.33	20.00%
July	3,186.10	637.22	20.00%
August	3,226.47	645.29	20.00%
September	3,146.26	629.65	20.00%
October	3,093.20	618.64	20.00%
November	3,259.74	651.95	20.00%
December	3,055.11	611.02	20.00%
<b>TOTAL</b>	<b>37,895.10</b>	<b>7,476.09</b>	<b>20.00%</b>

**Carbon Credit:**  
= Renewable Energy x (Grid Emission Factor - RE Emission Factor)  
= 7,476.09 MWh x (0.7122 (t-CO2e/MWh) - 0.0868 (t-CO2e/MWh))  
= 8677.39 tonnes of CO2 reduction  
= 8677.39 Carbon Credit

**Simple Operating Margin (SOM) Emission Factor**  
Parameters (t-CO2e/MWh)  
2015-2017 Average EGrid, On-peak: 0.7122

**Notes:**  
1. One (1) Carbon Credit/Offset Certificate = 1 tonne of CO2 reduction.  
2. Based on DOE's 2015-2017 National Grid Emission Factor (NGEF).

*[Signature]*  
Engr. Michael T. Puno  
Head, Operations Planning

BUSINESS SOLUTIONS CENTER Ortigas Ave. Pasig City 1600 Tel. No. 632-8646

## CERTIFICATION

This is to certify that Vantage Energy Solutions and Management Inc. has provided Renewable Energy (RE) to **ePLDT, Inc.** with Contestable Service ID Number (CSIN) M2-02482

from December 26, 2022 to December 25, 2023

Here is the monthly RE delivered and the equivalent Carbon Emission Reduction/Carbon Credit.

Month	Measured Energy (MWh)	Renewable Energy (MWh)	Percentage
January	779.17	155.83	20.00%
February	779.17	155.84	20.00%
March	880.51	176.10	20.00%
April	789.11	157.82	20.00%
May	763.99	152.79	20.00%
June	793.03	158.61	20.00%
July	778.50	155.70	20.00%
August	790.51	158.10	20.00%
September	793.51	158.70	20.00%
October	766.46	153.29	20.00%
November	823.11	164.62	20.00%
December	766.92	153.38	20.00%
<b>TOTAL</b>	<b>9,345.26</b>	<b>1,869.25</b>	<b>20.00%</b>

**Carbon Credit:**  
= Renewable Energy x (Grid Emission Factor - RE Emission Factor)  
= 1,869.25 MWh x (0.7122 (t-CO2e/MWh) - 0.0868 (t-CO2e/MWh))  
= 1,168.40 tonnes of CO2 reduction  
= 1,168.40 Carbon Credit

**Simple Operating Margin (SOM) Emission Factor**  
Parameters (t-CO2e/MWh)  
2015-2017 Average EGrid, On-peak: 0.7122

**Notes:**  
1. One (1) Carbon Credit/Offset Certificate = 1 tonne of CO2 reduction.  
2. Based on DOE's 2015-2017 National Grid Emission Factor (NGEF).

*[Signature]*  
Engr. Michael T. Puno  
Officer, Energy Sourcing

## CERTIFICATION

This is to certify that Vantage Energy Solutions and Management Inc. has provided Renewable Energy (RE) to **ePLDT, Inc.** with Contestable Service ID Number (CSIN) 060129437-4

from December 26, 2022 to December 25, 2023

Here is the monthly RE delivered and the equivalent Carbon Emission Reduction/Carbon Credit.

Month	Measured Energy (MWh)	Renewable Energy (MWh)	Percentage
January	423.49	84.70	20.00%
February	420.01	84.00	20.00%
March	380.21	76.04	20.00%
April	413.22	82.64	20.00%
May	415.23	83.05	20.00%
June	425.84	85.17	20.00%
July	394.40	78.88	20.00%
August	440.79	88.16	20.00%
September	427.32	85.46	20.00%
October	404.56	80.91	20.00%
November	427.85	85.57	20.00%
December	415.41	83.08	20.00%
<b>TOTAL</b>	<b>5,000.37</b>	<b>1,000.07</b>	<b>20.00%</b>

**Carbon Credit:**  
= Renewable Energy x (Grid Emission Factor - RE Emission Factor)  
= 1,000.07 MWh x (0.7122 (t-CO2e/MWh) - 0.0868 (t-CO2e/MWh))  
= 625.45 tonnes of CO2 reduction  
= 625.45 Carbon Credit

**Simple Operating Margin (SOM) Emission Factor**  
Parameters (t-CO2e/MWh)  
2015-2017 Average EGrid, On-peak: 0.7122

**Notes:**  
1. One (1) Carbon Credit/Offset Certificate = 1 tonne of CO2 reduction.  
2. Based on DOE's 2015-2017 National Grid Emission Factor (NGEF).

*[Signature]*  
Engr. Michael T. Puno  
Officer, Energy Sourcing

## CERTIFICATION

This is to certify that Vantage Energy Solutions and Management Inc. has provided Renewable Energy (RE) to **ePLDT, Inc.** with Contestable Service ID Number (CSIN) 469343893-9

from December 26, 2022 to December 25, 2023

Here is the monthly RE delivered and the equivalent Carbon Emission Reduction/Carbon Credit.

Month	Measured Energy (MWh)	Renewable Energy (MWh)	Percentage
January	588.51	117.70	20.00%
February	558.05	111.61	20.00%
March	488.68	97.74	20.00%
April	549.13	109.83	20.00%
May	524.06	104.81	20.00%
June	540.17	108.04	20.00%
July	518.70	103.74	20.00%
August	553.51	110.70	20.00%
September	551.24	110.25	20.00%
October	512.88	102.58	20.00%
November	554.88	110.98	20.00%
December	518.22	103.64	20.00%
<b>TOTAL</b>	<b>5,484.75</b>	<b>1,096.95</b>	<b>20.00%</b>

**Carbon Credit:**  
= Renewable Energy x (Grid Emission Factor - RE Emission Factor)  
= 1,096.95 MWh x (0.7122 (t-CO2e/MWh) - 0.0868 (t-CO2e/MWh))  
= 812.36 tonnes of CO2 reduction  
= 812.36 Carbon Credit

**Simple Operating Margin (SOM) Emission Factor**  
Parameters (t-CO2e/MWh)  
2015-2017 Average EGrid, On-peak: 0.7122

**Notes:**  
1. One (1) Carbon Credit/Offset Certificate = 1 tonne of CO2 reduction.  
2. Based on DOE's 2015-2017 National Grid Emission Factor (NGEF).

*[Signature]*  
Engr. Michael T. Puno  
Officer, Energy Sourcing





## **CERTIFICATE OF DISPOSAL** Cert # 23CDPL01-15

Reference(s):  
 Reg No. RTM0555750 RTM1122026 RTM1139314

WASTE SOURCE & LOCATION:  
**Maricao** | Department: Cavite  
**PLOT** | Las Pinas, Kintal Cavity

This is to certify that JMR TSD Facility has completed the treatment and disposal of waste/s below on the **14 of March 2023**.

Waste Code	Waste Description	Quantity (MT)	Method	Final Disposal Location
010	Debris & Scrap Metal	44.370	Thermal Incineration	120 CDP
011	Debris & Scrap Metal	0.000	Co-Processing	120 CDP


Certified by:  
  
**RICHARD SOMOOK**  
 PCD/Managing Head  
 COA-2022-801-2101

BEFORE ME, A NOTARY PUBLIC IN THE CITY OF MANILA, **21 MAR 2023**

ATTY. JOHN EDUARDO T. ANG  
 Notary Public for the City of Manila  
 Office Address: 120 CDP, Las Pinas, Cavite  
 Mobile: 0917-8888888, 0917-8888888  
 Email: john@jmr.com.ph, john@jmr.com.ph

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## **CERTIFICATE OF TREATMENT** Cert # 23SM1403-01


Reference(s):  
 MCTB No. 20220215-0001  
 TS No. 28913 / 28914


WASTE GENERATOR:  
**SMART - SOUTH LUZON**

AREAS:  
**Campanas Sur | Laguna | Marikina**

This is to certify that JMR TSD Facility has completed the treatment of waste/s below on the **14<sup>th</sup> March 2023** received from the above areas:

Waste Code	Waste Description	Quantity (T)	Method
040	Used Lead Acid Batteries	22.741	Recycling/Consolidating/Disposal

Certified by:  
  
**RICHARD SOMOOK**  
 Pollution Control Officer  
 COA-08L-0154-0018

Noted by:  
  
**RICHARD SOMOOK**  
 Managing Head  
 MM-2018-02-591

BEFORE ME, A NOTARY PUBLIC IN THE CITY OF MANILA, **21 MAR 2023**

ATTY. JOHN EDUARDO T. ANG  
 Notary Public for the City of Manila  
 Office Address: 120 CDP, Las Pinas, Cavite  
 Mobile: 0917-8888888, 0917-8888888  
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## **CERTIFICATE OF RECYCLING** Cert # 23MP10-28

This is to certify that JMR TSD Facility has completed the segregation, shredding, and recycling of waste/s below on the **14<sup>th</sup> of November 2023**.

Waste Code	Waste Description	Quantity (MT)	Method
010	Various Waste Paper	1.000	Shredding & Recycling

WASTE SOURCE & LOCATION:  
**PLOT | Various Warehouses & Business Offices**

Certified by:  
  
**RICHARD SOMOOK**  
 PCD/Managing Head  
 COA-2022-801-2101

BEFORE ME, A NOTARY PUBLIC IN THE CITY OF MANILA, **20 NOV 2023**

ATTY. JOHN EDUARDO T. ANG  
 Notary Public for the City of Manila  
 Office Address: 120 CDP, Las Pinas, Cavite  
 Mobile: 0917-8888888, 0917-8888888  
 Email: john@jmr.com.ph, john@jmr.com.ph

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## **CERTIFICATE OF RECYCLING** Cert # 23PL05-11

This is to certify that JMR TSD Facility has completed the segregation, shredding, and recycling of waste/s below on the **19<sup>th</sup> of June 2023**.

Waste Code	Waste Description	Quantity (MT)	Method
010	Various Waste Metals	131.411	Manual Destruction, Shredding & Recycling

WASTE SOURCE & LOCATION:  
**PLOT | Various Warehouses & Business Offices**

Certified by:  
  
**RICHARD SOMOOK**  
 PCD/Managing Head  
 COA-2022-801-2101

BEFORE ME, A NOTARY PUBLIC IN THE CITY OF MANILA, **22 JUN 2023**

ATTY. JOHN EDUARDO T. ANG  
 Notary Public for the City of Manila  
 Office Address: 120 CDP, Las Pinas, Cavite  
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## **CERTIFICATE OF RECYCLING** Cert # 23PL11-22

This is to certify that JMR TSD Facility has completed the segregation, shredding, and recycling of waste/s below on the **9<sup>th</sup> of December 2023**.

Waste Code	Waste Description	Quantity (MT)	Method
010	Various Waste Plastics	46.48550	Shredding, Segregation, & Recycling

WASTE SOURCE & LOCATION:  
**PLOT | Various Warehouses & Business Offices**

Certified by:  
  
**RICHARD SOMOOK**  
 PCD/Managing Head  
 COA-2022-801-2101

BEFORE ME, A NOTARY PUBLIC IN THE CITY OF MANILA, **19 DEC 2023**

ATTY. JOHN EDUARDO T. ANG  
 Notary Public for the City of Manila  
 Office Address: 120 CDP, Las Pinas, Cavite  
 Mobile: 0917-8888888, 0917-8888888  
 Email: john@jmr.com.ph, john@jmr.com.ph

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## **CERTIFICATE OF RECYCLING** Cert # 23PL04-18

This is to certify that JMR TSD Facility has completed the segregation, shredding, and recycling of waste/s below on the **10<sup>th</sup> of May 2023**.

Waste Code	Waste Description	Quantity (MT)	Method
010	Various Waste Woods	1.917	Shredding-Compost Pile Fabrication - Pallets

WASTE SOURCE & LOCATION:  
**PLOT | Various Warehouses & Business Offices**

Certified by:  
  
**RICHARD SOMOOK**  
 PCD/Managing Head  
 COA-2022-801-2101

BEFORE ME, A NOTARY PUBLIC IN THE CITY OF MANILA, **15 MAY 2023**

ATTY. JOHN EDUARDO T. ANG  
 Notary Public for the City of Manila  
 Office Address: 120 CDP, Las Pinas, Cavite  
 Mobile: 0917-8888888, 0917-8888888  
 Email: john@jmr.com.ph, john@jmr.com.ph

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## Independent Limited Assurance Report

The Stockholders and Board of Directors  
PLDT Inc.  
Ramon Cojuangco Building  
Makati Avenue, Makati City

### Scope

We have been engaged by PLDT Inc. on behalf of itself and its subsidiaries namely Smart Communications, Inc., ePLDT, Inc., PLDT Global Corporation and PLDT-Smart Foundation, Inc. (collectively, the PLDT Group) to perform a 'limited assurance engagement', as defined by the Philippine Standard on Assurance Engagements 3000 (Revised) [PSAE 3000 (Revised)], *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*, hereafter referred to as the engagement, to report on selected sustainability information as detailed below (the "Subject Matter") contained in the PLDT Group's 2023 Sustainability Report as of and for the year ended December 31, 2023 (the "Report").

### Subject matter

The Subject Matter and the Global Reporting Initiative Standards (GRI Standards) covered in our limited assurance engagement are as follows:

<b>Covering the PLDT Group</b>	
<b>Economic Disclosures</b>	
201-1: Direct economic values generated and distributed	
201-3: Defined benefit plan obligations and other retirement plans	
201-4: Financial assistance received from government	
202-1: Ratios of standard entry-level wage by gender compared to local minimum wage	
207-4: Country-by-country reporting	
<b>Social Disclosures</b>	
401-1: New employee hires and employee turnover	
401-2: Benefits provided to full-time employees that are not provided to temporary or part-time employees	
401-3: Parental leave	
404-1: Average hours of training per year per employee	
404-2: Programs for upgrading employee skills and transition assistance programs	
404-3: Percentage of employees receiving regular performance and career development reviews (as of and for the year ended December 31, 2022)	
405-1: Diversity of governance bodies and employees	
405-2: Ratio of basic salary and remuneration of women to men	
<b>Covering PLDT Inc. and Smart Communications, Inc.</b>	
<b>Economic Disclosures</b>	
204-1: Proportion of spending on local suppliers	
205-2: Communication and training about anti-corruption policies and procedures	
205-3: Confirmed incidents of corruption and actions taken	
206-1: Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	



<b>Social Disclosures</b>
413-1: Operations with local community engagement, impact assessments, and development programs ( <i>including PLDT-Smart Foundation, Inc.</i> )
418-1: Substantiated complaints concerning breaches of customer privacy and losses of customer data
<b>Covering PLDT Inc. and ePLDT, Inc.</b>
<b>Environmental Disclosures</b>
302-3: Energy intensity (Scope 1)
305-1: Direct (Scope 1) GHG emissions
305-4: GHG emissions intensity (Scope 1)
<b>Covering PLDT Inc.</b>
<b>Economic Disclosures</b>
202-2: Proportion of senior management hired from the local community
<b>Social Disclosures</b>
403-1: Occupational health and safety management system
403-2: Hazard identification, risk assessment, and incident investigation
403-4: Worker participation, consultation, and communication on occupational health and safety
403-5: Worker training on occupational health and safety
403-9: Work-related injuries
<b>Covering ePLDT, Inc.</b>
<b>Environmental Disclosures</b>
302-1: Energy consumption within the organization
305-2: Energy indirect (Scope 2) GHG emissions
305-5: Reduction of GHG emissions

Other than as described in the preceding paragraph, which sets out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the Report, and accordingly, we do not express a conclusion on this information.

### *Criteria applied by the PLDT Group*

In preparing the Subject Matter, the PLDT Group applied with reference the GRI Standards (Criteria).

### *The PLDT Group's responsibilities*

The management of the PLDT Group is responsible for selecting the Criteria, and for presenting the Subject Matter in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the subject matter, such that it is free from material misstatement, whether due to fraud or error.

### *SGV's responsibilities*

Our responsibility is to express a conclusion on the presentation of the Subject Matter based on the evidence we have obtained.

We conducted our engagement in accordance with the PSAE 3000 (Revised), and the terms of reference for this engagement as agreed with the PLDT Group on 15 February 2024. Those standards require that we plan and perform our engagement to express a conclusion on whether we are aware of any material modifications that need to be made to the Subject Matter in order for it to be in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

### *Our independence and quality management*

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Professional Accountants issued by the Professional Regulation Commission and have the required competencies and experience to conduct this assurance engagement.

SGV also applies Philippine Standard on Quality Management 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, which requires that we design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### *Description of procedures performed*

Procedures performed in a limited assurance engagement vary in nature and timing from and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the Subject Matter and related information and applying analytical and other appropriate procedures.



Our procedures included:

1. Interviewing the management and relevant process owners to:
  - a. Understand the principal business operations.
  - b. Appreciate the key sustainability issues and developments related to the Subject Matter.
  - c. Understand the processes for the collection, processing and accurate reporting of sustainability information.
2. Checking the accuracy of calculations performed.
3. Performing analytical tests and obtained documentation/reports on a sampling basis to test assumptions, estimations and computations made by management in relation to the Subject Matter in the Report.
4. Testing that the data and statements had been correctly transcribed from corporate systems and/or supporting evidence into the Report.
5. Reviewing the disclosure contents of the Report to check compliance with the Criteria.

We also performed such other procedures as we considered necessary in the circumstances.

*Conclusion*

Based on our procedures and the evidence obtained, we are not aware of any material modifications that should be made to the Subject Matter as of and for the year ended December 31, 2023, in order for it to be in accordance with the Criteria.

SYCIP, GORRES, VELAYO & CO.

A handwritten signature in black ink that reads 'Benjamin N. Villacorte'.

Benjamin N. Villacorte  
Partner  
CPA Certificate No. 111562  
PTR No. 10082034, January 6, 2024, Makati City

June 8, 2024







