

**ENABLING YOUR
TOMORROW, TODAY**

PLDT
SUSTAINABILITY REPORT 2021

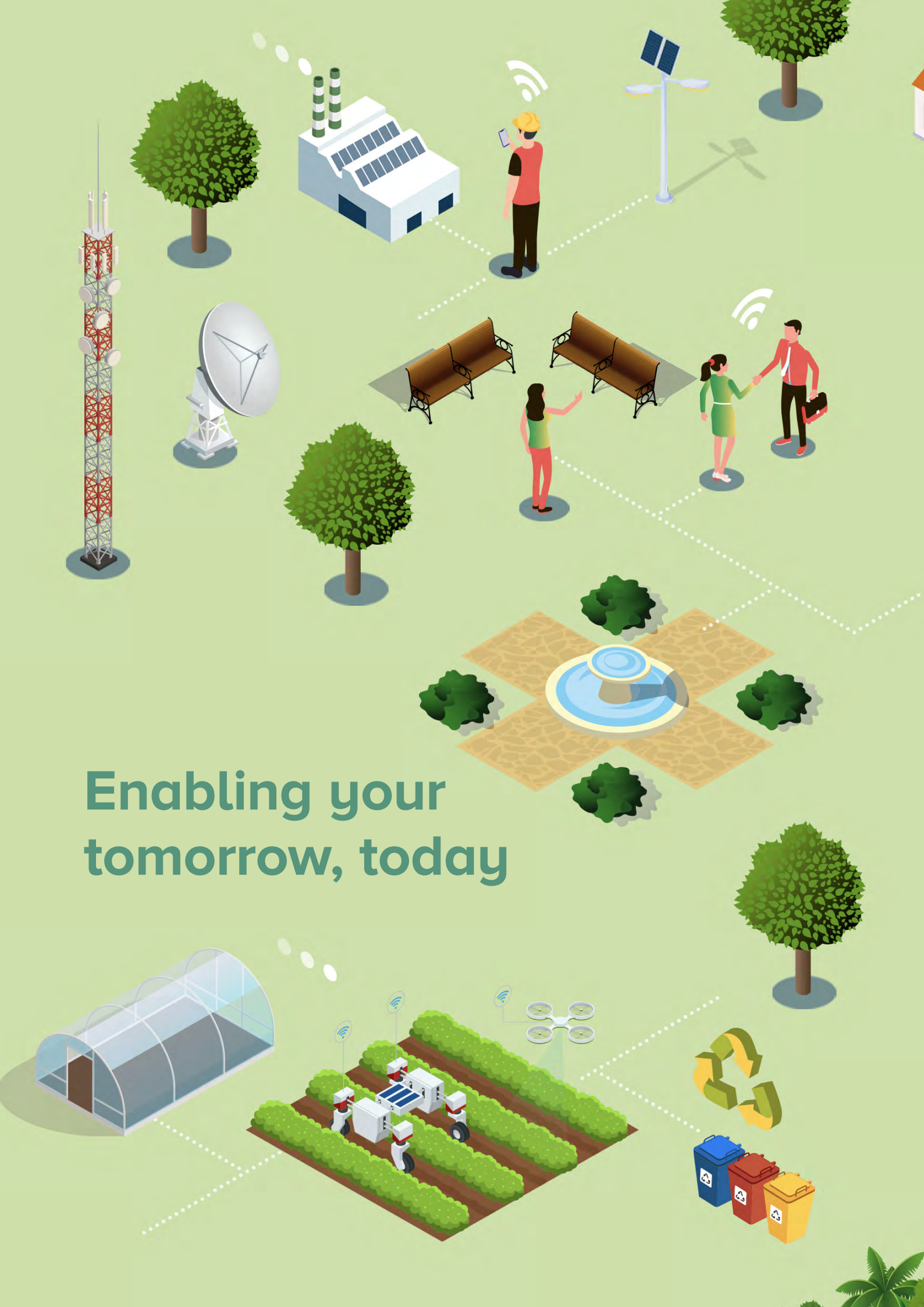


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Enabling your
tomorrow, today



About the Report

102-3, 102-12, 102-50, 102-53, 102-54

This Sustainability Report covers initiatives and programs from January 1 to December 31, 2021 of the PLDT Group, which is composed of its subsidiaries, affiliates, and associates PLDT, Smart, ePLDT, PLDT Global, PayMaya, and the PLDT-Smart Foundation. You may be guided by notes and explanations for when certain disclosures only cover a select number of entities.

This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards: Core option. We have also aligned this report with the Sustainability Accounting Standards Board (SASB), Task Force on Climate-related Financial Disclosures (TCFD), as well as the 10 Principles of the United Nations Global Compact (UNGC), and made relevant references in the report. Please refer to page 112 for more details.

This serves as our second Communication on Progress (CoP) to the UNGC as the first member with Participant status from the Philippine telecommunications industry. Together with the report, PLDT and Smart President and Chief Executive Officer (CEO) Alfredo S. Panlilio also publicly shares the Group's Statement of Continued Support.

SyCip Gorres, Velayo & Co. (SGV), a member firm of Ernst & Young International Ltd., conducted independent external assurance on selected disclosures. Please refer to the SGV's statement of assurance on page 113.

We welcome your feedback or questions regarding this Sustainability Report. You may send your comments or inquiries to the following:

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The PLDT Group in 2021

102-1, 102-4, 102-5

The PLDT Group is the largest and fully integrated telecommunications and digital services company in the Philippines, committed to connecting everyone everywhere through innovation and technology that enables the resiliency of people and communities.

PLDT is listed on the Philippine Stock Exchange (PSE:TEL) and its American depositary shares are listed on the New York Stock Exchange (NYSE:PHI). The company is one of the largest firms in the Philippines in terms of market capitalization.

Dedicated to our purpose of connecting and empowering Filipinos everywhere, digitally, the PLDT Group substantiates its commitment to the UNGC through our second CoP report. The report documents PLDT's progress toward incorporating UNGC Principles and the UN Sustainable Development Goals in the business. Together with the report, PLDT and Smart President and CEO Alfredo S. Panlilio also publicly shared the Group's Statement of Continued Support.

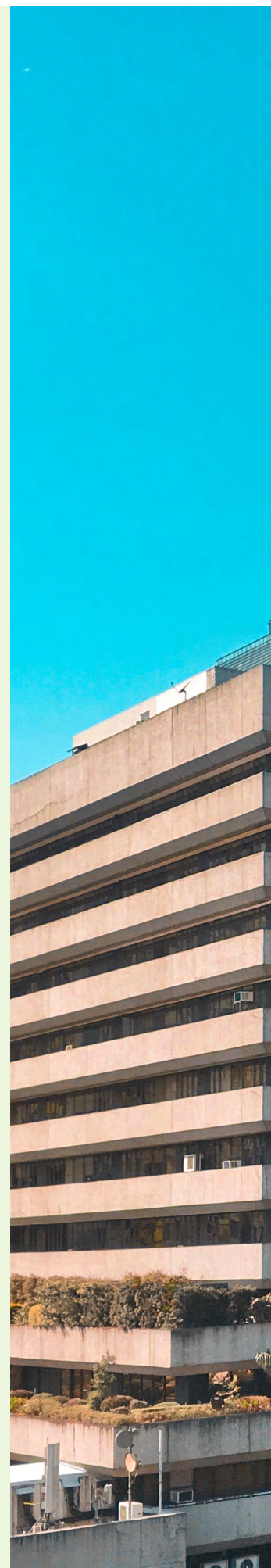
The initial commitment to the UNGC was made in 2020. As the only Philippine telecommunications company with Participant status under the world's largest voluntary corporate sustainability initiative, PLDT and Smart were able to actively engage with the UNGC at the global level. We joined around 9,500 companies from over 160 countries and committed to supporting sustainable business practices in line with the 10 Principles of the UNGC. These Principles reflect universal sustainable values and cover key aspects such as human rights, labor, environment, and anti-corruption.

Among the initiatives that PLDT shares in this CoP Report was how the concept of sustainability was introduced to the supply

chain by elevating requirements to bring it beyond the criteria of competitive quality, cost, service, and delivery. The result was the incorporation of Sustainability Guidelines in the Vendor Conforme Sheet along with a shared recognition of the importance of having vendors who will truly be partners in sustainability.

Meanwhile, the CoP report also includes PLDT and Smart's participation in the UNGC's Statement from Business Leaders for Renewed Global Cooperation, which was an expression of commitment to demonstrate ethical leadership and good governance.

PLDT and Smart's commitment to UNGC Principles underscores group-wide support for the UN Sustainable Development Goals, with UN SDG #9 Industry, Innovation, and Infrastructure as its SDG anchor.





Business Units

102-2, 102-6, 102-45

Through these subsidiaries, affiliates, and associates, the PLDT Group creates long-term value for all its stakeholders.



PLDT HOME

PLDT Home is the Philippines' fastest fixed network and digital services provider, offering broadband data services such as PLDT Home Fiber (fixed wired) that run through its superior Fiber-to-the-Home (FTTH) network. PLDT Home delivers product bundles for high-speed internet and digital services under its Smart Home banner – a digital ecosystem that is built on the pillars of Entertainment, Security, and Automation. This suite of multimedia services and solutions helps Filipino families stay connected and provides them easy access to information and quality entertainment in the comfort of their homes.



Smart Communications, Inc.

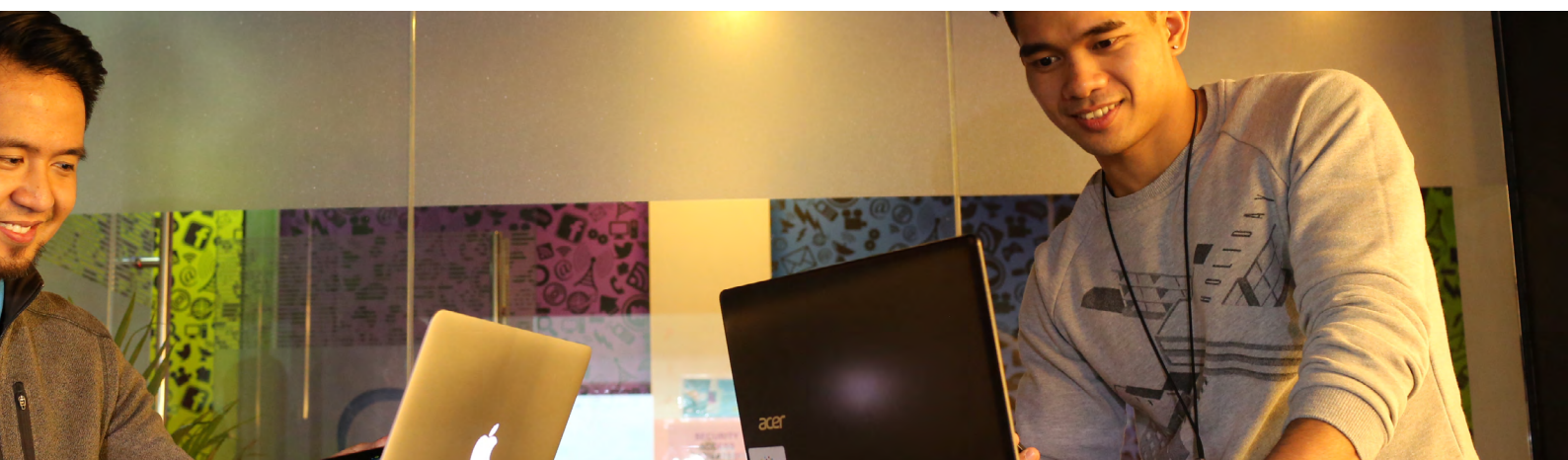
Smart Communications, Inc. is the Group's wireless arm. The combined 2G, 3G, and 4G LTE, and now 5G network provides mobile communications services, high-speed internet connectivity, and access to digital services and content. Smart also offers satellite communication services under the brand SmartSAT to ensure communication access to all Filipinos. 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. As the corporate business unit of the PLDT Group, its vision is to make a positive impact on every single business. Through PLDT Enterprise, customers can access not only connectivity, but clients can also avail of a full suite of digital solutions for their ICT requirements — from internet, data networking, voice communication, and data center to solutions for mobility, managed ICT, cybersecurity, collaboration, and productivity.

PLDT Enterprise is composed of several business units — each with its own customer business segment focus — to deliver an array of solutions that enable businesses to adapt to evolving technological needs.



ePLDT, Inc.

ePLDT, Inc. is the industry-leading provider of digital business solutions in the Philippines. ePLDT develops and provides end-to-end best-in-class digital and ICT solutions and technologies for enterprises across the country and the Asia-Pacific region that are at par with global standards. These product and service rosters include Cloud, Cybersecurity, Managed IT Services, and purpose-built Data Center facilities. ePLDT operates the country's largest data center footprint. An 11th hyperscaler data center, the capacity of which will be larger than that of the 10 data centers combined, will rise on a five-hectare property in Sta. Rosa, Laguna. This hyperscaler data center is being designed to incorporate renewable energy and best-in-class sustainable practices in its operations.



PLDT Global Corporation

PLDT Global Corporation (PGC) is in the business of offering various telecommunication and other allied services to offshore Filipinos. With offices in the Philippines, Hong Kong, Singapore, United Kingdom and United States, it act as the Group's full-fledged international marketing, sales, and operating arm, offering a wide range of products and services, including those beyond telecommunications. PGC, as the international business unit of the PLDT Group, builds and delivers a full range of digital solutions that serve the evolving needs of the Global Filipinos.



PayMaya

PayMaya is PLDT's end-to-end digital payments ecosystem enabler in the Philippines. It provides merchant solutions across all types of enterprises, both online and on-ground. It also serves all consumer segments through e-wallet offerings and on-ground agent networks. PayMaya will be leveraging this deep and unique ecosystem to go into digital banking and further expand access to financial services for underserved businesses and consumers.

2021 Awards & Recognitions



ASIA-PACIFIC STEVIE® AWARDS

Gold Stevie for Innovation in Public Relations Videos

PLDT and Smart Connected by Hope thematic 2020 year-end AVP

Silver Stevie for Most Valuable Corporate Response

PLDT and Smart #StayHome, #StaySmart COVID-19 response

Bronze Stevie for Innovation in Community Relations and Public Service Communications

PLDT and Smart #NoLearnerLeftBehind Omnibus education programs

Bronze Stevie for Innovation in Business to Business Events

PLDT Enterprise's IMPACT: Philippine Digital Convention 2020



Gold Anvil

COVID Warrior Communications

Better Today Time Capsule Project

Silver Anvil

PLDT Enterprise' MVP Bossings Podcast by FreeBee

PLDT Enterprise' Great Connections Podcast by FreeBee

Smart Giga Study 360 video

Smart Prepaid's This is Us campaign

Smart Prepaid's BTS Passion and Purpose campaign

Families and Communities: Stronger Together

Mind Your Health

Wellness Revolution

"Yes, She Can!"

Better Today Conversations

Better Today with La Union and Tarlac

CyberSmart

Digital Farmers Program

Buy Local, Buy Smart

Gabay Guro

#NoLearnerLeftBehind

I am PayMaya Town Hall

The SAFEwork Playbook



2021 BSP Outstanding Partner in driving financial inclusion



Leading Emerging Payments Organization

Most Innovative Mobile or Financial Service Payments Solution for PayMaya app

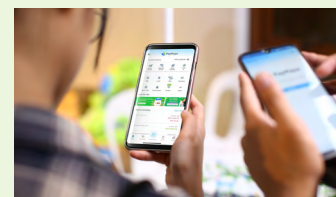


Juniper Future Digital Awards Best QR Payment



IDC Future Enterprise Awards for the Philippines

Best in Future of Digital Innovations (PayMaya Negosyo app)



Best in Future of Intelligence

(PayMaya app's AI-powered electronic KYC process)



Ooka!® Awards

Fastest Fixed Internet Award Philippines

Q3-Q4 2021 – PLDT

Fastest Fixed Internet Award Philippines

Q1-Q2 2021 – PLDT

Fastest Mobile Network Award
Philippines

Q1-Q2 2021 – Smart

Fastest 5G Mobile Network Awards
Philippines

Q3-Q4 2021 - Smart

Fastest 5G Mobile Network Awards
Philippines

Q1-Q2 2021 - Smart

Opensignal 5G Mobile

April 2021 Report – Smart awards

Best Video Experience

Best Games Experience

Best Voice App Experience

Best DL Experience

Best UL Experience

Best 4G Availability

Best 4G Coverage

October 2021 Report – Smart awards

Best Video Experience

Best Games Experience

Best Voice App Experience

Best DL Experience

Best UL Experience

Best 4G Coverage

Best 5G Availability

Best 5G Video Experience

Best 5G Games Experience

Best 5G DL Speed

Best 5G UL Speed



AsiaMoney 2021 Outstanding Companies Poll

Most Outstanding
Company in
the Philippines:
Telecommunications
Services Sector - **PLDT**

Business-to-Business:
Inhouse - **PLDT
Enterprise's MVP
Bossing**

CSO30 ASEAN Awards 2021 of International Data Group (IDG)

CSO Leadership Award - **PLDT and Smart**

Chief Information Security Officer Angel
T. Redoble

CISOs Connect Top 100 CISOs (C100) Recognition

Visionary CISO Award - Angel Redoble,
**PLDT Group Chief Information Security
Officer**

Chief Information Security Officer Angel
T. Redoble

Asia Communication Awards 2021

Social Contribution Award ACA 2021 –
FarmSmart

LinkedIn

**Ranked 2nd among the Top 15
Companies in the Philippines**

Philippine Extension and Advisory Services Network, Inc.

2021 Outstanding Extension Project
Award for Digital Farmer Program (DA-
ATI entry)

Reader's Digest Trusted Brands

Platinum Award in Broadband/Fiber –
PLDT HOME Fiber

World Communication Awards 2021 (WCA)

WCA Honor Roll: Highly Commended -
Smart Communications, Inc.



World Benchmarking Alliance

World Benchmarking Alliance

#12 in Digital Inclusion Benchmark
among 150 most influential technology
companies in the world

TOP RANKED telecommunications
company from Asia (excluding China)

HIGHEST RANKED company
headquartered in a developing nation

Partner Awards

Alibaba Cloud

Project of the Year Award – PLDT Global
Enterprise collaboration for digital and
cloud solutions to the Esport matches
during the 30th Southeast Asian (SEA)
Games

Cisco

Small Business Partner for Best Cisco
Designed Portfolio - ePLDT

Microsoft

Gold Competency for Security - ePLDT

Gold Competency for Enterprise Mobility
Management – ePLDT

Silver Competency in Microsoft's Project
Portfolio Management - ePLDT

MuleSoft

Value-Added Reseller – ePLDT



Membership in Associations

102-13



Local

- Earth Day Network Philippines
- Emergency Telecoms Cluster, National Disaster Risk Reduction and Management Council
- Good Governance Advocates and Practitioners of the Philippines
- Integrity Initiative, Inc.
- Philippine Association of Private Telephone Companies (PAPTELCO)
- Philippine Business for Education (PBE)
- Business for Sustainable Development (BSD)
- Philippine Business for Social Progress (PBSP)
- Philippine Chamber of Telecommunication Operators (PCTO)
- Supply Chain Management Association of the Philippines (SCMAP)
- Philippine Disaster Resilience Foundation (PDRF)
- Philippine Society for Talent Development (PSTD)
- People Management Association of the Philippines (PMAP)
- Employers Confederation of the Philippines (ECOP)
- Philippine Council for NGO Certification
- Association of Foundations
- League of Corporate Foundations
- Healthcare Information Management Association of the Philippines (HIMAP)
- IT & Business Process Association of the Philippines (IBPAP)
- Semiconductor and Electronics Industries in the Philippines Foundation, Inc (SEIPI)
- The Canadian Chamber of Commerce of the Philippines (CANCHAM)
- Philippine Franchise Association (PFA)
- Philippine Retailers Associations (PRA)
- Contact Center Association of the Philippines (CCAP)
- Philippine Center For Entrepreneurship (GoNegosyo)
- Australian-New Zealand Chamber of Commerce Philippines (ANZCHAM)
- Manila International Dialogue
- SaferKidsPH
- Zero Extreme Poverty Coalition
- Philippine Partnerships for Sustainable Agriculture
- Philippine Business Coalition for Women Empowerment
- Procurement Leaders
- FinTech Alliance
- eMoney Association of the Philippines
- Philippine Society of Mechanical Engineers
- Ethics and Compliance Initiative

International

- Asian Carriers Conference Incorporated
- Business Continuity Management Institute (BCMI) of Singapore
- Business for Social Responsibility (BSR)
- Global Settlement Council (GSC)
- Global System for Mobile Communications Association (GSMA)
- International Association of Privacy Professionals (IAPP)
- International Inbound Services Forum (IISF)
- International IP Interconnect Forum (i3F)
- International Telecommunications Union (ITU)
- International Telecoms Week (ITW)
- Metro Ethernet Forum (MEF)
- Pacific Partners Meeting (PPM)
- Sustainability Accounting Standards Board (SASB)
- Internet Watch Foundation
- Inter-agency Council Against Child Pornography
- Asian Venture Philanthropy Network
- Institute of Electrical and Electronics Engineers (IEEE)


Message from the Chairman

102-14



To our Stakeholders,

The year 2021 tested us all — challenging our endurance, our creativity, and our character. Companies and industries around the world learned hard lessons. But we also realized quickly that, no matter how difficult, we must move forward through decisive action, guided by our core values of agility, collaboration, humility and *malasakit*. You will be proud to know that through all these challenges, the PLDT group has demonstrated true fortitude, vision, and heart for people.



We continued, with determination and a clear vision, to expand the country's most extensive digital infrastructure, rolling out about 744,000 kms of fiber nationwide, with more than 75,000 base stations (including about 7,200 5G base stations) making up our wireless network, for our services to reach about 96% of the population.

Through all the innovations and developments, we have kept our eyes on our north star, our customers.

For the PLDT Group, it is this customer-centric approach that was at the core of our decision-making process – will it be beneficial for our customers in the long-term? Will it improve their experience? Does it serve target communities? Will it contribute to sustainable development?

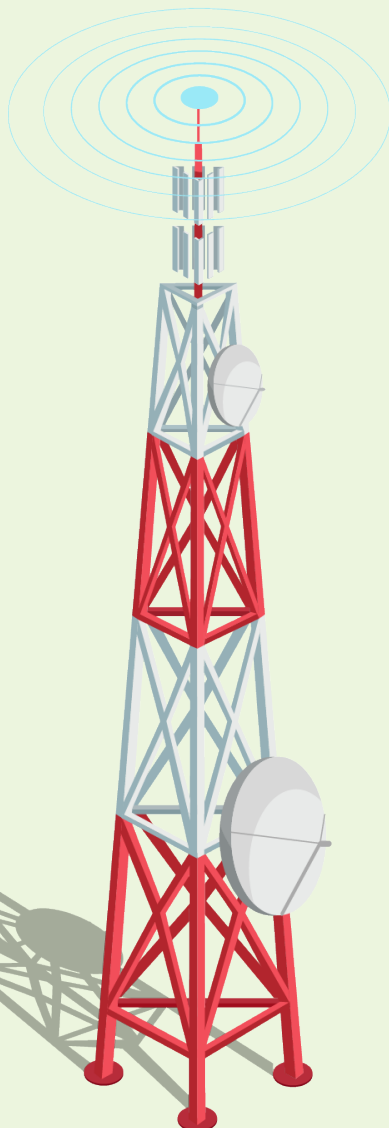
In my years with PLDT, I've seen firsthand the ordeals and triumphs of this company. I've seen how, with focus and commitment, it prevailed over adversity – learning from circumstances, growing



stronger and more efficient. With continuous improvement and expansion of our network, PLDT gave communities access to tools that helped them stay resilient and enabled their growth during these times of crisis.

Amid disruptions in technology, the telco landscape and the economy, the PLDT group stands as an advocate of sustainable growth as we claim leadership position in the industry.

Notably, we accomplished this feat while navigating through a pandemic and its unprecedented impact as well as calamitous typhoons that devastated our shores. Time and time again, the



Company proved itself a dependable partner that people can rely upon, working 24/7 to provide seamless connections from wireless to fiber, enabling customers to communicate safely and securely with their families and friends, their businesses, their offices, their schools, their doctors, their banks, and access other essential services now available through online digital platforms.



We pushed through with initiatives that highlight technology-driven programs for teachers, farmers, students, senior citizens, and indigenous peoples. These programs aim to open access to the digital world in a safe and secure network that protects customer data and privacy.



Every Filipino deserves to enjoy world-class connectivity, because every Filipino has the potential to help turn the Philippines into a major force in the global arena. And PLDT is committed to help Filipinos and enable them to build a stronger nation.

Our sustainability journey includes individual customers, as well as micro-, small- and mid-sized enterprises, to the large companies, working together for a better tomorrow.

Together with you, our stakeholders, we have chosen this path to fulfill our mission to empower Filipinos everywhere with customer-focused digital innovations that unlock and share their infinite potential.

MANUEL V. PANGILINAN
Chairman of the Board
PLDT Inc.

Message from the President and CEO

102-14



To our Stakeholders,

We look back at 2021 with gratitude for the amazing work and collaboration we have witnessed from our employees and partners. As you will read in this report, we recalibrated and progressed in our Environmental, Social, and Governance (ESG) undertakings through sustainability initiatives that directly reinforce PLDT's long-standing purpose: to connect and empower Filipinos everywhere, digitally.

Our renewed focus on what has always been PLDT's Mission drives us as we align group-wide processes and standards with our sustainability principles. These are anchored on four pillars - Connection, Conservation, Concern, and Commitment - all interconnected to establish a stronger foundation in attaining a better future for both people and planet, while ensuring the continued existence of our business.

A key success factor for sustainability efforts is that it should be high in our leadership's agenda, and I genuinely believe in the importance of this work. Sustainability must be tightly linked to what we offer as an integrated telco and embedded in our business. All of our goals will be included in the company's balanced scorecard program and will form part of the executive compensation computation.

Managing environmental impact

Among our targets we support is achieving Net Zero by 2050. We have prioritized programs in energy efficiency, the use of renewables, and green network technology embodied in a decarbonization roadmap that targets a 40% reduction in our Scope 1 and Scope 2 GHG emissions by 2030.

Our 2021 environmental efforts include the deployment of green technology in the network such as the use fuel cell technology for our gensets and carbon fiber for towers. Aside from environmental benefits, these green cell sites in off-and-challenged-grid urban and rural locations also offer higher connection reliability for our customers.



Our soon-to-be 11 ePLDT VITRO data centers are all huge sources of our GHG emissions, and we are determined to manage this. We incorporated sustainability in the design and building operations of our newest hyperscale facility, VITRO Sta. Rosa, set to be the Philippines' largest data center campus by far. Built in accordance with LEED standards, the facility is positioned to set the benchmark in world-class sustainability, infrastructure resilience, operational excellence, and global competitiveness.

Our ability to reduce our carbon footprint will also be supported by our continuing focus on energy efficiency and operating cost management, as well as our efforts to source more renewable energy as part of our energy mix.

Creating a #SafeAndSmart Philippines

Initiatives of departments across PLDT and Smart, as well as our social outreach arm PLDT-Smart Foundation, underscore our group-wide thrust of creating a resilient and #SafeandSmart Philippines.

In the aftermath of what is said to be the country's most destructive storm since Typhoon Yolanda (Haiyan) in 2013, our relief aid in areas severely affected by Typhoon Odette (Rai) in December 2021 benefitted over 25,000 families. We reconnected thousands of affected residents through stations that offered free calls, charging, and WiFi services. Though challenged with approximately 700 kilometers of aerial fiber cable impacted, 50 collapsed cell towers, and 129 damaged sites, we were first to restore in worst-hit areas thanks to our network team's quick action.

Aligned with safety, we want to ensure that the technology that we offer enables progress for all – while being accountable to end-users of our services. In 2021, we increased urgency in initiatives aimed at keeping a safer online environment, for our customers, most especially for the younger generation. As children spend more time on the internet than ever before, there is a need to safeguard them from various types of abuse and exploitation. Our efforts in this space include blocking a record 179,000 illicit internet content involving minors as of end-January 2022. This targeted to prevent the proliferation of online sexual abuse and exploitation of children (OSAEC), a top priority of UNICEF's Program of Cooperation with the Philippine Government following the alarming rise of such crimes during pandemic lockdowns.

These initiatives under the Social criteria of our ESG goals complement our established, award-winning education and livelihood programs that we have grown through the years.

Taking care of our people

Upholding a people-first culture helped us navigate and thrive through the prolonged COVID-19 crisis.

To continue serving our customers more safely and effectively during the pandemic, one of our main priorities in 2021 was the primary and booster COVID-19 vaccinations of our over 16,000-strong workforce. This was made possible through the efforts of a cross-functional MVP Group Vaccine Task Force that targeted to inoculate over 66,000 multi-industry employees from various companies headed by our Chairman Manuel V. Pangilinan. The program also covered adult and pediatric dependents, household members, and the MVP Group's extended workforce.

We utilized the PLDT Sta. Ana Warehouse in Manila and Smart Tower head office in Makati as mega vaccination sites to accommodate conglomerate-wide vaccinees. True to our

core value of *malasakit* (compassion), site volunteers across regions consisted mostly of PLDT and Smart employees who handled non-clinical tasks on top of daily work deliverables. From the launch of our COVID-19 immunization program in July 2021 to the conclusion of our booster inoculations in the first quarter of 2022, we recorded that 99.9% of PLDT and Smart employees have been fully vaccinated.

Understanding that companies with an inclusive workplace culture are more likely to be innovative and stay ahead of changes, we launched landmark employee initiatives on workplace gender equality. Female leaders featured in our International Women's Month campaign in March 2021 emphasized how women representation is evident in PLDT and Smart's governance structure and leadership team. Our landmark campaign for International LGBTQIA+ Pride Month in June demonstrated our company's diversity and workplace inclusivity – one that is safe regardless of gender, identity, sexual orientation, or expression.

Testament to our commitment of taking care of our people, Smart ranked 1st and 2nd in LinkedIn's Top 15 Companies in the Philippines for 2022 and 2021, respectively. Cited as the best workplace to grow a career for two years in a row, the professional networking site studied data on skills growth, ability to advance, company affinity and stability, gender diversity, and spread of educational backgrounds. Our wireless subsidiary was also cited for employee mental health programs.

Remaining true to PLDT's Vision

The world continues to become more reliant on technology, with our company powering the Philippines' digital economy. Yet it is clear that everything that we do at PLDT and Smart will always be about empowering people: the customers we serve, the partners we work with, the communities we operate in and help, the employees we groom to succeed, and people whose life and future we care deeply about.

We recently launched our PLDT 2025 vision and strategy wherein new ways of working and executing our plans will ingrain transformation in our company culture. Our journey will hinge on a holistic view of the business wherein profits will remain a priority, but will be expanded to other strategy pillars that will allow us to become the ESG-leading telco in the region. As we do business responsibly, build the best workplace, uphold operational excellence, and elevate customer centricity, we can expect further improvements on profitability to follow.

This Sustainability Report serves as our second Communication on Progress (CoP) to the United Nations Global Compact (UNGC) as the first Participant from the Philippine telecommunications industry. Moreover, this Report is dedicated to PLDT's Vision, as we stay true to our promise to lead and inspire Filipinos to create a better tomorrow. It shows our commitment to always do better each day in our journey towards a sustainable future – alongside you, our stakeholders.

ALFREDO S. PANLILIO

President and Chief Executive Officer
PLDT Inc. and Smart Communications, Inc.



Message from the Chief Sustainability Officer

102-14



To our dear Stakeholders,

The world is facing new and greater challenges such as global warming and the protracted impact of COVID-19 on societies. More than ever, there is need for each one of us to heed the call to take concerted action in order to ensure the continued existence of the human race.

We at PLDT hear the call for action and are responding to the challenge of integrating in the company's strategy and operations the triple-bottom line of people, prosperity and planet. We recognize our leading role in the Philippine economy and will continue to endeavor to use that position and voice to drive awareness and action as stewards of the planet for the next generation.

We are happy to report that PLDT's Board strongly supports Sustainability as having been identified as a key pillar in PLDT's long-term strategy. Guided by our

Chairman, Manny Pangilinan, and our President and CEO, Al Panlilio, the PLDT Group is pursuing various initiatives addressing on environmental, economic, social and governance areas that aim to strongly position the PLDT Group to face the challenges of the future, as well as contribute to the country's commitment to improve lives.

At PLDT, sustainability is and will always be embedded in the business: as we ensure a safe online environment for our customers by guarding data privacy and fostering cybersecurity; pursue operational energy



efficiency; operate with care and concern in the communities where we are present; and foster inclusion in the workplace as well as society in general.

We will remain steadfast in transforming our business and operations so we can meaningfully support environmental initiatives and communities for a sustainable world. This includes the continued use of our technology and services in support of conservation efforts focused on the essential ecosystem of forests, peatlands, mangroves, and marine protected areas.

With the collective contribution of the entire organization, our efforts have started to bear fruit. For one, PLDT was ranked 12th out of 150 companies in the 2021 Digital Inclusion Benchmark conducted by the World Benchmarking Alliance (WBA). PLDT joined global businesses like Apple, Cisco, Samsung, and Alphabet in the Top 15 that promotes a more inclusive digital economy and society.

The WBA noted PLDT initiatives on skills development, under which category, PLDT ranked second among companies surveyed.

The WBA also recognized our continued investments in cybersecurity, noting PLDT's commitment to keeping a safer online space for its customers, particularly children, as demonstrated in the Company's partnerships with like-minded organizations to spread awareness on and curtail online abuse and exploitation of minors.

We are truly encouraged to see that our efforts have been recognized, and this motivates us even more with our work as we move forward on our sustainability journey.

In 2020, we began evaluating our processes to look deeper into our impacts to better craft environmental targets and goals. The exercise has borne fruit. For 2021, as part of our commitment to strengthen our sustainability reporting, we began transitioning to adopt the principles of integrated reporting, a powerful tool that will improve transparency and help the Company demonstrate how we create social value over time. The transition reflects the level to which sustainability has been built into our vision, mission, and day-to-day operations as sustainability increasingly becomes an integral part of all our processes and standards.

Today, we are in the process of undertaking a mapping of our sustainability targets, and including these as part of our performance score card. We are truly proud of the accomplishments in the various material aspects and look forward to reporting continued

progress in subsequent reports, underscoring our commitment to the United Nations Global Compact (UNGC) and in support of the Sustainable Development Goals (SDGs).

Furthermore, we continue to work with global sustainability organizations in creating resilient business models and strategies. As an organization, we recognize that the next global emergency – climate change – is on the horizon and it is imperative that we make decisions, act appropriately, and communicate openly with our stakeholders.

For the PLDT Group, we recognize that our sustainability journey has a long way to go. But as in all journeys, they begin with the first step. Reaching the destination will depend on persistence and determination.

For PLDT, I am proud to say that all that we do as an organization is in line with our purpose of connecting and empowering Filipinos everywhere, digitally; and that the entire organization is committed and determined to fulfill our role of being responsible stewards of this planet for the next generation – for our children, and our children's children.

At PLDT, we are enabling your tomorrow, today.

MELISSA V. VERGEL DE DIOS

Chief Sustainability Officer
PLDT Inc.



Our Sustainability Journey

Creating Shared Value 102-16

Our Vision

Lead and inspire Filipinos to create a better tomorrow

Our Mission

Empower Filipinos everywhere with customer-focused digital innovations that unlock and share their infinite potential.

Our Values

- Deliver awesome customer experiences
- Take care of our people
- Collaborate to win
- Fast is better than perfect
- Malasakit (Concern)
- Humility to listen and learn

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 Purpose




Connecting and Empowering Filipinos anywhere, digitally

Our Promise

To enable meaningful and resilient connections, anytime and anywhere, responsibly

Continuing the Momentum

In the same year the Sustainable Development Goals came into force in 2016, the company published its first Sustainability Report that covered 2015 on a voluntary basis – years ahead of the Securities and Exchange Commission (SEC) requirement for publicly listed companies to submit their sustainability reports. Since then, the momentum behind sustainability has rapidly gathered pace, leading to the establishment of the Corporate Sustainability Office (CSO) in 2019. In 2020, the charter of the Governance and Nomination Committee of the Board was expanded to include sustainability.

SDG Targets			
Objectives	Develop innovations that create value to the business, consumers, and society	Provide reliable customer experience and improve access to and quality of service	Create a conducive and transformational environment by providing a safe and empowering digital experience for children
Stakeholders	Customers		Children
Material Topics	<ul style="list-style-type: none">• Innovation and Infrastructure Investments• Customer Experience & Managing Systemic Risks from Technology Disruptions• Community Investment & Digital Inclusion		
Sustainability Pillars	Connect and Empower Filipinos Everywhere with the Customer as our North Star		
	Connection		



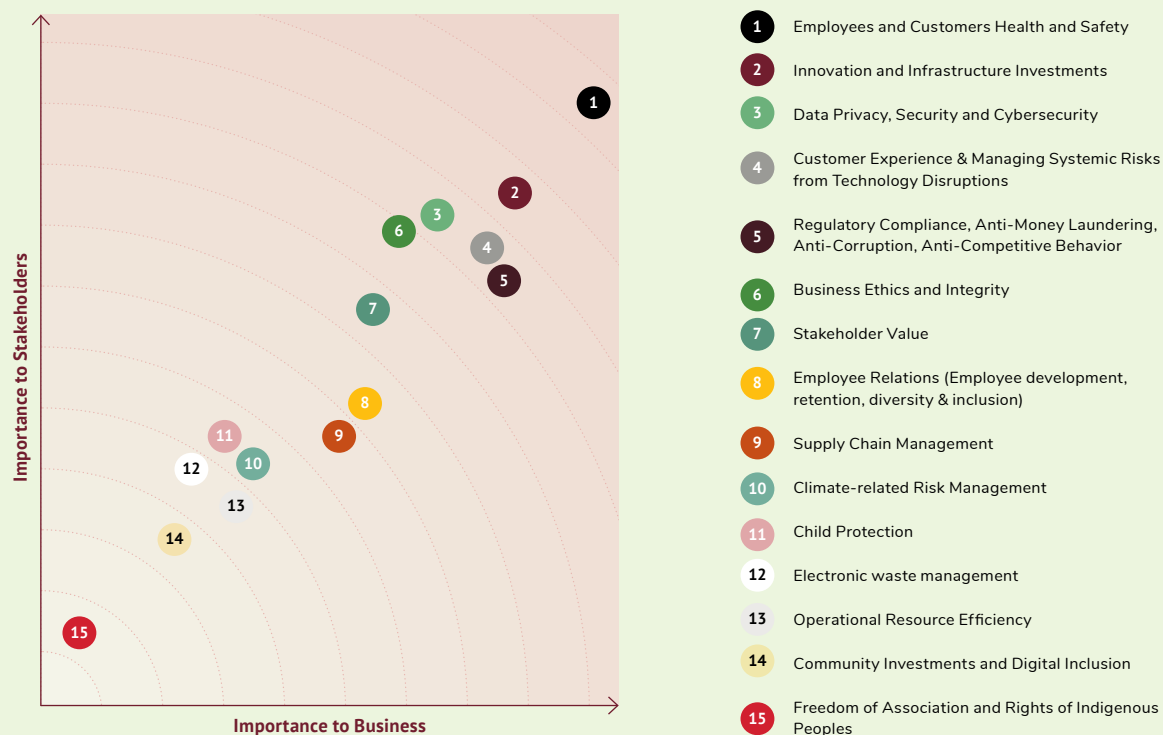
Diverse efforts to make sustainability central to our corporate DNA continued. In 2021, with the support of the PLDT Board led by Chairman Manuel V. Pangilinan, PLDT and Smart's new CEO Alfredo S. Panlilio identified sustainability as one of the key fulcrums that underpin the Group's vision and long-term strategy.

As the pandemic continues to impact our communities, along with other socio-economic and environmental challenges, we continue to invest in solutions and partnerships to be the resilient, transformational, and sustainable company for our customers, communities, and all stakeholders to depend on.

	Contribute to nation-building through community and volunteer programs that support key priorities and engagements	As an equal opportunity employer, cultivate a diverse and inclusive culture to develop transformational leaders	Achieve resource efficiency in all facets of business operations and protect the environment and the country's natural resources for sustainable development	Commit to the highest standards of business ethics and corporate governance requirements	
	Communities	Employees	Shareholders & Investors	Government & Regulators	Partners & Suppliers
	<ul style="list-style-type: none"> Stakeholder Value Employees and Customers Health and Safety Employee Relations (employee development, retention, diversity & inclusion) Freedom of Association and Rights of Indigenous Peoples 		<ul style="list-style-type: none"> Operational Resource Efficiency Electronic waste management Climate-related Risk Management 	<ul style="list-style-type: none"> Supply Chain Management Business Ethics and Integrity Regulatory Compliance, Anti-Money Laundering, Anti-Corruption and, Anti-Competitive Behavior Data Privacy and Cybersecurity 	
	Advocate for an inclusive culture that will develop transformational leaders in the company and in the communities we do business in		Aspire for resource efficiency in all facets of operations and manage our environmental impact	Commit to the highest standards of business ethics and corporate governance requirements that will guide our business operations	
	Concern		Conservation	Commitment	

Materiality and Sustainability Reporting Framework 102-46, 102-47

Throughout our journey towards sustainability all these years, we continued to seek new insights and learn from every step taken. Our stakeholders provided us with guideposts to build the roadmap as we went along. Through a Materiality Assessment Workshop, we were able to identify the issues, both external and internal, and their impact on our relationships with various stakeholders. The Governance, Nomination and Sustainability Committee (GNSC) has concurred and confirmed the materiality of the identified topics.



Our material topics are identified across the Economic, Environmental, Social, and Governance (EESG) categories. The y-axis represents the importance of the material topics to our stakeholders and the x-axis represents the importance of the material topics to our business. The material topics are ranked, with 1 having the highest materiality.

Creating value for all our stakeholders

For the past two years, the materiality assessment was able to clearly articulate the abiding concerns brought about by the unprecedented global COVID-19 pandemic and the socio-economic crisis that it brought about. Deeply rooted in the nature of the telecommunications industry, the topics most material for our stakeholders were understandably the following:

- **Employees and Customers Health and Safety** - the topic remains the most material as COVID-19 continues to affect business operations and human health
- **Innovation and Infrastructure Investments** - the topic refers to technology innovations and its infrastructure investment plans that indirectly impacts communities
- **Data Privacy, Security, and Cybersecurity** - the topic relates to the consumers' security and privacy as they use PLDT's services

The focus on the health and well-being of our employees and the rest of the supply chain was paramount, but at the same time, it was essential for the Company to deliver network availability, reliability, and capacity to support the needs of customers who depended on the service especially in times of crisis when online transactions and virtual working and learning environments became the main solution.

The capability to deliver business continuity and quality customer experience through safe and inclusive digital platforms, along with an unwavering focus on sustainable development, was to be the measure of our success.

Putting together the Sustainable Development Goals (SDGs) and the Philippine Development Plan dubbed Ambisyon Natin 2040 along with the results of our Materiality Assessment provided the Company an excellent

view of the challenges in the horizon and an opportunity to re-evaluate our roadmap and our programs.



For this year, the decision was made to utilize the material topics to further identify the key priority SDG where we can make the most impact – which was SDG 9: Industry, Innovation, and Infrastructure. Promoting sustainable industries and investing in innovation and infrastructure as crucial drivers of economic growth and development is the way towards our mission and vision.

Strategic move towards this goal meant distilling the different sustainability pillars we used in previous years and concentrating them under the four main pillars that shall anchor our roadmap moving forward. These new pillars are:

1. **Connection:** Connect and Empower Filipinos Everywhere with the Customer as our North Star
2. **Concern:** Advocate for an inclusive culture that will develop transformational leaders in the company and in the communities we do business in
3. **Conservation:** Aspire for resource efficiency in all facets of operations and manage our environmental impact
4. **Commitment:** Commit to the highest standards of business ethics and corporate governance requirements that will guide our business operations

This year marks our exploration to an integrated thinking as we seek to focus energies towards communicating how we create value for stakeholders. The transition will help in evolving integrated thinking within the organization and emphasize the connectivity and interdependencies between the factors that affect our ability to create value over time. We seek to build integrated thinking into our monitoring, analysis, and decision-making for better integration of the information systems that support internal and external reporting and communication.

Supporting the UN Global Compact and Sustainable Development Goals

In 2020, we joined around 9,500 companies from over 160 countries and committed to support sustainable business practices in line with the Ten Principles of the UNGC. The PLDT Group is the only Philippine telecommunications company with Participant status under the world's largest voluntary corporate sustainability initiative. PLDT and Smart were able to actively engage with the UNGC at the global level.

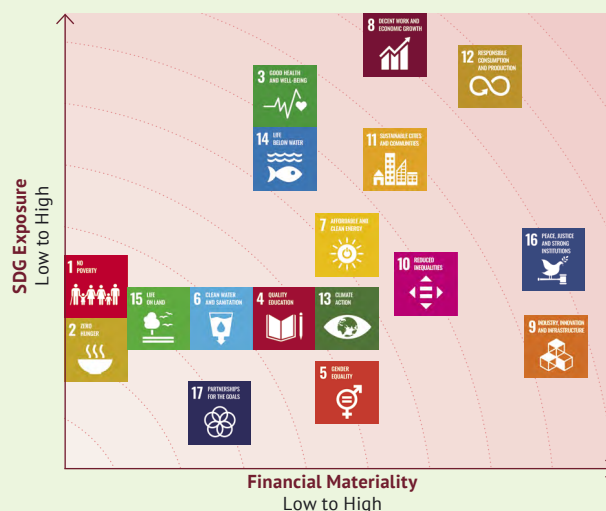
Dedicated to our purpose of connecting and empowering Filipinos everywhere, the PLDT Group substantiated its commitment to the UNGC through our first CoP report in 2021.

These Principles reflect universal sustainable values and cover key aspects such as human rights, labor, environment, and anti-corruption.

Among the initiatives that PLDT shared in the CoP Report was how the concept of sustainability was introduced to the supply chain by elevating requirements to bring it beyond the criteria of competitive quality, cost, service, and delivery. The result was the incorporation of Sustainability Guidelines in the Vendor Conforme Sheet along with a shared recognition of the importance of having vendors who will truly be partners in sustainability.

Meanwhile, the CoP report also included PLDT and Smart's participation in the UNGC's Statement from Business Leaders for Renewed Global Cooperation, which was an expression of commitment to demonstrate ethical leadership and good governance.

PLDT and Smart's commitment to UNGC Principles underscores group-wide support to the UN Sustainable Development Goals, with UN SDG #9 Industry, Innovation, and Infrastructure as its SDG anchor.



The matrix represents the level of importance of SDG-related issues based on the Company's operating sectors and geographies and the degree of financial materiality of issues underlying each Sustainable Development Goal. SDGs in the upper right-hand quadrant of the matrix are considered to have a high financial materiality and risk exposure. In the right-hand lower quadrant are SDGs that are considered high in financial materiality, but lesser in magnitude in terms of issues related to the SDGs that may affect or be affected by the Company.

Stakeholder Engagement

102-40, 102-42, 102-43, 102-44

We recognize the importance of maintaining collaborations based on shared values with our various stakeholders whom we identified as those we have impact on and those who have the potential to impact our business. Our Stakeholder Engagement Management Plan details avenues for communication between the Company and our employees, customers, and investors to ensure open and transparent communications and responsiveness to key concerns.

The following are identified as stakeholders of PLDT Inc. (herein after referred to as “PLDT” or the “Company”).

- Shareholders/Investors
- Customers
- Employees
- Suppliers
- Government Agencies/Regulators
- Communities
- Media



Employees

PLDT Group employees are spread geographically in the different offices, business zones, digital stores, and cell sites across the Philippines.

Engagement Methods

- Functional goals that are aligned with management goals
- Employee engagement surveys to measure the level of engagement among the employees of the Company
- Pulse surveys
- Regular training programs including those by Learning and Development Group and PLDT Smart University
- Programs that support the well-being of employees (health and wellness webinars)
- Online internal communication platform to keep employees informed and engaged with relevant company and business news
- Comprehensive health and medical benefits
- Product Knowledge trainings to better equip employees in promoting existing products and services of PLDT

Frequency of Engagement

- Cycle of goal-setting and performance appraisal activities, at least once a year, plus performance coaching sessions spread across the year
- Employee engagement surveys every three years
- Pulse surveys at the end of webinars, trainings, and activities
- Regular skills training programs
- Leadership development programs at every promotion stage in the employee's life cycle
- Digital dialogues and cascades, two to three times a year
- Functional town halls at least once a year
- Annual medical check-ups

Key Concerns

- Employee experience
- Leadership development
- Digital culture transformation
- Skills training
- Career opportunities
- Health and Safety
- Work-life balance
- Working conditions
- Compensation and benefits

Responses

- Talent management and succession planning
- Safe, secure, and healthy environment
- Global certifications for critical technical skills
- Employee wellness programs
- Learning and development programs at all levels
- Employee engagement to encourage innovation and creativity
- Digital workplace
- Business continuity and disaster management

Customers

Our customers include residential customers, micro, small, and medium enterprises (MSMEs) and corporate customers covering large companies, organizations, and government.

Engagement Methods

- Market research studies to understand customer needs and pain points
- Market research and focus group discussion studies
- Voice of the Customer studies to monitor company performance from the customer's point-of-view (e.g. satisfaction, advocacy)
- Monitoring and analysis of internal customer metrics to optimize network, channel, and service delivery performance
- Customer interactions across various touchpoints and channels: Business offices, Call centers, Online service, self-service facilities, sales agents, relationship managers, technicians and contractors, bill delivery service providers, SMS facility
- Operation of online customer panels to crowdsource customer feedback and ideas
- myHome app/GigaLife app
- MVP Rewards

Frequency of Engagement

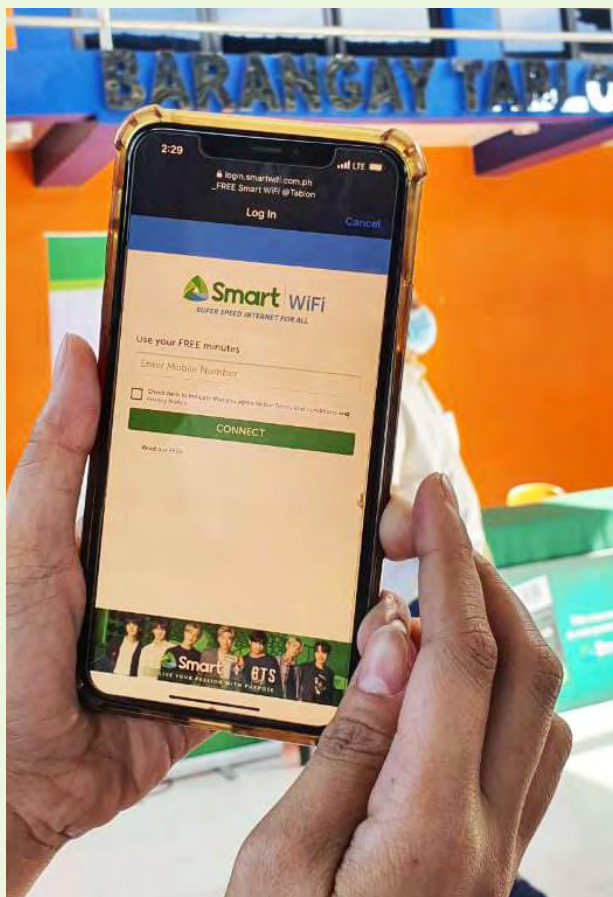
- Annual research program with planned quarterly activities
- Year-round customer interactions
- Online customer panels one to three times a month

Key Concerns

- Company image and reputation
- Products portfolio
- Quality of service
- Pricing
- Channels and means to contact
- Effortless engagements with PLDT that promote positive customer experience
- Service Level Agreements for service provisioning, restoration, and queuing, and transaction times
- Billing process and delivery
- Payment and collection
- Data privacy

Responses

- Service access
- Service quality and network improvements
- Affordable services and access
- Customer data privacy and information security
- Innovation in products and services
- Streamlined product portfolio and offerings across business units
- Digitalization and automation
- Paperless billing
- Online payments and self-service customer channels



Communities

The PLDT group operates in communities all over the Philippines, which include local residents, local government units, non-government organizations, and other sectors.

Engagement Methods

- Provision of products and services that connect people and enable them to manage the constraints of time and place more efficiently
- Creation of wider opportunities for employment, entrepreneurship, and greater well-being
- Engagement with the communities through corporate social responsibility (CSR) projects in education, health, livelihood development, culture and arts, youth development, sports, disaster resiliency and preparedness, and environmental protection

Frequency of Engagement

Daily-weekly basis

Key Concerns

- Improvement of lives through our products and services
- Impact of our operations in their community

Responses

- Response to natural disasters and calamities
- Resource efficiency and operations
- CSR programs that positively impact the communities' education, health, livelihood, and overall well-being
- Investments in various environmental and livelihood programs nationwide



Shareholders and Investors

We have a wide shareholder base in the Philippines and abroad due to our PSE and NYSE listings.

Engagement Methods

- Public disclosures to investors and shareholders through the Annual Report, which includes: Management Discussion and Analysis (MD&A), Financial Statements, Audit Committee Report, Corporate Governance Report, Enterprise Risk Management Report, and Corporate Social Responsibility Report
- Press releases and disclosures filed with the regulators on important company developments
- Meetings and conference calls with shareholders, fund managers, investors, and analysts

Frequency of Engagement

- Quarterly release of Financial Statements, MD&A, Presentation, and Podcast
- Quarterly briefings conducted by the top management for the press, investors, and analysts to announce financial and operating results, respond to queries and clarifications, and provide outlook
- Regular dialogue with shareholders, fund managers, investors, and analysts through participation in investor fora and conferences, and one-on-one meetings

Key Concerns

- Company's operational and financial performance
- Recent developments in the industry and the Company's outlook and future plans
- Company's compliance with corporate governance policies

Responses

- Annual reporting and disclosure
- Managing business risk
- Business continuity and disaster management
- Business ethics and governance
- Sustainability Reporting



Government and Regulators

These stakeholders include government agencies from the local, regional, and national levels, such as the Department of Information and Communications Technology (DICT), Department of Labor and Employment (DOLE), Department of Trade and Industry (DTI), National Telecommunications Commission (NTC), Securities and Exchange Commission (SEC), and other external regulatory bodies, as well as local and national government officials.

Engagement Methods

- Operations that are within relevant legislative and regulatory frameworks and compliance with applicable requirements
- Participation in public forums and hearings conducted by government and regulatory agencies relative to initiatives in the field of ICT

Frequency of Engagement

As required

Key Concerns

Compliance with regulations, policy, and other matters in the interest of our shareholders, customers, and other stakeholders

Responses

- Business ethics and governance
- Compliance with regulatory and environmental standards
- Sustainability Reporting



PLDT-Smart Foundation (PSF) and One Meralco Foundation (OMF) turned over rescue equipment to the Armed Forces of the Philippines (AFP) in January 7, 2021.

Suppliers

The Company currently has accredited suppliers, which serve the requirements of the business, ranging from items under capital expenditures to operating expenditures.

Engagement Methods

- Direct coordination with the procurement unit and internal proponents
- Online portals such as the Enterprise Resource Planning (ERP) system and the Supplier Relationship Management (SRM) that communicate with suppliers and serve as facilities to ensure integrity of the bidding process

Key Concerns

Eagerness to offer partnerships, subject to appropriate transparency measures

Frequency of Engagement

As needed

Media

Our stakeholders in media include representatives from working journalists and publishers in print, TV, and radio, as well as online and digital media.

Engagement Methods

- Regular media engagements through the CEO, Company Officers, Corporate Communication executive, and Chief Sustainability Officer
- Online channels
- Press briefings and press releases

Key Concerns

Newsworthiness of events, press releases, and corporate movements

Frequency of Engagement

Quarterly and as required

Children

We believe that the welfare of Filipino children is an essential concern that needs to be addressed in a truly effective sustainability mindset and culture.

Engagement Methods

- Partnerships with UNICEF and key industry stakeholders on the development of measures to promote the safety of Filipino children online
- Agreements with the Philippine National Police Women and Children Protection Center and International Mission for a citizen-reporting mechanism on Online Sexual Abuse and Exploitation of Children (OSAEC)
- Partnership with third parties to block URLs linked to child sexual abuse materials (CSAM)

Frequency of Engagement

Daily monitoring of URLs

Key Concerns

- Prevalence of online sexual abuse and exploitation of children
- Gaps in public awareness and education on safe digital use and practices
- Lack of proper parental guidance on children's use of digital devices



Responses

- Compliance with regulatory standards
- Business ethics and governance



Responses

- Quarterly press briefings that coincide with company disclosures
- Annual Reports and Sustainability Reporting
- Release of disclosures and Press Release



Responses

- Operator-level cooperation with regulatory and industry stakeholders for coordinated measures against OSAEC
- Development of key policies that integrate child safeguarding and online protection in mainstream business practices
- CSR and community engagements
- Partnership with Internet Watch Foundation (IWF) and Canadian Centre for Child Protection (C3P) to block URLs linked to CSAM

Our Strategy



We shall continue strengthening our culture of innovation as we strive to enable the nation with our customer-focused solutions that empower and unleash every Filipino's infinite potential.



Year after year, our journey in sustainability moves steadily forward, towards our goal of enabling progress and resiliency for our stakeholders and for the world we live in.

PLDT has started championing ecological efficiency in our operations, reducing environmental impact, fostering stewardship of the environment, and curbing the impacts of climate change on our business, customers, and target communities.

This is part of our strategy of continually investing in the business — improving infrastructure, increasing base stations, and advancing connectivity to address current and future demands. The idea is to significantly improve the most robust network in the Philippines and offer the widest range of digital services, such as e-learning, e-health, e-payments, e-commerce, and e-sports, among others.

These capabilities will enable digital inclusion and empower Filipinos with tools to rebuild a better normal from the lessons of the global pandemic. Our experience has shown that seamless connections from wireless to fiber have not only facilitated meaningful and resilient relationships but have also provided vital lifesaving solutions crucial to generating incomes, continuing learning and education, reviving livelihood, and enriching lives despite global crisis events that may unexpectedly arise.

The strategy is therefore to future-proof our business and our networks, building the foundations with capability to prevail over all kinds of unexpected events, including those of catastrophic proportions.

Utilizing innovative technology along with the country's most extensive digital infrastructure, PLDT will improve customer experience, serve target communities, and contribute to sustainable development. As such, we have started looking into vertical and horizontal network disaggregation alongside members of the global Next Generation Mobile Networks (NGMN) Alliance.

The NGMN Alliance is a forum founded by world-leading mobile network operators whose goal is to ensure that next generation network infrastructure, service platforms, and devices will meet the requirements of operators and, ultimately, will satisfy end-user demand and expectations. Network disaggregation is seen as both a consequence and accelerator of digital transformation, allowing networks to become increasingly agile, flexible, and responsive.

Furthering this goal, PLDT's strategy of technology leadership – with network and technologies transformation – takes into consideration readiness for 5G communication. And recognizing that service developments cannot be restricted by the network capacity, PLDT aims to provide congestion-free networks designed for peak throughput. PLDT has been accelerating fiber roll out to include deployment to remote areas and investing in submarine cables to cover islands and increase international capacity, working to replace all copper lines with optical fibers.

Having laid down a solid foundation for future developments, the PLDT Group moves ever forward and will continue to increase fiber and 5G coverage. With our customers as our north star, and user experience as among the top priorities – we strive to provide



customers with larger capacity, more flexible, and more intelligent network services.

At the same time, we are working with global sustainability organizations to create resilient business models and develop a science-based pathway to setting environmental targets.

These will help us prepare for what may be the next global emergency – climate change – which is already transforming businesses and life as we know it. We are working to understand its impact through financial-related disclosures to transform our business and operations and support environmental initiatives and communities in preparation for a new climate reality.

Our services, technology, and network will serve not only the growth and development needs of our stakeholders, but they will also be able to help conserve the country's forests, peatlands, mangroves, and marine protected areas to maintain essential ecosystems that provide immeasurable benefits to humankind.



The future for us all is digital and sustainable. PLDT and Smart continue to expand and modernize digital infrastructure to meet current and future needs.



Institutional Alliances

PLDT began establishing global sustainability alliances in 2019. We have since gained membership to the Sustainability Accounting Standards Board (SASB), Task Force on Climate-related Financial Disclosures (TCFD), Business for Social Responsibility, Global System for Mobile Communications Association (GSMA), and Carbon Disclosure Project, gaining recognition for our sustainability efforts in the telecommunications industry.



SASB Alliance
www.sasb.org

Sustainability Accounting Standards Board (SASB)

PLDT is the first telecoms operator in the world and the first company in the Philippines and the Asia Pacific to become a 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.



TCFD
www.fsb-tcfd.org

Task Force on Climate-related Financial Disclosures (TCFD)

We are the first Philippine telco to join and become a pioneer local supporter of TCFD. Set up by the Financial Stability Board (FSB), the Task Force develops recommendations for more effective climate-related disclosures that promote informed investment, credit, and insurance underwriting decisions.

The Company also worked with S&P Global to assess climate-related risks and impacts to align with the TCFD framework and strengthen efforts in ESG focus areas.

WE SUPPORT



UNGC
www.unglobalcompact.org

United Nations Global Compact

PLDT and Smart are registered as Participants committed on a global level, higher than Signatories limited to local engagement, to integrate the alliance's ten principles on environment, human rights, labor, and anti-corruption.



Business for Social Responsibility
www.bsr.org

Business for Social Responsibility (BSR)

As the only member company from the Philippines, our participation in BSR gives us access to technological innovation and futures laboratories, more resilient business strategies, and sustainable business models. Membership benefits also include access to global grant-funded sustainability initiatives and research.



GSMA
www.gsma.com

Global System for Mobile Communications Association (GSMA)

As part of the GSMA-Climate Action Task Force, PLDT and Smart are able to forge a science-based pathway to reach zero net emissions via a Climate Action Toolkit. We work with the GSMA on harnessing the enablement effect of mobile and energy efficiency of mobile networks in reducing carbon emissions. We will also collaborate with them on setting renewable energy targets and sharing of programs, best practices, and innovations.



CDP
www.cdp.net

Climate Disclosure Project (CDP)

We submitted information based on CDP full disclosure requirements for the first time in 2020. CDP runs the global environmental disclosure system and supports governments, cities, states, and companies in information to manage their risks and opportunities on climate change.

Active membership with these institutions provide us with access to data, research, and support to develop science-based targets that will improve sustainability reporting practices and guide decision-making in all aspects of the business.

We have defined and articulated a reporting framework under the guidance of these alliances and from insights of our stakeholders. We will continue to track and monitor our progress and refine our programs to better contribute to shared sustainability goals.

2021 Highlights at a Glance

102-7

Connection

102-6, 201-1, TC-TL-000.A, TC-TL-000.B, TC-TL-520a.2, TC-TL-550a.2

71.2M Mobile
Subscribers

3.6M Fixed Line
Subscribers **4M** Broadband
Subscribers

3.3 exabyte Mobile Network
Data Traffic

PhP 195B Direct Economic
Value Generated

PhP 89B CAPEX Investment

PhP 650M Community
Investment

Smart

Best in Test by umlaut

Won all seven categories
of Opensignal's first 5G
Experience Report for the
Philippines

Recognized by **OOKLA**
as the **fastest fixed network**
in the Philippines from
2018-2021

96% wireless coverage of
the country's cities and
municipalities

PLDT and Smart
have secured

45,000+
fixed and wireless
permits in 2021

+15 overall Net
Promoter Score

PayMaya

Largest non-bank payment
processor in the Philippines

Over **44M** registered
PayMaya users

Maya Bank

6th Digital Bank License in
the Philippines

Over
743.7K
kilometers of
fiber-optic cables

Up to
1 Gbps
of symmetrical
internet speeds

Concern

17,446 Total number of
employees

99.9% total workforce vaccinated
against COVID-19

99.7% training reach rate of
unique employees

433,001 Total training
hours

24.82 average training
hours per employee

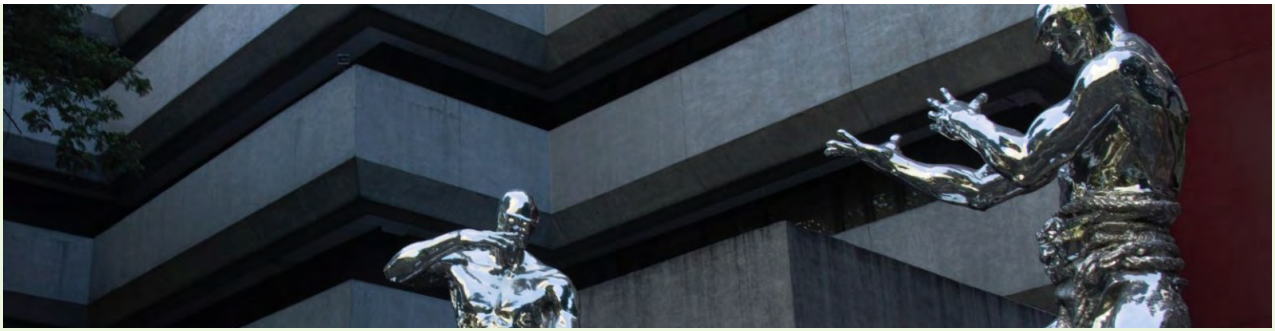
PhP 25B Employee Compensation
& Benefits

99% parental leave
retention rate

First in the Philippines to join the UK-based
Internet Watch Foundation, a global coalition
against online sexual abuse and exploitation of
children (OSAEC).

**Partnered with the United Nations International
Children's Emergency Fund (UNICEF)** to pilot
their enhanced Mobile Operators Child Rights
Impact Self-Assessment (MO-CRIA) tool

Blocked over
179K websites linked to
online sexual abuse and
exploitation of children as of January 2022



Conservation

Crafted a decarbonization roadmap that targets a

40% reduction

in our Scope 1 and Scope 2 GHG emissions by 2030.

Fuel cell technology deployed in

29 cell sites to reduce diesel consumption

17 Marine Protected Areas Completed the technical research conducted in partnership with University of the Philippines Marine Science Institute (UP MSI) and Marine Environment Resources Foundation (MERF)

Turned over drones, tablets, and other digital communication tools aimed at promoting environmental stewardship and helping protect the Caimpugan peatland inside the Agusan Marsh Wildlife Sanctuary (AMWS)

Partnered with **Meralco, MSERV, and Spectrum** for supply of renewable energy and energy efficiency audit

386.5 tons

of used lead acid batteries properly disposed, treated, and recycled

Commitment

PhP 121B Economic Value Distributed

(includes operating costs, compensation and benefits, payments to government and providers of capital, and community investments)

PhP 27B Payment to providers of capital

PhP 6B Taxes paid to government

0 incidents

Confirmed Incidents of Corruption

8B Blocked attempts made by subscribers to access phishing and scamming sites.



Our Sustainability Pillars

99 Connection

120 Concern

140 Conservation

150 Commitment





Connection Pillar



Connect and Empower Filipinos Everywhere with the Customer as our North Star



Delivering innovation and
continuous improvement



Providing great
customer experience



Empowering Communities

Delivering innovation and continuous improvement to connect and empower customers 102-7, 103-1

In 2021, PLDT completed the migration of over 272,000 homes and business establishments from copper to fiber. At the same time, the Company ramped up fiber installation and repair capabilities to continue delivering exceptional customer service. By the end of the year, fiber-to-the-home ports have grown to 5.8 million and nationwide roll-out has reached over 13.9 million homes.

PLDT Home also launched the first-ever 10,000 Mbps fiber-optic service in the Philippines, in a history-making move towards the future of home connectivity and setting the bar for the future of internet speeds in the Philippines. PLDT Home piloted the service in Metro Manila and will be expanding in other key cities, such as Cebu and Davao, in 2022.

To help businesses navigate their digital foray in the new normal, PLDT Enterprise, through BEYOND FIBER, dares businesses to go beyond with its business-grade fiber and curated digital solutions. With a boosted minimum speed that's three times (3x) higher than regular fiber connections, entrepreneurs have a reliable business internet for them to accomplish things they need to do online regardless which time of the day.

Firing up its nationwide 5G network to around 7,170 base stations, Smart also exceeded its initial target of 3,800 for 2021. The impact is indeed far-reaching as our mobile services now cover 96 percent of the population from Batanes to Tawi-Tawi.

The fiber network therefore provides high-capacity links for our mobile base stations, allowing faster transmission of data which, in turn, brings to our customers an even better digital experience. The network enables the continuous development towards an inclusive digital lifestyle connecting

more and more people — supporting their livelihood, education, entertainment, daily transactions, and socio-economic activities.

In terms of capacity, PLDT's expanding domestic network capacity reached 66 Terabits per second (Tbps) by year end, more than double last year's 30 Tbps capacity. This meant access to more bandwidth-heavy digital services such as video streaming and work collaboration tools.

PLDT's domestic network capacity expansion complements the group's growing international capacity that helps direct data traffic going in and out of the country. The Company's participation in 15 international cable systems will see a further increase in network capacity once the Jupiter Cable system becomes operational in 2022, and the 9,400-kilometer Asia Direct cable system set to be completed by 2023.

Among the international submarine cable systems that PLDT participates in include the Asia-America Gateway (AAG), Asia Submarine-cable Express (ASE), Asia-Pacific Cable Network 2 (APCN2), and Southeast Asia-Middle East-Western Europe 3, which are routed through PLDT's three existing cable landing stations situated in Batangas, Daet, and La Union.

The continuous expansion and upgrading of our network served customers' growing demand for data and supported our internet delivery platforms such as fiber fixed broadband and mobile data services via 4G and 5G, and carrier-grade Wi-Fi.

PLDT is also investing \$80 million or about P3.9 billion in the APRICOT cable system, a 12,000-kilometer cable system with a design capacity of more than 190 Tbps connecting the Philippines to Japan, Singapore, Indonesia, Taiwan, and Guam. It is targeted to be fully operational by 2024 and will be constructed along with four other parties that have formed a consortium.

APRICOT is key to enhancing network resilience because new cable landing stations in Luzon and Mindanao will be built as part of this submarine cable system. With the cable to be routed via the eastern coast of the Philippines, it will also increase the submarine cable route diversity in the Asia-Pacific region.

The APRICOT cable project is the third international cable network system we've chosen to participate in for the last two years, and which, when completed, would bring us to a total of 18 international cable systems.

Ultimately, these investments in international cables not only add resiliency and capacity to our network, they also help boost the country's strategic position as a premium data and cable hub in the region for global hyperscalers.



Providing great customer experience

In response to the national crisis that the population faced in 2021, PLDT continued to provide zero-rated access to certain Government agencies and emergency hotlines, boosted minimum speeds for eligible PLDT Home subscribers, increased data allocations for prepaid customers, equipped our corporate customers with telecommuting solutions, and extended free calls through our Free Bee app for Overseas Filipino Workers (OFWs).

Service personnel were also fully trained in the proper health protocols to be followed before, during, and after customer visits, which include maintaining proper social distancing and wearing of Personal Protective Equipment (PPE).

Precautionary measures at our facilities were also maintained, such as provision for foot bath, regular sanitization and disinfection, temperature check, wearing of face masks and face shields, installation of commercial-grade air filters, and observance of social distancing. PLDT was also proactive in ensuring all our frontliners are fully vaccinated and undergo periodic COVID-19 testing.

Moreover, the Company launched an online appointment booking service where customers can schedule an in-store or virtual appointment with a store personnel for a more personalized customer experience. This helped to ensure that customers were able to transact on whatever concern at the quickest time possible and manage the traffic and flow inside the stores.

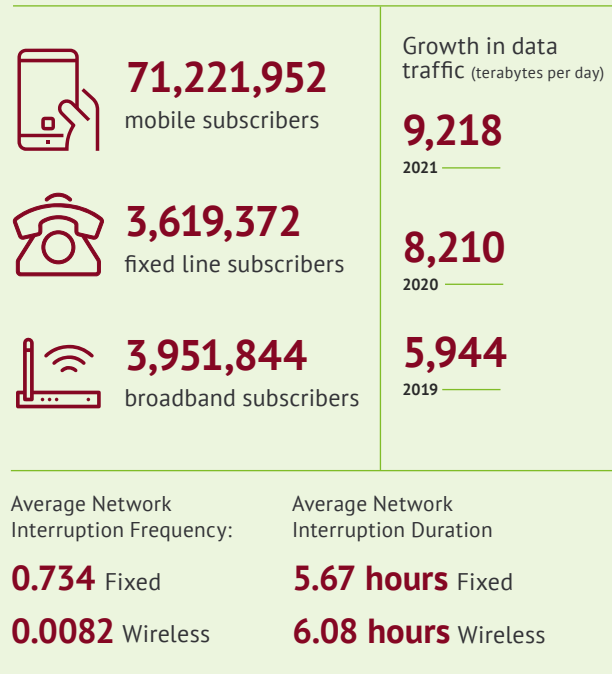
For its part, PLDT Global partnered with management software provider Qualtrics to help level up customer experience and improve services for clients worldwide. The platform is seen to help better understand and resolve customer issues in real time.

Our Net Promoter Score (NPS) for 2021 also went up by 10 net points to +15. The increase in NPS coincides with improvements on mean time to restore (MTTR) – from 5.19 days in 2020 to just less than 2 days in 2021. Aside from the customer-centric focus, the NPS result was also attributed to the network improvements, speed upgrades and various efforts to prevent complaints. NPS for our DSL service, though still below standards, has also improved significantly.

Continued growth of NPS was briefly hampered towards the latter part of the year and when the country experienced the onslaught of Typhoon Odette and its massive damages to communities and company facilities. The pandemic restrictions and lockdowns

hindered the Company's ability to immediately restore facilities damaged by the typhoon. Services were successfully restored through the dedication and hard work of our network and field teams.

TC-TL-000.A, TC-TL-000.B, TC-TL-000.C, TC-TL-000.D



There's an improvement in the interruption duration because of the initiatives implemented by the network service team that led to higher back up time of batteries and quick remote temporary restorations.

PayMaya, the all in-one money platform

Through the years, PayMaya Philippines, Inc. (PayMaya) has led the charge in accelerating financial inclusion as the country's only end-to-end digital payments ecosystem enabler, serving consumers, enterprises, government, and communities.

Voyager entered the digital banking space with Maya Bank, securing one of the six digital banking licenses from the Bangko Sentral ng Pilipinas in September 2021. This set the foundation for groundbreaking integrated financial services that the Philippines has never seen before with its pervasive reach and traction.

The PayMaya brand will be transformed to Maya, the all-in-one money platform powered by the country's only end-to-end digital payments company, PayMaya Philippines, and Maya Bank for digital banking services. PayMaya will go beyond payments to provide Filipino consumers and enterprises the seamless means to save, spend, grow, and master their money and finances.

Financial inclusion is intrinsic to PayMaya as it enables millions of underbanked and underserved Filipino consumers and MSMEs with digital financial services.

The PayMaya app has made it easier for Filipinos to own a financial account. Meanwhile, underserved, and unconnected Filipinos can go to the nearest Smart Padala Center to complete their digital financial transactions through agents.

As of end-December 2021, PayMaya had over 44 million registered users across its consumer platforms - more than two-thirds of the adult population in the Philippines.

To make it even easier for customers to use their PayMaya app or transact at Smart Padala Centers, the company has offered FREE cash in at 90,000 out of its over 110,000 touchpoints nationwide.

Meanwhile, its Smart Padala Center has transformed from domestic remittance channels to digital finance community hubs, present in over 92% of all cities and municipalities. Today, on top of domestic remittance, customers can cash in and cash out to their Maya wallet and soon, to their banks, buy airtime load, pay bills, and pay via QR at these Smart Padala Center touchpoints. On the enterprise side, PayMaya Business has helped hundreds of thousands of MSMEs and enterprises pivot

with its all-in-one, easy-to-use payments acceptance solutions. It is leading the charge for the massive adoption of QR Ph for person-to-merchant deployment.

As of end-December 2021, PayMaya Business is the leading non-bank enterprise payments processor in the Philippines, enabling over 430,000 online and face-to-face touchpoints to accept digital payments from e-wallets and QR to any credit or debit and prepaid card.

Meanwhile, Smart Padala Center's extensive on-ground presence through its over 63,000 touchpoints has allowed it to be embedded in grassroots communities, serving as de-facto financial hubs for the underserved Filipinos.

In 2021, BSP recognized PayMaya as an Outstanding Partner at the 2021 BSP Outstanding Stakeholders Ceremony. PayMaya also received recognition from the Securities and Exchange Commission (SEC) as an Ease of Doing Business Champion.

These efforts have allowed PayMaya and Maya Bank to create the only end-to-end financial services ecosystem in the Philippines, helping fast-track the country's goals of transforming 50% of the total volume of retail payments to digital and expanding the financially included to 70% of Filipino adults by 2023.

Empowering Communities

103-1, 103-2, 413-1

Among the things that the past year proved was that community action is an essential pillar of society. Individuals and organizations need to work together in times of crisis and recovery.

As a responsible corporate citizen, PLDT and Smart advocated for inclusive solutions that ensured vulnerable sectors already struggling with the digital divide get the support needed so they would not suffer even worse than the rest of the population.

PLDT not only brought innovation into its products and services, but also bolstered its corporate social responsibility programs and initiatives and kept an eye on those sectors that needed extra support. Despite the pandemic, we continued to implement local development programs in 100% of our operations in Luzon, Visayas, and Mindanao.



PSF and Smart Communications donated 240 care bags to the LGU of Mandaue City



The mechanisms through which the Group delivers its CSR are the following:

PLDT-Smart Foundation (PSF)

This is a non-stock, non-profit organization that serves as our social outreach arm and works under the personal guidance of our Company's Chairman of the Board Manuel V. Pangilinan. PSF initiatives focus on education, livelihood and social enterprise, disaster response and recovery, youth and arts, and sports development. PSF brings immediate relief and much needed assistance to our LGU and underserved communities. By providing tools for connectivity especially in areas or sectors that have little access to technology, PSF has helped empower students through digital learning.

PLDT Community Relations (PLDT ComRel)

This is the Company's CSR arm. Its longstanding interaction with grassroots communities, ranging from urban locations to far-flung rural areas across the country, make known the thrust and services of PLDT, realizing the convergence of business and social responsibility.

Smart Communities

This is the flagship CSR program of Smart, implemented by the Community Partnerships team.

The unit aims to bridge the digital divide in community stakeholders with technology-based programs in the areas of education, disaster preparedness and response, livelihood, tourism, health, and environment. Smart's top CSR programs were recently relaunched through its "Live Smarter for a Better World" campaign, intended to inspire people to commit to sustainable actions with lasting, positive impact to society.

These three channels all promulgate their policies, strategies, and frameworks aligned to the CSR Policy and the core business objectives to ensure efforts focused on bringing real value to the communities:

- Creation of shared value
- Collaborative and ethical community engagement, respecting and understanding local culture, values, dynamics, and aspirations to ensure program sustainability
- Generating collective impact by partnering with like-minded individuals and groups (NGOs, GOs, GAs, CSOs, LGUs)
- Use of technology, leveraging on core businesses and infrastructure to act as enabler to promote digital inclusion and bridge the digital divide

Quality Education

103-1, 103-2, 203-1

PLDT develops technology-enabled solutions to provide access to inclusive quality education from basic to tertiary levels and ensure that there is #NoLearnerLeftBehind.

To bridge the digital divide in education, the company provided access to technology, connectivity, and multimedia content to last-mile schools in the country through the School-in-a-Bag, a portable digital classroom that contains laptop, tablets, pocket WiFi, and educational content. To date, more than 500 bags have been deployed to schools in hard-to-reach areas, reaching over 4,000 teachers and more than 93,000 students. The company has also donated its refurbished computers to support the distance learning requirements of students in need.

PLDT also trained teachers and students, including women and children Indigenous Cultural Communities, on digital literacy and lifelong learning skills through a webinar series under the Infoteach Outreach program to support the shift to distance learning. To date, over 30,000 have graduated from the program.

To ensure program sustainability, the PLDT-Smart Foundation (PSF) and Smart have also strengthened support for the Central Visayan Institute Foundation-Dynamic Learning Program (CVIF-DLP) by training teachers on this disaster-resilient, low-budget, flexible, and effective teaching strategy. With the need to develop students into independent learners becoming imperative in a distance learning environment, the Department of Education (DepEd) endorsed the program and the content produced. To date, over 14,000 teachers have been trained, more than 1,000 schools have adopted the program, and close to 2,000 ready-to-use content can be downloaded for free from DepEd Commons.

At the tertiary level, Season 2 of the Smart Prepaid Innovation Generation was launched to enjoin college students to develop innovations that help re-build their communities. The pilot run launched in 2020 saw 5 out of 12 youth teams pursue their ideas even after the close of the program. For its second installment, 78 teams with close to 400 students and their faculty joined the program, that will run for 7 months. The participants will undergo lectures, workshops, and mentoring sessions on technopreneurship that will allow them to develop working prototypes by the end of the program.

PLDT is also a staunch advocate of promoting cyber safety and creating safe spaces online, especially

with the massive shift to everything online. Its highly-interactive CyberSmart Caravan aimed to raise people's awareness on internet safety, data privacy, fighting fake news, and responsible social media use to safeguard themselves online. The caravan reached over 32,000 participants during its month-long run.

Through #BetterToday, PLDT is championing safeguarding of children's rights online and promoting digital wellness including mental health. The company contributed to the development of the second edition of the Mobile Operators-Child Rights Impact Self-Assessment (MO-CRIA) global industry tool that helps companies assess their impact on the promotion and protection of children's rights. Through its Cybersecurity Operations Group (CSOG), PLDT has blocked access to more than 88,000 websites that contain online sexual abuse and exploitation of children (OSAEC) materials. The company also provided equipment and connectivity for 34 Barangay Council for the Protection of Children (BCPC) units to support their anti-OSAEC efforts. Meanwhile, its community conversations on mental health awareness reached almost 57,000 and had over 20M impressions on Twitter.

Livelihood and Food Security

103-1, 103-2, 203-1, 203-2

Livelihood

PLDT leverages its digital technologies to improve the lives and livelihood of its communities and usher them into the digital economy.

For the agriculture sector, Smart continued to enhance its Digital Farmers Program (DFP) in partnership with the Department of Agriculture – Agricultural Training Institute (DA-ATI). It is a ladderized (DFP 101, 102, and 103) digital literacy training program that helps smallholder farmers shift to digital technology to increase their livelihood opportunities. In 2021, the online course of DFP 101 was launched as well as the more advanced DFP 102. The program was also incorporated in the Digital Agriculture Course of the government's Rice Competitive Enhancement Fund (RCEF) program for rice farmers. To date, over 3,000 farmers and youth have been trained under the program.

On top of capability-building trainings, the company helped boost the income of small-scale farmers by connecting them to consumers and providing access to low-cost capital to fund their planting requirements. The Buy Local program rallies the employees and families of companies within the MVP Group to buy their rice and other produce directly from local farmers supported by the program, providing a sure market

for the producers. A portion of the sale goes to a sustainability fund that the farmers can then borrow at a low interest rate.

Under the program, a rice farmer owning one hectare of land earns PhP 2,500 more per cycle compared to neighboring farmers and is able to save PhP 5,400 every cropping season from interest. In 2021, the program generated PhP 8M in gross sales for over 4,000 farmers and raised more than PhP 330,000 for the sustainability fund as capital support for 72 farmers.

To support the digital shift of cooperatives, the Smart Coops program introduced a suite of digital solutions which included devices, data packages for connectivity, SMS broadcast via its Infocast platform, digital money via PayMaya, access to Smart's retailer program, and digital literacy training to facilitate faster adoption of technology and Smart's digital solutions. To date, more than 2,100 members of 76 cooperatives from 36 provinces have been trained on digital literacy.

Revitalizing the local tourism sector, Smart's #TravelSmart demonstrated how digital services, such as contactless payment, interactive platforms, and mobile apps, can help business owners thrive in the new normal for tourism via a series of webinars for local tourism offices. Harnessing technology to revolutionize faith tourism, PLDT powered the celebration of the 500 Years of Christianity, including setting up an interactive travelling exhibit in Cebu.

PLDT also extended its livelihood support to women entrepreneurs, including those in Indigenous Cultural Communities (ICCs) by providing capacity-building trainings. Women from Solidarity of Orphans and Widows (SOW) in Payatas received enhanced sewing skills training and their products – face masks and pouches – were purchased by the company and distributed to communities in need of hygiene kits. Through the program, the income of women sewers increased from PhP 200 to PhP 600 daily. Women from the Manobo Tigwahanon ICC in Bukidnon also received trainings on product development, bookkeeping, and digital marketing under the Beadwork for Conservation program. The program allowed the women to improve their craft, widen their market opportunities, and become economically resilient while helping preserve and revitalize their culture.

Food Security

PLDT cultivates food-secure communities by enabling access to safe, nutritious, and sufficient food and helping ensure its availability.

To help arrest hunger and improve nutrition of children, Smart implemented the Rice Together Feeding Program. Under the program 2-kg rice packs sourced from the company's Buy Local Program were distributed to 100 children, as part of an 8-week feeding program.

To ensure availability of healthy food, Smart distributed 3,160 planting kits to 114 communities nationwide under its #PlantSmart program. Individuals and families aided by community pantries and schools received kits that contained vegetable seeds, soil, and fertilizer so they can grow healthy food in their own homes. Recipients needing guidance in setting up their own edible gardens can view Smart's 10-episode "Kalye Mabunga" web series that teaches the basics of urban gardening, whether at home or in communal spaces.

PLDT also adopted a 500sqm parcel of land in the Marikina Watershed for communal gardening, installed a five-bin vermicompost facility, and trained local farmers on the Food Always in The Home (FAITH) principle to help provide the community with a continuous source of healthy food. In March 2021, the community was able to harvest produce from their communal garden.

Disaster Resilience and Food Security

103-1, 103-2, 203-1

Disaster Preparedness

PLDT continues to create a #SafeAndSmart Philippines by championing initiatives that promote a culture of preparedness, providing communications as aid backed by a resilient network, extending relief assistance to communities affected by disasters, and aiding in recovery.





To build a culture of resilience, Smart staged the interactive #SafePH disaster preparedness caravan that provided vital information on emergency management, basic life support and first aid, and safety aid the COVID-19 health crisis. More than 20,000 online participants from local government units and the academe learned how to prepare for and respond to emergencies and disasters.

Prior to the landfall of Super Typhoon Odette on December 16, 2021, Smart activated its quick response team to ensure continuity of operations and prepositioned back-up power generators, network equipment, and emergency communications stations (Free calls, Free WiFi, and Free Charging) to be deployed in areas forecasted to be affected by the typhoon.

For Local Government Units (LGUs), Smart distributed Project Hotline kits, which contain smartphones with load credits and hotline number signages, as an additional communications channel where constituents can report concerns or emergencies or feedback, especially during disasters, to their local authorities.

Load credits were also provided to local responding agencies such as the Disaster Risk Reduction Management Offices (DRRMO), police force, and field personnel of the National Telecommunications Commission or NTC to augment their communication tools prior to Typhoon Odette's landing.

Communications as Aid

After the onslaught of the Super Typhoon Odette, "Libreng Tawag" (free calls), "Libreng Charging" (free charging), and "Libreng WiFi" (free WiFi) stations and generator sets were immediately rolled out to provide reliable communications to those affected by the typhoon, while PLDT and Smart technical teams worked round the clock to restore service in severely-affected areas.

Smart deployed satellite phones, SIM cards, and load to LGUs where GSM signal was significantly affected, to enable them conduct restoration efforts as well as provide emergency communications to residents that were affected.

SIM cards and load were also distributed to enable immediate access to call, text and data in affected areas.

Affected subscribers in Visayas and Mindanao were also given bill reprieves, bill rebates, and calamity load assistance.

Through the Bangon Ka-partner program of Smart, affected partner retailers received assistance via load credits to jump-start their load business in the aftermath of the typhoon.

Relief Aid

As a partner and pillar of resilience in the community, PLDT, Smart, the PLDT-Smart Foundation, and its partners provided relief packs with food and water to more than 14,000 families in areas affected by Typhoon Odette.

A donation facility was also set up to direct financial assistance to the affected communities of the typhoon through the PLDT-Smart Foundation's various digital donation channels. PLDT and Smart also launched an SMS donation facility to open more channels where the public can send aid to affected communities. Open to all Smart, Sun and TNT customers, the Text-to-Donate service allows mobile phone users, wherever they are in the world, to send donations using their postpaid account or prepaid load. Target beneficiaries include communities hard-hit by the recent storm.





Concern Pillar

Advocate for an inclusive culture that will develop transformational leaders in the company and in the communities we do business in



Taking a stand on Online Child Protection



Promoting Diversity and Equality



New Normal Safety



Employee Benefits



Safe and Healthy Workplace for All



Continuous Learning and Development



Attracting and Retaining Our Engaged Workforce

Taking a stand on Online Child Protection

PLDT and Smart were the first Philippine companies to integrate children's rights into their businesses, following a partnership with UNICEF in 2018. This anchors on the recognition that children are among the most active yet most vulnerable end-user segments of connectivity and digital services. This thrust is manifested across company operations through a multi-pronged approach that includes policy implementation, industry benchmarking and multi-sectoral alliances, technology solutions, customer experience integration, and stakeholder management programs. With a Child Safeguarding Policy in place, PLDT and Smart are able to integrate child safety considerations into operations, particularly covering human resources, value and supply chain management, corporate governance administrative processes, and stakeholder management programs.

In 2021, PLDT and Smart contributed to the development of the second edition of the Mobile Operators Child Rights Impact Self-Assessment (MO-CRIA) industry tool in 2021. Developed by UNICEF, the MO-CRIA aligns with the ten principles of the renowned Children's Rights and Business Principles framework and guides mobile operators in doing a comprehensive assessment of their operational impact to children. PLDT and Smart were also among the first operators globally to pilot the use of this updated industry tool.



Blocked
179,000 websites
with online child sexual abuse
material as of January 31, 2022

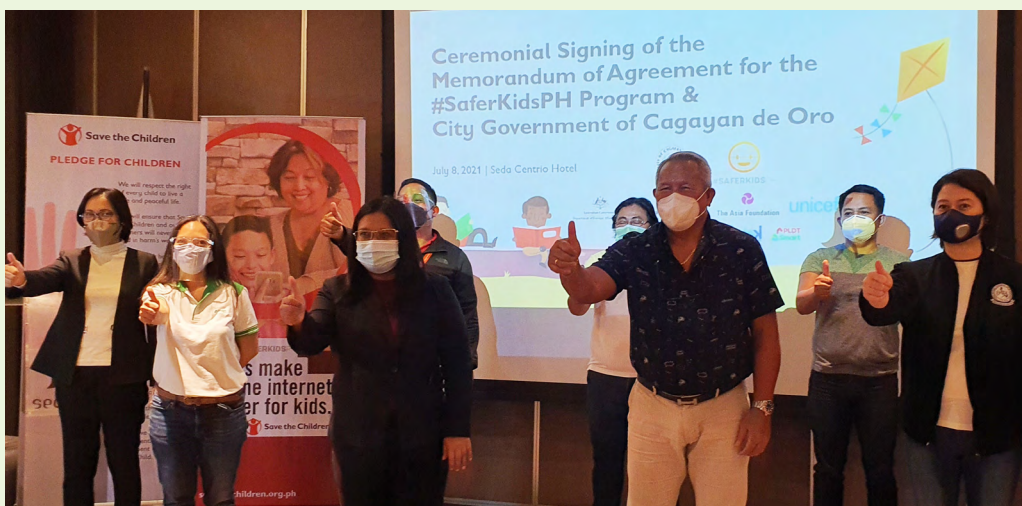
The use of the MO-CRIA tool reinforced the operational strength of PLDT and Smart on active efforts to mitigate risks and protect children in the digital environment. It also yielded to various initiatives that significantly augmented organizational awareness and implementation of its existing policy for Child Safeguarding. These included the rollout of an employee learning and development course on sustainability, children's rights in business, prevention of OSAEC, and responsible digital parenting. For their external stakeholder engagements, PLDT and Smart have further intensified their government and community relations programs in support of promoting children's rights, protection, and mental health awareness. They have also included child protection provisions into their marketing sponsorship contracts, supplier evaluation and audit processes, and corporate governance grievance reporting channels.



PLDT and Smart made use of the UNICEF MO-CRIA tool to assess impact of groupwide operations to children.

PLDT and Smart also actively contribute to various multi-sectoral dialogues aimed at enhancing legislation and law enforcement processes for child protection and prevention of online sexual abuse and exploitation of children (OSAEC). Together with the industry, they have been championing for necessary amendments to the Republic Act 9775 or the Anti-Child Pornography Act of 2009, as well as in relevant child safety components of local anti-human trafficking laws. These amendments particularly aim at enhancing legal understanding of the dynamic digital ecosystem and facilitating ease of inter-sectoral coordination and law implementation for child protection and OSAEC response. On the level of local government units, PLDT and Smart also poured in their technical expertise to produce a draft policy ordinance that would guide and institutionalize grassroots efforts to promote child protection Internet safety, as well as strengthen the fight against OSAEC.

In line with protecting children in the digital environment, PLDT and Smart have secured pioneering alliances with UK-based Internet Watch Foundation (IWF) and the Canadian Centre for Child Protection (C3P). These alliances fortify the intelligence and capacity of their in-house Child Online Protection that enables detection, response, and prevention of access to child sexual abuse materials (CSAM) both on the domain and content level. By end of January 2022, PLDT and Smart noted an accumulation of 179,000 blocked URLs and online content linked to CSAM. PLDT and Smart have also been gearing up to fully migrate to the latest Internet Protocol version 6 (IPv6). Aside from contributing to their network transformation thrust, this transition to IPv6 will also allow telcos to support law enforcement more effectively in pinning down specific Internet Protocol addresses and corresponding



PLDT and Smart joined the ceremonial signing of the #SaferKidsPH program to combat online sexual abuse and exploitation of children on July 8, 2021 in Cagayan de Oro.

end-users that engage in illicit activities like OSAEC. On top of these operator and network-level solutions, child protection and parental control solutions are also bundled for free with select wired service offerings of PLDT Home, providing parents with tools to keep their children safe within the digital space.

PLDT and Smart have also rolled out nationwide customer and public awareness initiatives geared at promoting safe and responsible Internet use, particularly in areas with sizeable concentration of young Internet users. Initiatives include the #CyberSmart Caravan learning series that educate students and communities on cybersecurity, data protection, media literacy, and responsible digital citizenship. This has been implemented in collaboration with the Department of Education and the National Privacy Commission (NPC), UNICEF, the International Justice Mission, and youth-led organization Kids for Kids PH and Youth for Mental Health PH.

PLDT and Smart also put child protection at the heart of their “Better Today” collaborative stakeholder management program. This currently serves as an engagement vehicle to influence and enable local government units, youth sector, content creators, and civic organizations to co-champion Internet safety, child online protection, responsible digital citizenship, and mental health awareness through localized content creation, program implementation, capacity-building, and policymaking initiatives. Among their notable child protection collaborations include the Safer Spaces for Kids program with Kids for Kids PH, for the benefit of the SaferKidsPH programme. As a community-based multi-sectoral response to OSAEC, Safer Spaces for Kids is aimed at strengthening child protection systems in the grassroots through the rollout of enabling technology, capacity-building, and community mobilization interventions for Barangay Council for the Protection of Children (BCPC) units in areas where children are most at risk.

New Normal Safety 103-1, 103-2, 103-3, 403-3, 403-6

In line with our belief that our people are our greatest resource, PLDT is committed to ensure that we provide a work environment where our people have the tools, processes, and infrastructure to help them thrive physically, mentally, and emotionally in their career with our organization.

This commitment is embodied in our Occupational Safety, Health and Environmental Policy which adopts the highest standards focused on the protection of workers and the community. This policy covers legal and other requirements set by the Occupational Safety and Health Standards and the Department of Labor and Employment (DOLE).

The COVID-19 pandemic will clearly leave a long-lasting impact on society, and people will generally maintain an abiding concern for their health and safety, especially in the workplace.

Going beyond compliance to policy and government regulations, PLDT proactively rolled-out a comprehensive vaccination program for our employees and their dependents. As a result, 99.9% of our employees have been vaccinated and 62.1% have received their booster shot.

The travel and premises capacity restrictions instituted at the start of the pandemic in 2020 remained in effect for the rest of 2021. A hybrid model combining work from home and work on site arrangements was maintained throughout the year. A split team set-up per group was established to prevent health risks and utilize the workspace with standard distance protocols. With the aim of welcoming the “New Normal” environment, bimonthly hybrid work arrangements were organized to allow employees to experience the flexibility to work remotely, along with the benefits of collaborating as a team onsite. To ensure minimal

disruption to operations, all employees working from home were properly equipped with the appropriate digital equipment. For the employees onsite, health and safety measures were strictly adhered with to minimize risk of contagion.

Safety Measures

- ✓ A COVID Self-Check Chatbot was launched to determine each employee's condition needed to be accomplished and submitted by employees daily.
- ✓ Instructions and guidelines were issued to trade partners on protocols to be always observed.
- ✓ Premises were regularly disinfected, retrofitted with social distancing guides, and equipped with HEPA filtering devices to improve overall workplace safety.
- ✓ PLDT Medical Services provided maintenance medicines and multivitamins through our in-house clinics nationwide and our accredited pharmacies. For employees reporting for work, these were provided with kits that included alcohol, face masks and face shields. Rapid antigen testing were also conducted prior to reporting to the office. Internal channels for 24/7 COVID-19-related assistance were also made available for our workforce.
- ✓ A COVID-19 Employee Hotline with employee volunteers was made available from 8AM to 5PM, as well as a weekend consultation channel with doctors.
- ✓ A COVID Warrior Portal which housed FAQs, safety protocol advisories and workplace guidelines was made accessible for all employees.
- ✓ Affected employees were given COVID-19 Home Care Kits and were monitored at home by the COVID-19 medical team.

Moreover, the First Pacific Leadership Academy campus located in Antipolo, Rizal was temporarily converted into an isolation and quarantine facility for our employees who were asymptomatic and those with mild COVID-19 symptoms and who needed comfortable accommodations in the meantime. The Company also partnered with accredited quarantine facilities nationwide for employees from the various regions. This proved very helpful especially during the height of the pandemic when there was a lack of medical beds in the hospitals.

The importance of mental health and wellness became more apparent as resolution of the COVID-19 crisis took even longer than people expected. The company continued its "Mind Your Health" program to continue discussions about mental wellness and help break the stigma on managing and taking care of mental health in the workplace. A series of tips and webinars like Preparing Oneself for the New Normal at Work, Managing Changes and Anxiety, and Dealing with Vaccine Hesitancy was organized for the workforce. Individuals and teams were supported so they could address challenges such as stress, anxiety, and depression. The Medical Services Team also continued to offer online counseling and consultations through accredited healthcare professionals.

Aside from mental health, the company also offered programs to encourage overall physical wellness. Online sessions on yoga, dance, and exercise were made available.



Safe and Healthy Workplace for All

103-2, 403-1, 403-2, 403-5, 403-7, 408-8

The Company signed a memorandum on August 6, 2021 - the PLDT OSH&E Commitments which serves as the Company OSH&E Policy. A comprehensive occupational safety, health, and environmental management system was implemented across all levels of the organization and overseen by leaders.

This OSH&E System covers All PLDT organic employees who work within PLDT premises and outside for field operations. PLDT business partners observe arm length principles for engagement as they are bound to comply with relevant laws and regulations and provide OSH programs for their own employees as per the contract agreement. This is in compliance with the statutory requirements such as, but not limited to, the following:

- 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) or Department Order 198-18
- DTI and DOLE Joint Memorandum Circular No. 20-04-A, s. 2020
- Philippine Occupational Health and Safety Standards as Amended 1989

Further to carrying out the company's objectives as expressed in OSH&E Commitments and its

Programs, there is constant communication and drive through the policy signed by top management. Employees are involved in all aspects of OSH Management System and are consulted in the Risk and Opportunity Assessments. There are organized EHS Committees (EHS Central Committee & EHS Working Committee) with representatives from different groups in the organization. The EHS Working Committee meets on a monthly basis and is in charged of the development and implementation of the company's EHS policies and programs, whereas EHS Central Committee meets every quarter and oversees the planning and directs overall management of the company's EHS Management System. OSH topics are also covered in Collective Bargaining Agreement (CBA) with trade unions.

PLDT is currently in a capacity-building stage for ISO certification about Occupational health and safety (ISO 45001:2018) and Environmental Management Systems (ISO 14001:2015).

All work-related-occupational accidents are investigated and recommendations on corrective actions are communicated to the concerned Line Heads/Groups for implementation. Lessons from Disabling Incidents are also communicated to all employees through HR Advisory platform. Various OSH trainings were conducted to address

Types of Injury by Gender 403-9	2021		2020		2019	
	Male	Female	Male	Female	Male	Female
Abrasions	1 5%	0 0%	5 24%	1 5%	9 48%	3 16%
Avulsion	1 5%	0 0%	2 9%	0 0%	0 0%	0 0%
Contusion, bruises, hematoma	2* 9%	1 5%	2* 9%	0 0%	4 21%	1 5%
Cuts, lacerations, punctures	10 46%	1 5%	13 61%	0 0%	19 101%	4 21%
Dislocation, fractures	1 5%	0 0%	1* 5%	0 0%	3* 16%	1 5%
Animal bite	11 50%	1 5%	19 89%	0 0%	11* 58%	0 0%
Electrocution & Burns	3** 14%	0 0%	3* 14%	0 0%	1 5%	0 0%
Fall, trip, slip	11** 50%	1 5%	16**** 75%	1 5%	2 11%	2 11%
Foreign body	0 0%	0 0%	0 0%	0 0%	1 5%	0 0%
Incise Wounds	0 0%	0 0%	5 24%	0 0%	4 21%	0 0%
Soft tissue injury	0 0%	0 0%	0 0%	0 0%	1 5%	1 5%
Sprains	3 14%	0 0%	1 5%	0 0%	5 27%	0 0%
Strains	0 0%	0 0%	0 0%	0 0%	0 0%	1 5%
Trauma	5* 23%	0 0%	2 9%	0 0%	4 21%	0 0%
Vehicular accident	3* 14%	0 0%	5** 24%	0 0%	1* 5%	0 0%

Types of Injury by Region 403-9	2021		2020			2019	
	Luzon	Visayas	Luzon	Visayas	Mindanao	Luzon	Visayas
Abrasions	1 5%	0 0%	5 24%	1 5%	0 0%	11 58%	1 5%
Avulsion	0 0%	1 5%	0 0%	2 9%	0 0%	0 0%	0 0%
Contusion, bruises, hematoma	2* 9%	1 5%	0 0%	2 9%	0 0%	4 21%	1 5%
Cuts, lacerations, punctures	5 23%	6 27%	9 42%	4 19%	0 0%	13 69%	10 53%
Dislocation, fractures	1 5%	0 0%	1* 5%	0 0%	0 0%	4* 21%	0 0%
Animal bite	8 37%	4 18%	5 71%	4 19%	0 0%	7 37%	4 21%
Electrocution & Burns	3** 14%	0 0%	1 5%	2* 9%	0 0%	0 0%	1 5%
Fall, trip, slip	9* 41%	3* 14%	12*** 57%	4 19%	1 5%	4 21%	0 0%
Foreign body	0 0%	0 0%	0 0%	0 0%	0 0%	0 0%	1 5%
Incise Wounds	0 0%	0 0%	5 24%	0 0%	0 0%	4 21%	0 0%
Soft tissue injury	0 0%	0 0%	0 0%	0 0%	0 0%	0 0%	2 11%
Sprains	2 9%	1 5%	0 0%	1 5%	0 0%	3 16%	2 11%
Strains	0 0%	0 0%	0 0%	0 0%	0 0%	1 5%	0 0%
Trauma	5* 23%	0 0%	0 0%	2 9%	0 0%	4 21%	0 0%
Vehicular accident	2* 9%	1 5%	4** 19%	1 5%	0 0%	0 0%	1* 5%
Total	17	13	35	19	0	51	18

* With one disabling injury each.

** With two disabling injury each.

*** With four disabling injury each.

**** With five disabling injury each.

Zero case for Mindanao in 2021 and 2019

403-10

Lost Time Accidents	7
Frequency Rate	0.32
Severity Rate	7.03

No work-related hazards that pose high-consequence injury were identified during the Risk and Opportunity Assessment and no recorded fatality in 2021.

COVID-19 still presents high risks and response plans following the use of hierarchy of controls plus other tools to protect the workers were set in place. Detailed discussions on these are found on pages 14 and 46-47.

pressing issues identified during the Risk and Opportunity Assessment. These trainings were conducted during office hours and according to the company policy on In-house training. External trainers are evaluated and approved through the accreditation program of HR Learning & Development Group. While some trainings were organized to improve the competency of EHS key personnel, others are required by law.

Further to strengthening education an EHS Week was celebrated on April 26 to 30, 2021 to raise employee's awareness on aspects of environment, health and safety and emergency preparedness and response through series of webinars and virtual engagement activities.



Safe-Man Hours
403-2

	2021	2020	2019
Number of Employees	11,336	11,263	10,648
Total Hours of Employee Exposure	21,895,725	21,236,285	18,860,813
Number of Lost Time Accidents	7	8	3
Male	7	8	3
Female	-	-	-
Luzon	6	5	1
Visayas	1	2	2
Mindanao	-	1	-
Number of Non-Disabling Injuries	48	73	75
Days lost due to lost time accidents	154	131	22
Male	154	131	22
Female	-	-	-
Luzon	151	126	16
Visayas	3	2	6
Mindanao	-	3	-
Total man-hours work without LTA	-	2,097,306	3,159,239
Frequency rate	0.32	0.38	0.16
Severity rate	7.03	6.17	1.17
Total Hours of Employee Exposure	21,895,725	21,236,285	18,860,813
Male	15,904,644	15,133,870	13,577,580
Female	5,991,081	6,102,415	5,283,233
Luzon	18,095,424	17,697,546	15,938,569
Visayas	2,032,846	1,877,837	1,751,617
Mindanao	1,767,454	1,660,902	1,170,627
Frequency Rate	0.32	0.38	0.16
Luzon	0.33	0.28	0.06
Visayas	0.49	1.07	1.14
Mindanao	-	0.60	-
Male	0.44	0.53	0.22
Female	-	-	-
Severity Rate	7.03	6.17	1.17
Luzon	8.34	7.12	1.00
Visayas	1.48	1.07	3.43
Mindanao	-	1.81	-
Male	9.68	8.66	1.62
Female	-	-	-

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

Trainings to address regulatory compliance and specific hazards 403-5

Training Title	Total Attendees	Training Hours	Total Training Man-hours	Specific hazards that will be addressed by the training
Basic Safety for Field Personnel, Contractors, and Subcontractors	443	3	1,329	Basic Occupational Hazards
COSH Training	204	40	8,160	Construction Hazards
Defensive Driving Training	910	4	2,504	Road Hazards
SO1 OSH Training with Training of Trainers	33	16	528	Basic Occupational Hazards
Improvement Strategies on Workplace Control Measures for Infectious Disease	290	2	435	COVID-19 Hazards
Animal Bite Safety Training	1,426	2	2,852	Animal Bite Hazard
Smart Staying at Home	172	1	172	Office and work from home hazards
Structural Safety Inspection and Assessment of Existing Buildings and Facilities Training	85	24	2,040	Building structure hazards
BOSH Training	32	40	1,280	Basic Occupational Hazards
Industrial Hygiene and Work Environment Measurement Training	17	16	272	Environmental Hazards
Risk Assessment Workshop	72	3	216	Various Workplace/ Occupational Hazards
PIFPO Manila Fire Detection and Alarm System (FDAS) OTS	9	4	36	Fire Hazards

Other Trainings

Training Title	Total Attendees	Training Hours	Total Training Man-hours
Mandatory Occupational, Safety and Health eLearning Series (1-9)	10,941	8	87,528
Integrated Management Systems (IMS): Awareness Training Course	36	14	504
ISO 50001 Energy Management Systems: Improving energy performance through a compliance perspective	36	7	252
Integrated Management System: Strategic Approach to Risk-based Thinking	36	14	504
Effective Implementation of Documented Information Systems Training Course	36	7	252
Integrated Management System (IMS) Internal Auditing (Process Risk & Performance Based Approach) (ISO 9001:2015, ISO 14001:2015, ISO 45001:2018 and ISO 50001)	36	14	504
Safety Leadership with Behavior-Based Training	270	3	810
EHS and the Sustainable Development Goals	230	1	230
Emergency Management / Disaster Preparedness & Response Training	246	3	738
Safety Investigation, Root Cause Analysis, and Corrective Action Planning Training	204	16	3,264
FDAS Operation and Maintenance Training	175	2	350
Field Safety Refresher Course	48	5	240

- Trainings are scheduled as necessary, based on availability. They are free of charge and are conducted during paid working hours
- Trainings required by law are mandatory, as committed by his/ her Managing Head in the signed Appointment Letter and Internal Training Request Form (RLT)
- Trainings to address top risks are mandatory if identified as part of their incident closure and corrective action
- Trainings to address top risks for the purpose of awareness and prevention are not mandatory, but highly encouraged in line with personnel's line head approval
- Trainings to improve the competency of EHS Key personnel are mandatory. Concerned business units are given the liberty to choose which employee to send based on training applicability to the employee's role.

Examinations and/ or surveys are administered to evaluate the effectiveness of the training. A decrease in the number of incidents from top risks resulting to improved severity and frequency ratings and an increase in compliance status for EHS Key Personnel competency are some of the indicators to gauge the efficacy of the environment, health and safety (EHS) information, education and communication (IEC) campaigns and programs implemented.

Attracting and Retaining Our Engaged Workforce

103-1, 103-2, 103-3

Employee retention has always been a significant gauge of how a company is doing because the ability to maintain a relationship with an engaged workforce who shares the same values, vision, and mission with its leadership is an indication of a truly effective and sustainable people strategy.

In 2021, with an even tighter and more competitive talent market across industries that resulted in longer periods of time needed to find new and quality talent, retention programs brought even more value for the organization.

In looking at both attraction and retention strategies, it was clear that beyond the compensation package, people were seeking flexibility on work arrangement, healthcare, and work-life balance. The challenge has been to leverage social relationships and technology to reflect those strengths in our Employer Brand. We created a candidate-driven hiring and onboarding journey to attract new talents. This included:

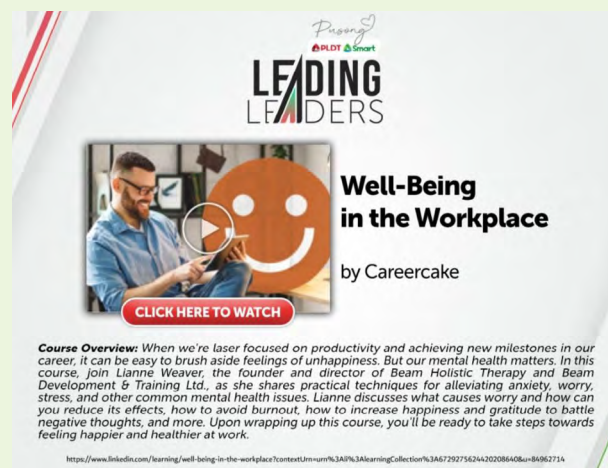
- Strengthening partnerships with hiring managers, involving them in the earlier stages of the hiring process like sourcing and engaging top candidates
- Automating high-touch candidate attraction and engagement at scale by automated emails to solicit personalized candidate experience feedback, new hire onboarding announcements, new hire welcome messages, among others.
- Training recruiters to develop skills in driving virtual, but meaningful conversations for every touchpoint
- Replacing in-person interviews and onboarding with remote conversations to accelerate our hiring timelines and promote better experience in terms of safety, time, cost, and accessibility for our candidates and new hires.

We also conducted an annual evaluation to ensure that our processes enable us to have a deep pipeline of qualified candidates for current and future hiring requirements, to ensure our processes and channels are accessible for candidates, improve our data analysis in making sound hiring decisions, and ultimately create a positive experience for our candidates. We are also currently developing an Equal Opportunity policy to support the Company's focus on sustainability and workplace inclusion.

Retention strategies, meanwhile, include (a) pay for performance, (b) variable compensation programs, (c) recognition of competence, (d) career development and progression, and (e) employee engagement activities.

We are also developing a competency design and management program to help us assess the readiness of employees to take on a different or higher role. The program also aims to identify high-potential employees and provide them with the developmental programs needed to make them fit for a more complex role.

An example is the Group's Performance Management, which is divided into 2 parts -- Functional Goals and Leadership Goals.



Leading Leaders
Pursuing PLDT Smart

Well-Being in the Workplace
by CareerCake

[CLICK HERE TO WATCH](#)

Course Overview: When we're laser focused on productivity and achieving new milestones in our career, it can be easy to brush aside feelings of unhappiness. But our mental health matters. In this course, join Lianne Weaver, the founder and director of Beam Holistic Therapy and Beam Development & Training Ltd., as she shares practical techniques for alleviating anxiety, worry, stress, and other common mental health issues. Lianne discusses what causes worry and how can you reduce its effects, how to avoid burnout, how to increase happiness and gratitude to battle negative thoughts, and more. Upon wrapping up this course, you'll be ready to take steps towards feeling happier and healthier at work.

<https://www.linkedin.com/learning/well-being-in-the-workplace/content?urn%3A%3AlearningCollection%3A6729275624420208640&u=84982714>

Functional Goals portion is where key performance areas are assessed, and is focused on operation of the role, or undertaking the main requirements of the role of the employee and contribution to quality and continuous improvement. This also includes other initiatives or special projects which may not be part of regular duties or responsibilities of the employee but are needed and important to the cause of the company.

The Leadership Goals portion is where we assess skills/traits that employees (based on level and roles) are expected to perform and manifest.



LEADERS ON THE GO

Mary Rose L. Dela Paz
Chief Procurement Officer

Last Thursday, MLD talked about the value of hard work and resilience.

"Even as a child, I knew hard work from the very start so where I am now is really a blessing. I learned the value of studying hard because to me, that was my ticket to the next step and that was my way of helping my family. The key is enjoying the hard work and enjoying the outcomes of your hard work."

"There is nothing that will be given to you beyond what you can bear. There may be bad situations, but out of it springs forth good outcomes (so) be optimistic and keep your faith strong. Be on the lookout for good things, work hard but don't forget to have your micro-recoveries."

- Os Dela Paz

The weight distribution for Functional Goals and Leadership Goals varies depending on the role and job level of the employee. Staff and individual contributors are expected to perform more on their functional goals, while Managers and Line Executives are expected to perform equally or more on their leadership goals than functional goals. Individual goals setting is performed every January while performance assessments/reviews should be performed on a day-to-day basis but formalized every end of the year.

On top of the various recognition activities, 96 virtual events were launched in 2021 with a cumulative participant count of 42,426 employees and an employee satisfaction score of 4.7 (94%).

These initiatives were anchored on various engagement pillars – (1) the Families and Communities program which included themed celebrations (i.e. Father's Day, Mother's Day, Halloween, Christmas), entertainment programs (i.e. quiz nights, online concerts) as well as community building efforts (i.e. plant projects and cooking activities), and the (2) Wellness Revolution holistic program which empowered employees to take charge of their overall physical, mental, spiritual and financial wellness. Multiple virtual events were rolled out such as monthly virtual fitness classes, nutrition talks, Esports leagues and learning webinars featuring reputable speakers on cryptocurrency, stock market investment, budgeting and getting rid of debt.

PLDT									
Total Active Employee as of 2020		Employees who received performance evaluation	% of employees who received performance evaluation over total employees	Total Active Employee as of 2019	Employees who received performance evaluation	% of employees who received performance evaluation over total employees	Total Active Employee as of 2018	Employees who received performance evaluation	% of employees who received performance evaluation over total employees
Male	7,952	7,135	89.73%	7,410	7,029	94.86%	5,459	3,831	70.18%
Female	3,310	3,095	93.50%	3,234	3,020	93.38%	2,942	2,217	75.36%
Total	11,262	10,230	90.84%	10,644	10,049	94.41%	8,401	6,048	71.99%
Rank & File	4,589	4,058	88.43%	4,196	3,858	91.94%	1,699	1,014	59.68%
Management	5,923	5,481	92.54%	5,774	5,605	97.07%	6,077	4,450	73.23%
Executive	663	618	93.21%	594	542	91.25%	555	525	94.59%
Officer	87	73	83.91%	80	44	55.00%	70	59	84.29%
Total	11,262	10,230	90.84%	10,644	10,049	94.41%	8,401	6,048	71.99%

ePLDT									
Total Active Employee as of 2020		Employees who received performance evaluation	% of employees who received performance evaluation over total employees	Total Active Employee as of 2019	Employees who received performance evaluation	% of employees who received performance evaluation over total employees	Total Active Employee as of 2018	Employees who received performance evaluation	% of employees who received performance evaluation over total employees
Male	358	317	88.55%	334	260	77.84%	281	237	84.34%
Female	182	158	86.81%	169	128	75.74%	152	111	73.03%
Total	540	475	87.96%	503	388	77.14%	433	348	80.37%
Rank & File	349	299	85.67%	325	231	71.08%	281	214	76.16%
Management	90	79	87.78%	84	72	85.71%	79	73	92.41%
Executive	94	90	95.74%	86	78	90.70%	65	54	83.08%
Officer	7	7	100%	8	7	87.50%	8	7	87.50%
Total	540	475	87.96%	503	388	74.14%	433	348	80.37%

Those who did not receive performance evaluation were those due for separation, regularization date was after the mid-year cut-off date, or seconded to PDRF

SMART									
Total Active Employee as of 2020		Employees who received performance evaluation	% of employees who received performance evaluation over total employees	Total Active Employee as of 2019	Employees who received performance evaluation	% of employees who received performance evaluation over total employees	Total Active Employee as of 2018	Employees who received performance evaluation	% of employees who received performance evaluation over total employees
Male	2,954	2,727	92.32%	2,997	2,785	92.93%	3,170	2,632	83.03%
Female	2,814	2,531	89.94%	2,888	2,650	91.76%	3,129	2,577	82.36%
Total	5,768	5,258	91.16%	5,885	5,435	92.35%	6,299	5,209	82.70%
Rank & File Management	3,043	2,673	87.84%	3,403	3,072	90.27%	3,667	2,710	73.90%
Management	2,045	1,947	95.21%	1,851	1,784	96.38%	2,013	1,928	95.78%
Executive	620	588	94.84%	581	539	92.77%	572	531	92.83%
Officer	60	50	83.33%	50	40	80.00%	47	40	85.11%
Total	5,768	5,258	91.16%	5,885	5,435	92.35%	6,299	5,209	82.70%

Those who did not receive performance evaluation were those due for separation, regularization date was after the mid-year cut-off date, or seconded to PDRF

New engagement programs were launched in 2021 such as:

- PLDT & Smart Perks – the first ever employee discount program that aimed to get the best deals and promos for employees from food establishments to lifestyle products
- Food for the Soul – a spiritual wellness program that included masses, recollections and religious activities
- Bingo Night – a fun, popular and classic online game for employees of all generations
- Comedy Night Live – stand-up shows from renowned local comedians aimed to give employees a much needed break to laugh and enjoy
- Kapitbahays – an employee community initiative where creativity is channeled towards home design, house hacks and the like

The senior leadership team also played a crucial role in providing mentoring support and guidance through a line-up of small, intimate sessions with employees from various groups. “Mornings with AI” allowed the workforce to have conversations with the President and CEO, AI Panlilio while “Leaders on the Go” enabled employees to learn valuable insights and values from the Management Committee leaders. In addition to this, a Leading Leaders Campaign was launched to provide a platform for leaders to share best practices on how to effectively manage their teams virtually through a series of supplemental courses via LinkedIn Learning,



digests, and webisodes showing how leaders brought to life the “Virtual First” disciplines.

To further motivate employees during a tough year, a Pusong PLDT & Smart Campaign was launched to underscore that the vision, mission and core values (VMV) have always been at the core of the Company’s business strategy. The VMV is the “heart” of the organization – which differentiates PLDT and Smart from the other organizations. It is also what fuels the employee community’s passion to fulfill their purpose, and outperform their competitors.

Fun and engaging activities were celebrated which included videos, digital activities, a concert night, employee testimonials and a company anthem. These were promoted through various channels (Workplace by Facebook, email, SMS blast and MS Teams Communicator).

Under the same Pusong PLDT & Smart program, employees and leaders who lived out the principles of malasakit (concern), customer centricity, humility to listen and learn, taking care of its people, and collaboration – were commended through various digital activities including a virtual employee recognition event.

Over the course of the campaign, company frontliners and volunteers who went the extra mile during the pandemic were also commended through a series of digital posters all-year round.



Promoting Diversity and Equality

103-1, 103-2, 405-1

At PLDT, we not only work to make our people feel safe in the workplace but also to make everyone feel welcome and part of the team. The values we share as an organization emphasizes openness, trust, and respect – values that we inculcate in every step of the employee life cycle.

As an Equal Opportunity Employer, PLDT remained consistent in implementing its non-discrimination policy that gives equal opportunity to all qualified applicants. People are welcome to apply to available roles in the organization, regardless of gender, age, religion, schools, regions, or other aspects that have nothing to do with their qualification and capability to perform their jobs and roles. The only basis for evaluating candidates is job fit – their ability to perform the role, function, following the principles of Pay for Position, Pay for Performance, and Pay for Person.

In 2021, the group-wide employee population was at 17,446, 1% lower compared to last year. The employees comprise 11,367 males (~65%) and 6,079 females (~35%). The gender ratio was higher for men as more males than females were recruited in the technical department, with this ratio mirrored across all positions. Among the total employee population, 463 are considered to be from the vulnerable sector (single parents).

Meanwhile, the largest age group in the Company are employees between the ages 30–50 (48%), followed by employees under 30 (36%), and then employees over 50 (16%).

Diversity has always been encouraged and the company recognizes employees for their unique potential and their contribution to the company’s growth. As an organization, we find great value in attracting and retaining an employee base that is reflective of the diversity of the communities in which we operate. Through the lens of diversity and equality, the company can better engage with employees, understand customers, and create relevant and innovative products and services.

In 2021, PLDT and Smart were the first Philippine telcos to sign up as members of the Philippine Business Coalition for Women Empowerment (PBCWE). Established in 2017 as an inaugural project of the Philippine Women’s Economic Network (PhilWEN) and the Australian government initiative Investing in Women, PBCWE leads efforts towards achieving large-scale organizational transformation. This is done through evidence-based strategies, creating knowledge



on best practices in the workplace, communicating the benefits of empowering women in the workforce, and institutionalizing policies based on best practices. PLDT also celebrated International Women's Month 2021 through the internal campaign dubbed "Yes, She Can!" which honored the women of PLDT and Smart. The campaign shared how women rose above challenges and performed their work responsibilities with grace. The month-long activities also included a webinar with PBCWE to discuss the growing importance of workplace gender equality and diversity and inclusion as key drivers of business success.

We also celebrated the International LGBTQIA+ Pride Month in June 2021 through a campaign entitled PLDT and Smart Pride: #EveryoneIsIncluded. The project raised awareness on how to make every individual feel valued and promoted acceptance of LGBTQIA+ employees and validation of their life experiences. PLDT Global also covered domestic partners, including same sex partners, and their extended families, in its health insurance.

Another notable project in 2021 was ePLDT's participation in the "Microsoft Enabler Program" which provided opportunities for learning, preparation, and employment in technical roles for Persons with Disability. Through the program, ePLDT learned effective approaches such as providing internship opportunities. ePLDT was able to open internship opportunities for PWDs and consequently placed two of them as graphics artists. PLDT also held a pioneer session on Disability Awareness and Sensitivity webinar in celebration of International Day of Persons with Disabilities in December.



Employee Diversity by Gender and Position 102-7, 102-8, 405-1

Group	Rank and File			Management			Executives			Officers			Total		
	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
PLDT	4,116 36%	710 6%	4,826 42%	3,505 31%	2,197 19%	5,702 50%	413 4%	300 3%	713 7%	60 1%	35 0%	95 1%	8,094 72%	3,242 28%	11,336 100%
ePLDT	281 41%	148 22%	429 63%	86 12%	52 8%	138 20%	75 11%	38 5%	113 16%	4 1%	3 0%	7 1%	446 65%	241 35%	687 100%
SMART	1,285 24%	1,266 23%	2,551 47%	1,151 21%	992 18%	2,143 39%	355 6%	307 6%	662 12%	36 1%	31 1%	67 2%	2,827 52%	2,596 48%	5,423 100%
TOTAL	5,682 32%	2,124 12%	7,806 44%	4,742 27%	3,241 19%	7,983 46%	843 5%	645 4%	1,488 9%	100 1%	69 0%	169 1%	11,367 65%	6,079 35%	17,446 100%

Employee Diversity by Age Group and Position 102-7, 102-8, 405-1

Group	Rank and File				Management				Executives				Officers			
	< 30 years	30-50 years	> 50 years	Total	< 30 years	30-50 years	> 50 years	Total	< 30 years	30-50 years	> 50 years	Total	< 30 years	30-50 years	> 50 years	Total
PLDT	3,042 27%	1,537 14%	247 2%	4,826 43%	1,119 10%	2,655 23%	1,928 17%	5,702 50%	15 0%	458 4%	240 2%	713 6%	- -	47 0%	48 1%	95 1%
ePLDT	261 38%	158 23%	10 2%	429 63%	39 6%	92 13%	7 1%	138 20%	- -	91 13%	22 3%	113 16%	- -	2 0%	5 1%	7 1%
SMART	1,503 28%	1,017 19%	31 1%	2,551 48%	212 4%	1,819 33%	112 2%	2,143 39%	5 0%	548 10%	109 2%	662 12%	- -	41 1%	26 0%	67 1%
TOTAL	4,806 28%	2,712 16%	288 2%	7,806 46%	1,370 8%	4,566 26%	2,047 12%	7,983 46%	20 0%	1,097 6%	371 2%	1,448 8%	- -	90 0%	79 0%	169 0%

Employee Diversity by Age Group	2021				2020				2019			
	< 30 years	30-50 years	> 50 years	Total	< 30 years	30-50 years	> 50 years	Total	< 30 years	30-50 years	> 50 years	Total
PLDT	4,176 37%	4,697 41%	2,463 22%	11,336 100%	4,320 38%	4,248 38%	2,694 24%	11,262 100%	4,296 40%	3,905 37%	2,443 23%	10,644 100%
ePLDT	300 44%	343 49%	44 7%	687 100%	218 40%	289 54%	33 6%	540 100%	216 43%	252 50%	35 7%	503 100%
SMART	1,720 32%	3,425 63%	278 5%	5,423 100%	2,029 35%	3,439 60%	300 5%	5,768 100%	2,260 38%	3,376 57%	249 5%	5,885 100%
TOTAL	6,196 36%	8,465 48%	2,785 16%	17,446 100%	6,567 37%	7,976 46%	3,027 17%	17,570 100%	67,72 40%	7,533 43%	2,727 17%	17,032 100%

401-1

Employee Turnover by age group	2021				2020				2019			
	< 30 years	30-50 years	> 50 years	Total	< 30 years	30-50 years	> 50 years	Total	< 30 years	30-50 years	> 50 years	Total
PLDT	69 1%	98 1%	469 4%	636 6%	54 1%	54 0%	26 0%	134 1%	155 1%	113 1%	700 7%	986 9%
ePLDT	37 6%	23 3%	2 0%	62 9%	55 10%	14 3%	2 0%	71 13%	59 12%	27 5%	2 0%	88 17%
SMART	358 7%	344 6%	14 0%	716 13%	187 3%	194 4%	13 0%	394 7%	444 8%	724 12%	45 1%	1213 21%
TOTAL	464 2%	465 3%	485 3%	1414 8%	269 2%	262 1%	41 0%	599 3%	658 4%	864 5%	747 4%	2269 13%

401-1

Employee Turnover by gender	2021			2020			2019		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
PLDT	428 4%	208 2%	636 6%	90 1%	43 0%	133 1%	667 6%	301 3%	968 9%
ePLDT	49 7%	13 2%	62 9%	44 8%	27 5%	71 13%	60 12%	28 5%	88 17%
SMART	350 6%	366 7%	716 13%	185 3%	209 4%	394 7%	578 10%	635 11%	1,213 21%
TOTAL	827 5%	587 3%	1,414 8%	319 2%	279 1%	598 3%	1,305 8%	964 5%	2,269 13%

401-1

Employee Turnover by region	2021				2020				2019			
	Luzon	Visayas	Mindanao	Total	Luzon	Visayas	Mindanao	Total	Luzon	Visayas	Mindanao	Total
PLDT	542 5%	42 0%	52 1%	636 6%	118 1%	4 0%	11 0%	113 1%	863 8%	55 1%	50 0%	986 9%
ePLDT	54 8%	6 1%	2 0%	62 9%	71 13%	0 0%	0 0%	71 13%	86 17%	1 0%	1 0%	88 17%
SMART	631 12%	51 1%	34 0%	716 13%	357 6%	14 0%	23 1%	394 7%	1,063 18%	83 2%	67 1%	1,213 21%
TOTAL	1,227 7%	99 1%	88 0%	1,414 8%	546 3%	18 0%	34 0%	598 3%	2,012 12%	139 1%	118 0%	2,269 13%

New Hires by Region 401-1

Group	2021				2020				2019			
	Luzon	Visayas	Mindanao	Total	Luzon	Visayas	Mindanao	Total	Luzon	Visayas	Mindanao	Total
PLDT	578 5%	76 1%	56 0%	710 6%	527 5%	80 1%	144 1%	751 7%	2,410 23%	380 3%	421 4%	3,211 30%
ePLDT	199 29%	9 1%	1 0%	209 30%	108 20%	- 0%	- 0%	108 20%	141 28%	12 2%	5 1%	158 31%
SMART	338 6%	16 0%	16 0%	370 7%	258 4%	8 0%	11 0%	277 4%	687 12%	62 1%	50 1%	799 14%
TOTAL	1,115 6%	101 1%	73 0%	1,289 7%	893 5%	88 1%	155 1%	1,136 6%	3,238 19%	454 3%	476 3%	4,168 25%

New Hires by Gender 401-1

Group	2021			2020			2019		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
PLDT	570 5%	140 1%	710 6%	632 6%	119 1%	751 7%	2,624 25%	587 5%	3,211 30%
ePLDT	137 20%	72 10%	209 30%	68 13%	40 7%	108 20%	113 22%	45 9%	158 31%
SMART	222 4%	148 3%	370 7%	142 7%	135 2%	277 4%	406 7%	393 7%	799 14%
TOTAL	929 5%	360 2%	1,289 7%	842 7%	294 5%	1,136 6%	3,143 19%	1,025 6%	4,168 25%

New Hires by Age Group 401-1

Group	2021				2020				2019			
	< 30 years	30-50 years	> 50 years	Total	< 30 years	30-50 years	> 50 years	Total	< 30 years	30-50 years	> 50 years	Total
PLDT	545 5%	160 1%	5 0%	710 6%	538 5%	194 2%	19 0%	751 30%	2,442 23%	724 7%	45 0%	3,211 30%
ePLDT	140 20%	66 10%	3 0%	209 30%	77 14%	30 6%	1 0%	108 20%	123 24%	34 7%	1 0%	158 31%
SMART	267 5%	103 2%	- 0%	370 7%	201 3%	74 1%	5 0%	277 4%	612 11%	182 3%	5 0%	799 14%
TOTAL	952 5%	329 2%	8 0%	1,289 7%	816 7%	289 2%	22 0%	1,136 6%	3,177 18%	940 6%	51 0%	4,168 25%

Employee Benefits

PLDT provides all mandatory employee benefits prescribed by the law, and other additional benefits beyond statutory requirements such as: 15th month pay and full medical benefits. We also adhere to regulations on parental leaves, including maternity and paternity leaves. In 2021, 98.8% of those who availed of maternity leave and 99.7% of those who took paternity leave returned to work.

Pay Ratios 201-1, 405-2

Luzon	PLDT		Smart		ePLDT	
	2021	2020	2021	2020	2021	2020
Rank and File	0.99	0.95	0.95	0.93	0.92	0.89
Management	0.97	0.98	0.91	0.90	0.69	0.69
Executives	0.95	0.92	0.94	0.94	0.89	0.87
Officers	0.96	0.89	1.17	1.04	0.93	0.91
Mindanao	PLDT		Smart		ePLDT	
	2021	2020	2021	2020	2021	2020
Rank and File	1.09	0.95	0.79	0.78	N/A	N/A
Management	0.98	0.93	0.91	0.87	N/A	N/A
Executives	0.79	0.80	0.77	0.80	N/A	N/A
Officers	N/A	N/A	N/A	N/A	N/A	N/A

Visayas	PLDT		Smart		ePLDT	
	2021	2020	2021	2020	2021	2020
Rank and File	1.01	1.03	0.90	0.82	0.90	0.71
Management	0.94	1.04	0.82	0.78	N/A	N/A
Executives	0.77	0.89	0.96	1.07	N/A	N/A
Officers	N/A	N/A	N/A	N/A	N/A	N/A
Total	PLDT		Smart		ePLDT	
	2021	2020	2021	2020	2021	2020
Rank and File	1.00	0.96	0.94	0.91	0.92	0.89
Management	0.97	0.98	0.91	0.89	0.69	0.70
Executives	0.84	0.92	0.95	0.95	0.89	0.87
Officers	0.96	0.89	1.17	1.04	0.93	0.91

PLDT closed the gender pay gap among its Rank and File employees, an improvement from 4% gap last year. For Smart Management, the gap was reduced by 2% in 2021, while the average earnings of female Smart Officers were higher by 17% compared to their male counterparts. Moreover, the gap in pay of ePLDT Executives narrowed by 2% since 2020. Overall, results show progress toward closing gender pay gaps across the PLDT Group to promote gender equality at work.

Parental Leaves 401-3

PLDT									
PARENTAL LEAVES	2021			2020			2019		
	Paternity	Maternity	Total	Paternity	Maternity	Total	Paternity	Maternity	Total
Total number of employees that were entitled to parental leave as of reporting period	3,883	3,242	7,125	3,847	3,310	7,157	3,597	3,228	6,825
Total number of employees that took parental leave	289	113	402	267	143	410	175	84	259
Total number of employees that returned to work after parental leave ended (reporting period)	289	113	402	267	143	410	175	84	259
Return to work rate	100%	100%	100%	100%	100%	100%	100%	100%	100%
Total number of employees who returned to work after parental leave ended (previous period)	267	143	410	175	84	259	95	56	151
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)	265	141	406	173	80	253	93	50	143
TOTAL	99%	99%	99%	99%	95%	98%	98%	89%	95%

ePLDT									
PARENTAL LEAVES	2021			2020			2019		
	Paternity	Maternity	Total	Paternity	Maternity	Total	Paternity	Maternity	Total
Total number of employees that were entitled to parental leave as of reporting period	175	241	416	156*	182	338*	157	169	326
Total number of employees that took parental leave	3	4	7	0*	9	9*	9	2	11
Total number of employees that returned to work after parental leave ended (reporting period)	3	4	7	0*	7	7*	9	2	11
Return to work rate	100%	100%	100%	N/A*	78%	78%*	100%	100%	100%
Total number of employees who returned to work after parental leave ended (previous period)	N/A	7	7	9	2	11	9	8	17
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)	N/A	7	7	8	1	9	8	7	15
TOTAL	N/A	100%	100%	89%	50%	82%	89%	99%	88%

*Data are restated for consistency

Smart									
PARENTAL LEAVES	2021			2020			2019		
	Paternity	Maternity	Total	Paternity	Maternity	Total	Paternity	Maternity	Total
Total number of employees that were entitled to parental leave as of reporting period	1,373	2,596	3,969	1,391	2,814	4,205	1,382	2,887	4,269
Total number of employees that took parental leave	76	127	203	92	150	242	120	142	262
Total number of employees that returned to work after parental leave ended (reporting period)	75	124	199	92	143	235	116	136	252
Return to work rate	99%	98%	98%	100%	95%	97%	97%	96%	96%
Total number of employees who returned to work after parental leave ended (previous period)	92	143	235	116	136	252	138	148	286
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)	84	122	206	98	125	223	122	119	241
TOTAL	91%	85%	88%	84%	92%	88%	88%	80%	84%

201-3

Defined Benefit Obligation (in millions)

PLDT	2021	2020	2019
Defined benefit obligation	21,915,832,800	27,868,065,900	22,263,422,100
Fair value of assets	14,436,208,300	14,761,606,200	13,516,540,500
Net defined benefit asset / (liability)	(7,479,624,500)	(13,106,459,700)	(8,746,881,600)
Percentage of salary contributed by employee	none	none	none

ePLDT	2021	2020	2019
Defined benefit obligation	56,018,800	48,534,300	36,043,600
Fair value of assets	-	-	-
Net defined benefit asset / (liability)	(56,018,800)	(48,534,300)	36,043,600
Percentage of salary contributed by employee	none	none	none

SMART	2021	2020	2019
Defined benefit obligation	2,991,122,600	2,774,832,400	2,812,386,200
Fair value of assets	4,137,390,400	3,648,797,400	3,081,750,000
Net defined benefit asset / (liability)	1,146,267,800	873,965,000	269,363,800
Percentage of salary contributed by employee	5% to 10%	5% to 10%	5% to 10%

Note: Parent company only. The company engages the assistance of an independent qualified 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.



A lactation clinic at PLDT MGO is available to support breastfeeding mothers.

WELLNESS REVOLUTION MONTH

This **September**, we're bringing you exciting back-to-back activities in celebration of holistic wellness!

Take part in this month-long movement that features a 360 degree focus on wellness - **physical, mental, spiritual, and financial**.

Holy Mass - September 8
Worship Night - September 24

Daily Workouts - September 13 - 15
Nutrition 101 - September 16

Building Wealth through Savings and Getting Rid of Debt - September 28
Crypto 101 - September 30

Emotional Intelligence and How Does it Apply in the Workplace - October 7
Dealing with Negativity and Toxicity in the Workplace - October 9

Watch out for individual event advisories for pre-registration!
Join the Wellness Revolution movement.

#WellnessRev

Benefits that are provided to majority of Employees

401-2

Employee Benefit	PLDT	ePLDT	Smart
MEDICAL			
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	●	●	●
MONETARY BENEFITS, FINANCIAL ASSISTANCE, AND ALLOWANCES			
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			●
LOANS			
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			
Christmas 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		●	



102-41

The same principles of openness, trust, and respect drive our stand on human rights and labor rights. The Company implements policies that reinforce the rights of our employees, including DOLE Department Order 174 (Rules Implementing Articles 106 to 109 of the Labor Code, as Amended), R.A. 7610 (Special Protection of Children against Abuse, Exploitation, and Discrimination Act), and the General Labor Standards (GLS).

The Human Resources Manual guides employees on labor rights protection policies and grievance mechanisms. A general grievance handling policy manages labor rights concerns while a Committee on Workplace Decorum and Investigation resolves gender-based sexual harassment cases. Employees are also allowed to resign subject to compliance with the notice period. As part of our policy, we have placed minimum age requirements for employment to eliminate child labor. We also impose proper disciplinary actions for offenses under the Code of Discipline that constitute a violation of human rights (e.g. right to life, right to property).

In the same vein, we will always support and recognize the CBAs signed with PLDT's three employee unions, which are the Gabay ng Unyon sa Telekomunikasyon ng mga Superbisor (GUTS), Manggagawa sa Komunikasyon ng Pilipinas (MKP), and PLDT Sales Supervisors' Union (PSSU).



The enforcement of the CBAs are guaranteed by the Company throughout the lifetime of the contract, which encapsulates the employee benefits and working conditions. The disciplinary process and mechanisms also incorporate these rights and we guarantee due process, hearing and consultation to legal counsel and union representatives.

Reporting and handling grievances related to CBA matters are handled by first coursing through the concerned employee's union, then escalating to Management and the respective union's Grievance Committee for due process.

There are three (3) stages under our grievance handling mechanisms:

Stage 1

This involves a Plant-Level Hearing where the employee, or through the concerned employee's Union, files the complaint to his Line Head/ Line Executive. If the matter is not resolved, a written documentation to the effect must be made and signed by the line head, the employee, and the employee's union.

Stage 2

This is when the matter is elevated to the Joint Management and Union Grievance Committee for resolution. The Committee is composed of three representatives from management and three representatives from the union.

Stage 3

This happens if it is not resolved at the second stage. The parties may opt to refer the matter to the Board of Arbitrators at the National Conciliation and the Mediation Board of the Department of Labor and Employment.

Continuous Learning and Development

103-1, 103-2, 103-3, 404-1, 404-2

Training is key to supporting our people's continuous professional growth and development and as such, the company established the Learning & Development (L&D) group that serves both PLDT and Smart. The L&D group is manned by full-time L&D professionals and offers formal training programs for employees of various levels, based on the growing needs of different job roles.

This investment in our people's continuous learning and development ensures they have the tools and knowledge to help them grow in leadership and digital skills, pursue excellence, as well as enable innovation.

We employ various means to assess the learning and development needs of employees, including interviews with line heads and concerned employees, insights from change/ transformation projects, formal technical assessments, and focus group discussions.

Below are the different training/upskilling programs provided:

1. Essential Skills Program - This program aims to develop employees' professional and personal skills.
2. Technical/Functional Skills Program - This program is intended to develop employees' competencies specific to a job role or function.
3. Leadership Skills Program is a combination of courses focused on developing leadership competencies of the employees.
4. Certification - This is a process where employees qualification is being confirmed by an accredited certifying body in a particular skill or knowledge.

In 2021, our L&D team trained 99.7% of its workforce for a total of 433,001 training hours, or an average of 24.82 hours per employee.

The L&D group also regularly organizes Retirement Planning and Life after PLDT seminars for employees separating from the company. These seminars cover topics on financial management, re-applying for work, exploring business options, finding passions, migrating

The top five trainings most attended were the following:

Rank	Topic	No. of Attendees
1	Health and Safety	31,769
2	Customer Centricity and CX	11,291
3	#AllTogetherNow Series	10,943
4	Mobile Number Portability	10,260
5	Product Knowledge	7,146


abroad, going back to school and starting your own business. In 2021, 202 employees attended the transition workshop. Exit Interviews also form part of the standard process for resigning and leaving employees.



For 2021, the total spending on Training and L&D was around ₱70 Million. Average training cost per employee is around ₱4,200. Level 3 (application) and Level 4 (ROI) results of certain training programs are assessed where warranted and where data is obtainable.

In the next few years, L&D will also initiate programs to equip employees with more tools and knowledge for behavioral and personal development. We are currently developing the Essential Skills and Leadership Training Roadmap to help us guide our strategies.

For the short-term, we plan to offer trainings on the following:

- New Leadership Development Curriculum
- New Normal and Return to Office Mindset
- Products Knowledge and Revenue Generation Support Training
- Sustainability Support Training
- Technicians Academy 2.0
- Sustain Global Technical Certifications
- Transformation Support and Technology Trainings





Hello, learners!

We value your feedback. Help us better understand your career and learning development needs by answering our short survey.

[Launch the survey here](#)

PLDT Employee Training Details									
	2021 Trainings			2020 Trainings			2019 Trainings		
Gender									
	Employee*	Training Hours	Ave. Training Hours	Employee*	Training Hours	Ave. Training Hours	Employee*	Training Hours	Ave. Training Hours
Male	8,094	174,955	21.62	7,952	266,545	33.52	7,410	186,763	25.20
Female	3,242	79,239	24.44	3,310	158,933	48.02	3,234	31,949	9.88
Total	11,336	254,194	22.42	11,262	425,478	37.78	10,644	218,712	20.55
Rank									
Rank & File	4,826	100,234	20.77	4,589	186,810	40.71	4,242	165,844	39.10
Management	5,702	131,651	23.09	5,923	217,572	36.73	5,728	49,952	8.72
Executives	713	20,557	28.83	663	19,381	29.23	595	2,352	3.95
Officers	95	1,753	18.45	87	1,715	19.71	79	564	7.14
Total	11,336	254,194	22.42	11,262	425,478	37.78	10,644	218,712	20.55
ePLDT Employee Training Details									
Gender									
	Employee*	Training Hours	Ave. Training Hours	Employee*	Training Hours	Ave. Training Hours	Employee*	Training Hours	Ave. Training Hours
Male	446	6,467	14.50	358	1,560	4.36	334	2,582	7.73
Female	241	3,296	13.68	182	1,232	6.77	169	829	4.91
Total	687	9,762	14.21	540	2,791	5.17	503	3,411	6.78
Rank									
Rank & File	429	6,285	14.65	349	1,674	4.80	329	2,254	6.85
Management	138	2,019	14.63	90	539	5.99	85	372	4.37
Executives	113	1,457	12.89	94	551	5.86	81	698	8.62
Officers	7	2	0.25	7	28	3.93	8	88	11.00
Total	687	9,762	14.21	540	2,791	5.17	503	3,411	6.78
Smart Employee Training Details									
Gender									
	Employee*	Training Hours	Ave. Training Hours	Employee*	Training Hours	Ave. Training Hours	Employee*	Training Hours	Ave. Training Hours
Male	2,827	81,192	28.72	2,954	124,384	42.11	2,997	41,726	13.92
Female	2,596	87,853	33.84	2,814	170,003	60.41	2,888	23,939	8.29
Total	5,423	169,045	31.17	5,768	294,387	51.04	5,885	65,665	11.16
Rank									
Rank & File	2,551	81,852	32.09	3,043	194,707	63.99	3,403	35,709	10.49
Management	2,143	61,502	28.70	2,045	81,941	40.07	1,851	22,316	12.06
Executives	662	23,127	34.93	620	16,121	26.00	581	6,984	12.02
Officers	67	2,564	38.27	60	1,618	26.97	50	656	13.12
Total	5,423	169,045	31.17	5,768	294,387	51.04	5,885	65,665	11.16



Conservation Pillar



Aspire for resource efficiency in all facets of operations and manage our environmental impact



Effective Environmental Stewardship



Minimizing Solid and Hazardous Waste



Optimizing Resource Management



Climate-Related Risk Management

Effective Environmental Stewardship

103-1, 103-2

Ecosystem and biodiversity

PLDT consistently practices compliance with proper application process to secure approval on relevant construction, operational, and resource-use permits/clearances from national and local government agencies prior to site establishment and operation. We ensure strict adherence to environmental compliance certificates (ECC) conditions, environmental laws and local ordinances. We also make sure to engage regularly with the communities concerned to ensure that our environmental commitments are followed through.

A cross-functional team composed of the Technology Group, Joint Strategic Office and the Regulatory Office helps address issues related to cell site permits, especially for those located in Protected Areas and critical habitats. Some of PLDT and Smart's critical infrastructures such as relay towers and cable landing stations are located in protected areas and in coastal settlements.

Working with the Anti-Red Tape Authority, tasked by the government to help fast track pending telco applications as well as the DENR and the National Commission on Indigenous Peoples (NCIP), the cross-functional team ensured that permits were properly secured and renewed in 2021. For residents affected by network facilities, we put in place a community engagement program to address community livelihood training and employment. This may include assistance in setting up initiatives on health, education and facilities/cooperatives.

Meanwhile, submarine cables are carefully laid out at least two kilometers away from marine sanctuaries. Where possible, green buffer zones are also set up along the periphery of the telecommunication infrastructure to help attenuate noise levels and absorb some pollutant emissions.



PLDT recognizes the importance of its role as a responsible steward of the environment. The Company uses its voice and influence to spur collaboration and action that can spread the message of the much needed urgency to slow down the possible catastrophic effects of imminent climate change and global warming.

Our environmental stewardship initiatives have moved beyond compliance to active collaborations, aligned with our commitment as participant signatory to the UNGC as well as membership in its local chapter, the Global Compact Network Philippines (GCNP), where PLDT chairs the Planet Pillar.

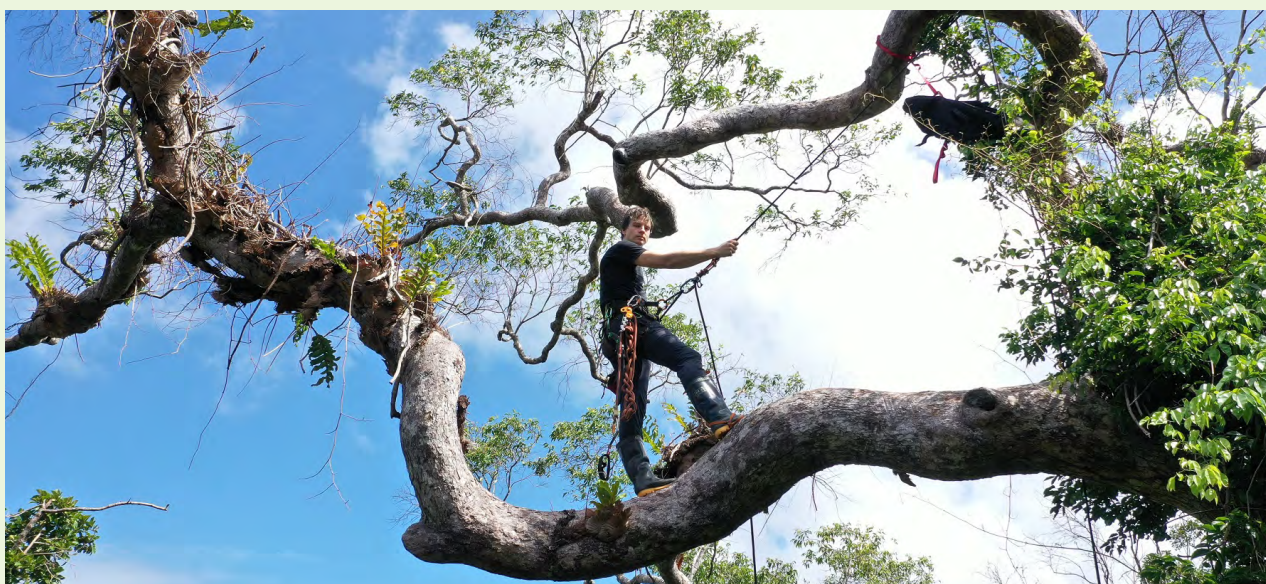
Overcoming the operational challenges brought about by the pandemic, our partnership with the University of the Philippines Marine Science Institute (UP MSI) that aimed to understand how healthy coastal ecosystems offset carbon footprint resulted in 17 research studies of marine protected areas (MPAs) in various parts of the country. These studies gathered much-needed technical data which will be key to the conservation, management and restoration of the MPAs managed by local government units. PLDT is currently evaluating the expansion of resource protection in one of the 17 identified MPAs.

Smart is also a pioneer connectivity partner for two biodiversity management programs: Connected Mangroves with Ericsson and Rainforest Connection with Huawei and Rainforest Connection (RFCx) - both programs utilize the Internet of Things (IoT) and Artificial Intelligence (AI) solutions to help guard and monitor mangroves and rainforests in the Philippines.

In 2021, the Connected Mangroves site in Sasmuan, Pampanga was declared as a "Wetland of International Importance" under the standards set by the Ramsar Convention, becoming the 8th Ramsar site in the Philippines and the first in Central Luzon. The wetland in Pampanga is said to support vulnerable and endangered migratory bird species, and the Connected Mangroves project was, therefore, modified to include the identification and monitoring of bird wildlife using AI.

The Rainforest Connection project is set to expand in Northern Luzon following its successful pilot in the Protected Areas of El Nido-Taytay in Palawan, signaling our deep commitment to leverage the use of connectivity for environmental protection and sustainability.

PLDT also continues to make headway in its peatlands protection projects, two years into its partnership with the DENR. The DENR has documented seven probable



peatlands across the Agusan Marsh Wildlife Sanctuary (AMWS), kicking off the partnership's assessment phase. Under the partnership agreement, programs and activities will be implemented for the protection, conservation, and sustainable use of peatlands, especially the Caimpugan Peatland, in the AMWS. Peatlands cover only 3% of the Earth's land surface, but if kept wet, these can store carbon twice as much as all the world's forests combined.

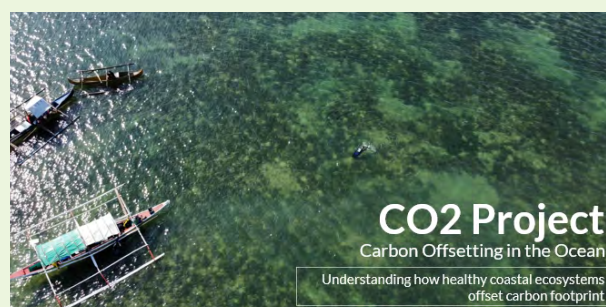
At the same time, PLDT took steps to control and monitor air emissions from its own operations. While investments on network improvements lead to the building of new infrastructure and equipment upgrades, we plan to do so without significantly increasing our emissions. This requires replacement of network equipment with smaller, cost-efficient structures that consume less power and subsequently reduce carbon emission. We are also taking the proactive approach of choosing network equipment providers that offer more energy-efficient, as well as greener, technologies.

Our services and technology have been essential in helping businesses, big and small, make their operations more efficient. However, delivering our services also necessitates the use of gasoline- and diesel-fueled equipment (Scope 1) and the purchase of energy (Scope 2) which emit GHG emissions to the atmosphere.

In 2021, therefore, we started a decarbonization roadmap that estimated around 40% reduction of our Scope 1 and 2 emissions by 2030, using our 2019 GHG figures as our baseline. It was established that our emissions come from our supply chain (about 70%) and purchased electricity (28%). This insight has enabled us to identify specific initiatives to pursue in order to achieve the 2030 reduction goal.

Our strategy for Scope 1 and 2 reduction includes the following:

- ✓ Energy consumption optimization
- ✓ Increased purchase of renewable energy
- ✓ Solar power solutions
- ✓ Re-fleeting strategy involving a carbon-neutral fleet
- ✓ Genset Optimization



PLDT-Smart and DENR representatives during the ceremonial turnover of donated equipment for peatland conservation on November 8, 2021

For instance, delivery of connectivity to areas without a reliable source of electricity required the deployment of diesel generators to provide back-up power. However, as we balance this with concern about GHG emissions and pollutants, we have started to test the use of hybrid-powered and fuel-cell powered base stations in remote off-grid areas. We expect to have more of these initiatives in the coming years.

We are committed to implementing operational standards that establish clean and energy efficient operations in all our facilities. We are also looking at ways to invest in clean and renewable energies. Our Property and Facilities Management (PFM) and Energy Environmental Health and Safety (EEHS) teams regularly undertake regular maintenance programs and monitor the status and performance of facilities, equipment, and generator sets under its Equipment Resiliency program. Those identified to be performing lower than standards are evaluated for replacement as necessary.

Air Pollutants

305-6, 305-7

	2021
Air Pollutants (Tons)	999
Refrigerants (Tons)	1,018
NO _x	747.53 Tonnes
SO _x	154.20 Tonnes
Volatile organic compounds (VOCs)	37.68 Tonnes
Particulate matter (PM)	59.61 Tonnes

intend to contract supply available in the market and supplement this with generation of renewable power using solar panels and solar farms within our facilities.

We have started exploring renewable energy options and are currently working with vendor partners, and are planning to roll-out viable solutions in the future. Solar panels were installed in ePLDT's Vitro Clark data center, and we expect the completed installation of solar rooftops in five key PLDT office facilities in the Visayas by May 2022.

In 2021, we sealed an agreement with Meralco subsidiary, MPower, to provide at least 20% (RE) source for ePLDT data centers. This resulted to 3,321 mWh sourced from renewable energy or GHG emissions reduction of 2,077* tonnes of CO₂. Similar RE sourcing contracts will be drawn up for PLDT and Smart.

In the medium term, we aim to reduce our carbon footprint with the deployment of low-power equipment, carbon-fiber towers, and the use of common towers. We will continue studying the use of hybrid renewable energy in some of our off-grid sites.

Investing in energy conservation projects for our operations and working with our suppliers to improve energy efficiency are part of our strategies. We have put in place various energy conservation measures that generally focus on newer and efficient cooling systems, efficient lighting, managing energy consumption of outlier sites using AI applications, electricity billing control, air conditioning units (ACU) thermostat adjustment among others.

For the short term, we have an on-going deployment of alternative cooling systems such as the use of inverter and efficient cooling ACU in selected sites to replace our conventional ones. We have also deployed fuel cell technology in 29 cell sites and plan on converting old generator sets to more fuel-efficient units. We have also been decommissioning legacy equipment.

Optimizing Resource Management

Energy Consumption 103-1, 103-2, 103-3

Energy consumption has always been a key area of consideration for PLDT as it drives one of the largest operating costs. Typically, energy consumption is responsible for 20- 40% of all OPEX for a mobile operator. As networks expand, the use new technologies such as 5G although designed to be more energy efficient, could result in higher energy usage as 5G requires denser and more complex networks. We believe, however, that this should not constrain 5G growth but rather power it. This will be made possible by optimizing energy consumption and ensuring efficient energy usage.

Energy conservation and resource consumption efficiency are, therefore, among the performance key result areas that we monitor and measure, and for which long-term solutions are identified. With a full renewable power mix as the long-term goal, we

* See Appendix for RE certificates



40% reduction in Scope 1 and 2 GHG emissions by 2030

vs 2019 baseline

2019 was selected as base year as it was the last non-COVID year.

Our partnership with Meralco and its subsidiaries MSERV and Spectrum, includes the development of mutually beneficial programs in the areas of energy efficiency and sustainability. MSERV is conducting Energy Efficiency Audits in 139 DOE (Department of Energy)-defined designated establishments while Spectrum is undertaking five (5) commercial solar PV projects generating more than 591,000 kWh of RE annually.

These are on top of commercial contracts involving replacement of magnetic chillers, electrical reliability audit for ePLDT, Design, Supply, and Installation of MERV 13 and UVC Sanitizers, as well as Electrical Preventive Maintenance for 74 PLDT and Smart offices to maintain an electrical facility to check, clean and do minor repairs when necessary.

All these help us address the requirements of the Energy Efficiency and Conservation Act which obligates companies to report annual energy consumption, implement energy conservation measures, and conduct energy audits. Consequently, the Network EEHS and PFM groups rigorously monitor and proactively implement improvements to processes and mechanisms that will reduce and mitigate impacts on the environment. In fact, Network EEHS has secured the budget to establish global standard (ISO) for managing Energy, Environment and Occupational Health & Safety which proves our networks management commitment to increase the company's Environment Social Governance (ESG) index.

PLDT GHG Emissions (Scope 1 & 2)

PLDT group uses the equity share approach in accounting for its GHG emission. Both ePLDT, Inc. and Smart Communications, Inc. are 100% owned and all emissions are consolidated in this report.

Scope 1 emission comes from the purchased fuel for service vehicles and generator sets as invoiced by the vendor. GHG included are Carbon dioxide (CO₂), Methane (CH₄), and Nitrous oxide (N₂O) converted to Carbon dioxide equivalent (CO₂e) using the Global Warming Potential (GWP) values for 100-year time horizon from the Fifth Assessment Report (AR5) of Intergovernmental Panel on Climate Change (IPCC).

Conversion factors are as follows:

Mobile fuel combustion

1 gallon = 126.908 megajoule 1 liter = 0.26417 gallon

(<https://www.eia.gov/energyexplained/units-and-calculators/energy-conversion-calculators.php>)

On-Road Gasoline Fuel = 8.599 kg of CO₂ per gallon

(https://ghgprotocol.org/sites/default/files/Emission_Factors_from_Cross_Sector_Tools_March_2017.xlsx)

On-Road Diesel Fuel = 10.131 kg of CO₂ per gallon

(https://ghgprotocol.org/sites/default/files/Emission_Factors_from_Cross_Sector_Tools_March_2017.xlsx)

Stationary fuel combustion

1 gallon = 126.908 megajoule

(<https://www.eia.gov/energyexplained/units-and-calculators/energy-conversion-calculators.php>)

Stationary Oil = 2.676492 kg of CO₂ per liter

(https://ghgprotocol.org/sites/default/files/Emission_Factors_from_Cross_Sector_Tools_March_2017.xlsx)

Stationary Oil = 0.0003612 kg of CH₄ per liter

(https://ghgprotocol.org/sites/default/files/Emission_Factors_from_Cross_Sector_Tools_March_2017.xlsx)

Stationary Oil = 0.000021672 kg of N₂O per liter

(https://ghgprotocol.org/sites/default/files/Emission_Factors_from_Cross_Sector_Tools_March_2017.xlsx)

Global Warming Potential

(https://www.ghgprotocol.org/sites/default/files/ghgp/Global-Warming-Potential-Values%20%28Feb%2016%202016%29_1.pdf)

Our Scope 2 emissions adopted the location-based approach. Simple Operating Margin (SOM) Emission Factors (EF), recommended by the Philippines Department of Energy (DOE) is multiplied by the electricity consumed by all of our facilities as indicated in the statement of account or invoice.

Electricity - Luzon & Visayas	0.7122kg CO₂e per megawatt-hour
Electricity – Mindanao	0.7797kg CO₂e per megawatt-hour

<https://www.doe.gov.ph/electric-power/2015-2017-national-grid-emission-factor-ngef>

302-1, TC-TL-130a.1

Total Fuel Consumed (in liters)	2021	2020	2019
Gas			
Fixed	4,028,643	3,750,400	1,914,487
Wireless	458,659	405,626	650,184
Total consumption	4,487,301	4,156,026	2,564,671
Diesel			
Fixed	2,918,124	2,698,836	3,032,977
Wireless	9,439,306	9,873,582	9,716,649
Total consumed diesel	12,357,430	12,572,418	12,749,626
Total Fuel Consumed	16,844,731	16,728,444	15,314,297
Energy Consumption (in GJ)	2021	2020	2019
Gas			
Fixed	135,061	125,785	64,210
Wireless	15,377	13,604	21,807
Total consumption	150,438	139,389	86,017
Diesel			
Fixed	111,735	103,338	116,133
Wireless	361,432	378,059	372,050
Total consumption	473,167	481,397	488,183
Total Energy Consumed	623,605	620,786	574,200
Total Electricity Consumed (in kWh)	2021	2020	2019
Fixed	285,005,465	242,679,241	245,120,055
Wireless	560,807,372	492,732,218	463,647,322
Total consumption	845,812,837	735,411,459	708,767,377
Energy Consumption (in GJ)	2021	2020	2019
Fixed	1,026,020	873,645	882,432
Wireless	2,018,907	1,773,836	1,669,130
Total consumption	3,044,927	2,647,481	2,551,562

GHG (in Tonnes CO₂e) 305-1, 305-2, 305-3, 102-48

GHG Emissions	2021			2020			2019		
	Scope 1	Scope 2	Total	Scope 1	Scope 2	Total	Scope 1	Scope 2	Total
Fixed	16,980	202,273	219,253	15,759	173,918	189,677	12,475	174,733	187,208
Wireless	26,440	405,028	431,468	27,489	355,518	383,007	27,616	334,210	361,826
TOTAL	43,420	607,301	650,721	43,248	529,436	572,684	40,091	508,943	549,034

Information restated to reflect appropriate emission factor

GHG Intensity (in Tonnes CO ₂ e per employee)	2021			2020			2019		
	Scope 1	Scope 2	Total	Scope 1	Scope 2	Total	Scope 1	Scope 2	Total
Fixed	1.41	16.82	18.23	1.34	14.74	16.08	1.12	15.68	16.8
Wireless	4.88	74.69	79.57	4.77	61.64	66.41	4.69	56.79	61.48
Total	2.49	34.81	37.30	2.46	30.13	32.59	2.35	29.88	32.23

Energy Intensity (GJ per employee)	2021			2020			2019		
	Scope 1	Scope 2	Total	Scope 1	Scope 2	Total	Scope 1	Scope 2	Total
Fixed	20.53	85.34	105.87	19.41	74.02	93.43	16.18	79.16	95.34
Wireless	69.48	372.29	441.77	67.90	307.53	375.43	66.93	283.62	350.55
Total	35.74	174.53	210.28	35.33	150.67	186.00	33.71	149.81	183.52

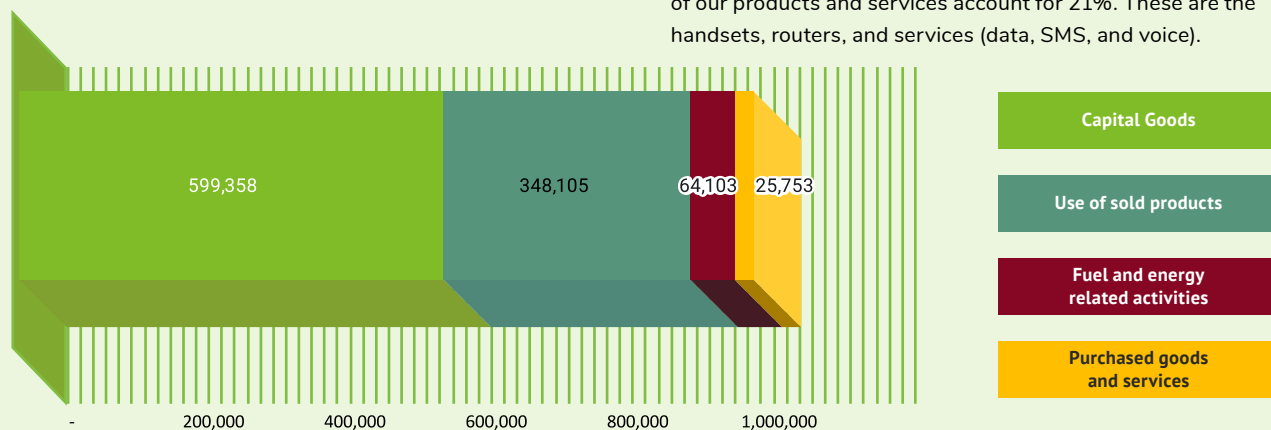
Energy Intensity (GJ per PhP million revenue)	2021			2020			2019		
	Scope 1	Scope 2	Total	Scope 1	Scope 2	Total	Scope 1	Scope 2	Total
Fixed	2.54	10.56	13.09	2.60	9.92	12.53	2.25	11.01	13.26
Wireless	3.67	19.69	23.36	3.90	17.67	21.57	4.26	18.04	22.29
Total	3.12	15.24	18.37	3.29	14.05	17.34	3.33	14.78	18.10

GHG Intensity (tonnes CO ₂ e PhP million revenue)	2021			2020			2019		
	Scope 1	Scope 2	Total	Scope 1	Scope 2	Total	Scope 1	Scope 2	Total
Fixed	0.17	2.08	2.25	0.18	1.98	2.16	0.16	2.18	2.34
Wireless	0.26	3.95	4.21	0.27	3.54	3.81	0.30	3.61	3.91
Total	0.22	3.04	3.26	0.23	2.81	3.04	0.23	2.95	3.18

Scope 3 Emissions

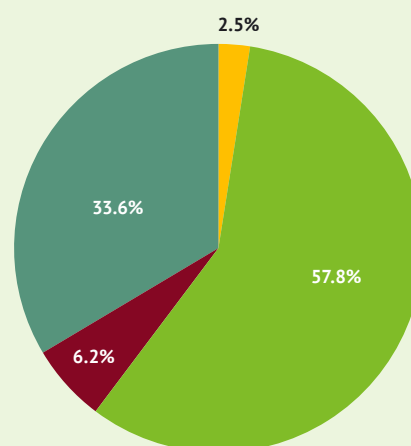
Other indirect GHG emissions that occur within our value chain are our Scope 3 emissions. These are emissions as a result of activities from assets that we do not own nor control and from the use of our products and services. As a responsible organization, we have to strive to influence those within the sphere of our value chain to be more conscious of their emissions. The first step is to have an understanding and proper accounting of the sources of our Scope 3 emissions.

During the course of drafting our decarbonization roadmap, we were able to identify that our main source of Scope 3 emissions lies within our supply chain. Using 90% of our spend data and environmentally-extended input-output (EIO) emission factors, our upstream emissions from purchased capital goods (category 2) comprise 35% of our total emissions, and 2% comes from purchased goods and services (category 1). Emissions from fuel and energy-related activities are at 4%. Our downstream emissions from the use of our products and services account for 21%. These are the handsets, routers, and services (data, SMS, and voice).



2021 Scope 3 Emissions

Upstream	Category 1	Purchased goods & services	25,753	2.5%
Upstream	Category 2	Capital goods	599,358	57.8%
Upstream	Category 3	Fuel and energy related activities	64,103	6.2%
Downstream	Category 11	Use of sold products	348,105	33.6%
2021 Total Scope 3 Emissions			1,037,319	



Total Scope 3 emissions account for 61% of total GHG emissions in 2021.

3-year Scope 3 GHG Emissions	2021		2020		2019	
Use of sold products	348,105	21%	243,026	15%	134,113	8%
Fuel and energy related activities	64,103	4%	55,736	4%	53,716	3%
Capital goods	599,358	35%	692,418	44%	857,565	53%
Purchased goods & services	25,753	2%	18,699	1%	15,038	1%
Total	1,037,319	100%	1,009,879	100%	1,060,432	100%

3-year GHG Emissions	2021		2020		2019	
Scope 1	43,420	3%	43,248	3%	40,091	2%
Scope 2	607,301	36%	529,436	33%	508,943	32%
Scope 3	1,037,319	61%	1,009,879	64%	1,060,432	66%
Total	1,688,040	100%	1,582,563	100%	1,609,466	100%

3-year GHG Emissions Intensity	2021	2020	2019
Total Scope 1, 2, & 3 Intensity per headcount	96.76	90.07	94.50
Total Scope 1, 2, & 3 Intensity per revenue	9.45	8.40	9.32

Water Consumption

103-1, 103-2, 103-3, 303-1

Water resource consumption efficiency is among the performance key result areas that we monitor and measure. The PFM and EEHS teams monitor the consumption of water in major fixed line and wireless facilities, respectively.

We require water for both the upkeep of facilities and the comfort of employees in the workplace. PLDT therefore considers responsible water consumption as part of our drive for resource efficiency, and we implement water conservation measures such as closed loop cooling, recycling, and others. The Company also conducts regular maintenance works, including leak detection. In some facilities, rainwater is utilized whenever possible.

PLDT actively supports the government's water conservation campaigns, including partnerships that protect watersheds. We continuously work with institutional partners for the maintenance and protection of reforested lands and the reforestation of selected watersheds in the country.

As a large Philippine organization and employer, we continue to innovate and look for ways to conserve precious water resources and reduce ground extraction. Our facilities team in Mindanao, for instance, has installed four rainwater catchments in Davao which they plan to replicate in other PLDT facilities nationwide. The collected rainwater of 626 cubic meters was used for office maintenance.

303-3, 303-5

Water Consumption (in cubic meters) 303	2021	2020	2019
Total consumption	468,424	475,495	562,991
Fixed	433,540	410,284	454,321
Wireless	34,884	65,211	108,670

*from collected rainwater

Minimizing Solid and Hazardous Waste

Solid Waste Management

103-1, 103-2, 103-3, 306-1, 306-2

PLDT and Smart produce millions of outdoor advertising materials and marketing collateral, and we continue to monitor the amount of generated solid waste as we sought to improve waste management practices, optimize resource usage, and introduce programs to influence the habits of our employees, suppliers, partners, and consumers.



For instance, we continued to explore ways to shift to eco-friendly solutions and have been using more eco-friendly materials in the production of our outdoor ads as we invest in more permanent and practical materials such as road and barangay signages, as well as store signs. New infrastructure projects and data centers, meanwhile, start green and follow solid waste management schemes as provided in the Environmental Management Plan and our Environmental Management Systems.

The company-wide ban on single use plastics announced in late 2019 had to take a backseat as COVID-19 response required the use of plastics for hygiene and medical safety purposes. As the government slowly lifts pandemic restrictions, we will review the feasibility of re-implementing this policy. In the meantime, Smart and PLDT participated and took top spots in the PBSP membership-wide solid waste collection activity entitled X-Trash Challenge, collecting as much as 5,300 kilos of recyclables.

All wastes collected are turned over to accredited recycling centers for proper disposal.

306-3

Solid Waste (in metric tons)	2021	2020	2019
Total generation	2,150	1,166	1,395
Fixed	1,706	905	992
Wireless	444	261	403

Hazardous Waste

103-1, 103-2, 103-3, 306-1, 306-2

In our operations, materials considered as hazardous wastes, such as batteries, are handled and disposed of in accordance with guidelines set by the DENR.

The PFM and EESH teams follow environmental compliance guidelines for the identification, labeling, segregation, and proper handling and disposal of hazardous wastes, which are based on existing government regulations on hazardous waste management (RA 6969). The Logistics team, on the other hand, monitors compliance of our third party scrap dealers accredited for the transport and disposal of our hazardous wastes.

We employ Pollution Control Officers (PCOs) who have sufficient technical training and background on environmental management, pollution abatement and environmental laws and regulations. These qualified personnel monitor hazardous wastes and submit necessary reports to the DENR. PCOs actively promote our environmental awareness and pollution prevention programs and implement an effective environmental management framework to ensure that we have no violations.

In 2021, PLDT and Smart signed a tripartite partnership with the DENR through its Environment Management

Bureau (DENR-EMB) Region 3 and DENR-accredited provider JMR Trade & Transport Services (JMR) for an initiative aimed at the proper collection, transport, disposal, and recycling of electronic and hazardous waste from cell sites and offices.

E-waste includes discarded phones, tablets, computers, chargers and device accessories, while hazardous waste includes used lead acid batteries (ULAB) and fiber optic cables. The involvement of DENR-EMB Region 3 covers coordination with other regional offices to provide support to the waste recovery project. The agency will also link PLDT and JMR to its network of scientific researchers and experts.

The DENR partnership also supports PLDT and Smart's long-running partnership with the PBSP for its battery recycling program. The program involves ULABs disposed of getting a trade-in value which is then used to fund educational projects. Recycling proceeds or the ULAB Fund is primarily used for building classrooms, especially in remote areas. From the start of the program in 2006, the initiative has funded the construction of 44 classrooms nationwide. This battery recycling initiative benefits employees, communities, and regulators.

PLDT also partnered with the United Nations Industrial Development Organization (UNIDO), the DENR and the EcoWaste Coalition to educate communities on effective management of e-waste and safe polychlorinated biphenyls (PCBs). Teachers and students from San Agustin Elementary School and Nova Homes Day Care Centers in Barangay San Agustin in Quezon City were the latest recipients of digital learning tools from PLDT and Smart, as incentive for their community's effective e-waste management efforts.



PLDT and Smart, through its Logistics and Sustainability teams signed a partnership agreement with the DENR and its accredited provider JMR Trade & Transport Services on June 4, 2021.

We also turned over School-In-A-Bag (SIAB) packages and LearnSmart Kits to the community, in support of the e-Waste to e-Learn initiative of UNIDO. All e-waste surrendered by community members from July to September 2021 earned equivalent points and cumulative scoring for the e-waste collected in the barangay determined the incentives awarded to the beneficiary schools. Outstanding participants were then rewarded with SIABs and digital tools to help schools in their area address some of the challenges of distance learning during the pandemic lockdowns.

306-3

Hazardous Waste (in metric tons)	2021	2020	2019
Total consumption	493	594	246
Fixed	206	156	186
Wireless	286	438	60



Awarding of the LearnSmart Kits and SIAB to the recipients of PLDT-Smart, DENR, and UNIDO's E-Waste to E-Learn Program on October 22, 2021

Climate-related Risks

Governance

The GNSC oversees the practice, prepares the strategy, and provides guidance on climate-related risks. The CSO and GRMD ensure that these strategies are implemented, and the directives are enforced.

From the top-down perspective, the GRMD ensures that climate-related risks are considered by each business unit in risk assessment to their respective operations. The CSO, on the other hand, is tasked to continue to raise awareness of these risks, working together with the operational units to identify climate risks, as well as action plans to mitigate their risks and potential impact.

We continue to follow the TCFD recommendations to evaluate how climate change regulation may affect the prospects of our subsidiaries and other entities whose securities we hold, analyze how climate change affects the value of our investments, and plan our business strategies with various climate change scenarios in mind.

PLDT also implements a standardized Business Continuity Management System (BCMS) dedicated to improving organizational resilience through the protection of critical business functions which may be affected by climate change-related risks. The Enterprise Business Continuity and Resilience Office (BCRO) was created under the office of the President and CEO to oversee the BCMS management strategies and programs that would prepare PLDT to deal with various types of operational and business disruptions.

Strategy

Climate change brings with its potential challenges arising from physical and regulatory risks. For one, climate change increases the frequency and severity of weather-related disasters. The occurrences of these natural disasters could adversely affect our operations and financial conditions. Being in a part of the world exposed to extreme weather events brought about by the changing climate, we acknowledge that we need to take stock of our risks, study their impacts, develop adaptation strategies, and work on mitigating identified risks. Our network operates cellular towers, domestic and international transmission facilities that include terrestrial and submarine cables, and data centers to deliver service to our customers. During severe weather events such as typhoons or flooding, these facilities could be adversely affected, which in turn impacts our ability to operate.

As part of the plan to mitigate such physical risks, resiliency and redundancy is an integral part of our network architecture. This includes reinforcement of

cellular towers to withstand high velocity wind load speeds, redundant loops in our transmission network, route diversity for our cable systems, as well as disaster recovery plans in place that will ensure the soonest restoration of service after an outage.

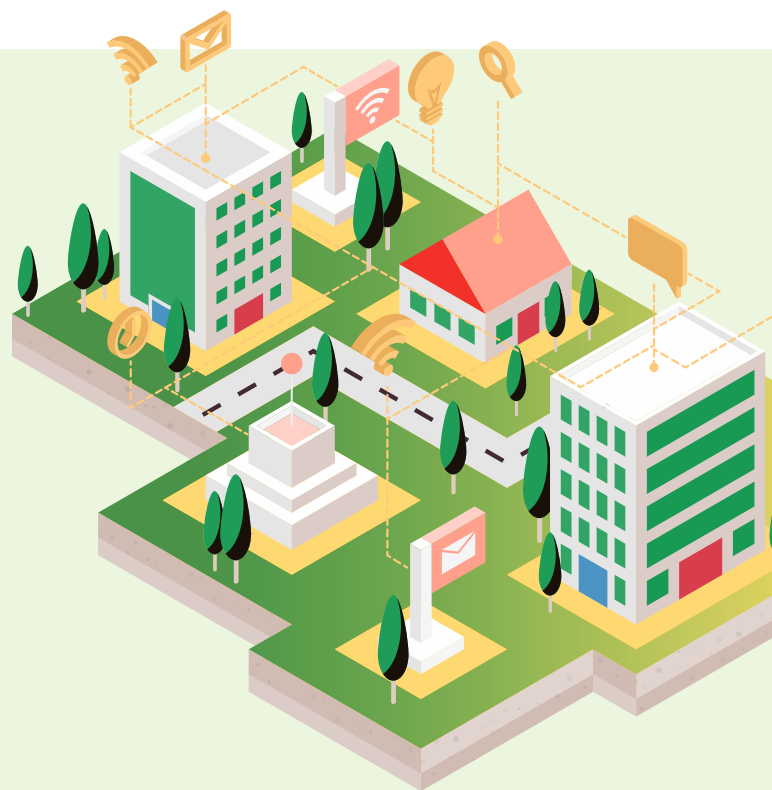
We also anticipate that the government will eventually create more regulatory directives in response to the potential impacts of climate change, such as the new RA 11285 or the Energy Efficiency and Conservation Act. In April 2021, we submitted our first Annual Energy Efficiency and Conservation Report (AEECR) and Annual Energy Utilization Report (AEUR) to the Department of Energy as required under RA 11285. We also commence with energy audits of all facilities classified as Type 1 and Type 2 Designated Establishments. Type 1 Designated Establishments are companies with 4M kWh total consumption annually, while Type 2 Designated Establishments are companies with 500K to less than 4M kWh total energy consumption annually. We consider this new policy as a guide to shape the development of our energy-related greenhouse gas emission reduction strategy which will underpin our long-term outlook for energy. This serves as the foundation for determining the business environment, and our consequent strategies and investments.

For instance, we have begun outlining our decarbonization roadmap to 2030, with a greenhouse gas (GHG) reduction working target of 40% for our combined scope 1 and scope 2 emissions. These account for 30% of PLDT's overall emissions coming from a 2019 baseline. The rest are Scope 3 emissions, which come from our supply chain.

Abatement initiatives have been identified to achieve the reduction goal. For scopes 1 and 2, we identified programs on carbon neutral fleet, genset and energy consumption optimization, use of solar power energy in facilities as well as the increased purchase of renewables as key reduction programs. We plan to participate in the Green Energy Option and Retail Competition and Open Access Programs of the DOE to increase the proportion of green energy vis-à-vis our total energy use.

Our long-term strategies allow us to look at the potential business impact of risks/opportunities and to create mitigating actions and/or act on opportunities if so required. For example, we give priority to climate risks by strengthening our Business Continuity Plan (BCP) and formalizing the Crisis Management Plans as controls for this risk. We also give more focus to planning for more resilient infrastructure and processes.

We, therefore, deemed it necessary to institutionalize a BCP that would help prepare a line of defense that would minimize impact and restore normal operations



and service delivery as quickly and safely as possible after the occurrence of natural disasters.

Risk Management

We had a Climate Risk Assessment for PLDT in 2020, outlining enterprise exposure to Policy (Transition Risk), Physical, Market, and Reputation risks. The third-party assessment covered climate-related transition and physical risks, the identification of opportunities for PLDT to improve its processes for addressing the climate-related risks, and the opportunities to improve disclosure to address the identified gaps. It has been cascaded to relevant business units for planning and proper handling as well as regulatory risk monitoring.

The GRMD ensures that this is done by encouraging the adoption of a standard risk management process focused on the need to properly identify, analyze, evaluate, treat and monitor risks that may affect the achievement of business objectives. The implementation of the ERM process ensures that critical risks are well understood and effectively managed across all our functions and units.

The CSO assists the GRMD in reviewing climate-related risks and opportunities, including regulatory risks and risks associated with the global transition to a low-carbon economy (transition risks).

In 2022, an Emergency Operations Center (EOC) was set-up. It is a centralized monitoring command center which any employee can access through a dedicated number. The EOC will be activated 24/7 in the event of disasters, emergencies, or other special events.



Metrics and Targets

The Group's GHG emissions arise from several sources, including network operations, deployment of network equipment, building operations, and fleet transport. We are focused on finding collaborative solutions to address our impact by adopting the use of energy efficient networks and infrastructure support systems. With the move towards edge computing which allows our network to operate closer to the customer in a decentralized network set-up, we are able to use network equipment that can be housed in smaller, cost-efficient structures that consume less power and subsequently reduce carbon emission. We also plan to increasingly partner with network equipment providers that offer energy-efficient technologies as well as provide recycling and reuse capability.

Scope 1 emissions, or the direct GHG emissions from organizational operations and derived from the consumption of diesel and gas were recorded as 43,420 tCO₂e, and the intensities of GHG emissions normalized by total full-time employees was 2.49 tCO₂e/employee and 0.22 tCO₂e per million peso of revenue. Meanwhile, Indirect (Scope 2) GHG Emissions, which refer to emissions from the consumption of purchased electricity, amounted to 609,378 tCO₂e and were all purchased from the electricity power grid. The intensities of GHG emissions normalized by employees was 34.93 tCO₂e/employee and 3.05 tCO₂e per million peso of revenue.

Forming part of our efforts to reduce our carbon footprint are a migration towards greater use of digital platforms for our transactions, including the reduced use of paper through paperless billing.

The Company intends to source more renewable energy for its operations such as direct generation of solar power and procurement of renewable energy from the Retail Electricity Spot market. We will increasingly use fuel cell for batteries that operate our cell sites, as well as the use of hybrid generators. To complement our carbon reduction initiatives, we will consider programs that could be used to offset our carbon footprint.

When we announced our full year 2021 results on 3 March 2022, we previewed a decarbonization roadmap which aims for a GHG reduction target of 40% in Scopes 1 and 2 and has identified key GHG abatement initiatives, as described on page 15. The 40% reduction is broadly in support of the global ambition to limit global warming to less than 2°C. We are in the process of fine-tuning this roadmap to include other reduction initiatives as well our Scope 3 reduction target and will announce the same in due course.

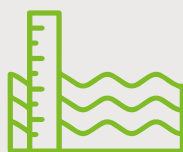


Analysis based on the TCFD framework:

Policy (Transition) Risk: Low	<p>Current government has not yet signaled the possible use of carbon tax measurements to encourage action to reduce GHG emissions aligned with the Paris Agreement (where the Philippines is a signatory).</p> <p>As a proactive internal measure to quantify this risk, we will:</p> <ul style="list-style-type: none"> Set an internal carbon price to simulate our policy risk relative to our GHG emissions Consider carbon risk exposure in making investment decisions to aid us in cleaner alternatives and ultimately reduce our carbon footprint
Market Risk: Low	<ul style="list-style-type: none"> Market risk exposure based on calculated profit at risk (EBITDA at risk) of the Top 100 Enterprise/Carrier clients Impact is based on the assumed carbon pricing related to the client sector's GHG emissions Market risk exposure for consumer market in the second phase of quantification deemed immaterial on a stand-alone basis
Reputation Risk: Medium	<ul style="list-style-type: none"> Potential increased stakeholder concern or negative stakeholder feedback as a climate-related reputational risk, affecting talent attraction/retention, long-term customer relationships, access to capital, license to operate, and ability to attract investors The overall risk exposure is determined through a matrix by Industry Group, Carbon Global Standard Impact Classification, Carbon Intensity Decile Ranking, GHG Transition Pathway & Climate Strategy Score. Based on the preliminary benchmark with industry peers, PLDT has a medium exposure similar with our regional and global counterparts
Physical (Acute and Chronic) Risk: High	<p>According to the 2020 Global Climate Risk Index, the Philippines, next to Japan, is the country most affected by climate change. Given this, PLDT and Smart face high physical risk and exposure to stronger typhoons, rising temperature, depletion of potable water sources due to climate change.</p>



Stronger typhoons are expected from 2021 to 2050 thereby exposing all our facilities and infrastructures to high risks of damages.



83% of our sites are likely to have difficulty sourcing water by 2030 especially those located in highly urbanized areas.



Almost the entire country will experience higher temperatures relative to local climatic conditions. Higher excess heat factor places our facilities at risk.



Commitment Pillar



Commit to the highest standards of business ethics and corporate governance requirements that will guide our business operations



Corporate Governance



Enterprise Risk Management (ERM)



Ethics and Compliance



Supply Chain Management



Keeping our networks secure: Cybersecurity



Keeping our customers safe: Data Privacy



Enterprise Business Continuity and Resilience

Ethics and Compliance

102-16, 102-25

We believe that the only way to achieve our goals is through our commitment to the highest standards of business ethics, guided by the principles of Accountability, Integrity, Fairness, and Transparency.

These foundational principles are articulated in the processes and practices which are institutionalized in the policies that we share publicly through our Company website, including:

Manual on Corporate Governance (CG Manual) -

Our 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 entrusts powers, authorities and resources for the execution of such functions and responsibilities. The CG Manual provides, among other matters, the composition and responsibilities of the Board, the Company's duties towards its shareholders in general, its minority shareholders and its other stakeholders, and the Company's obligation to comply with applicable disclosure rules.

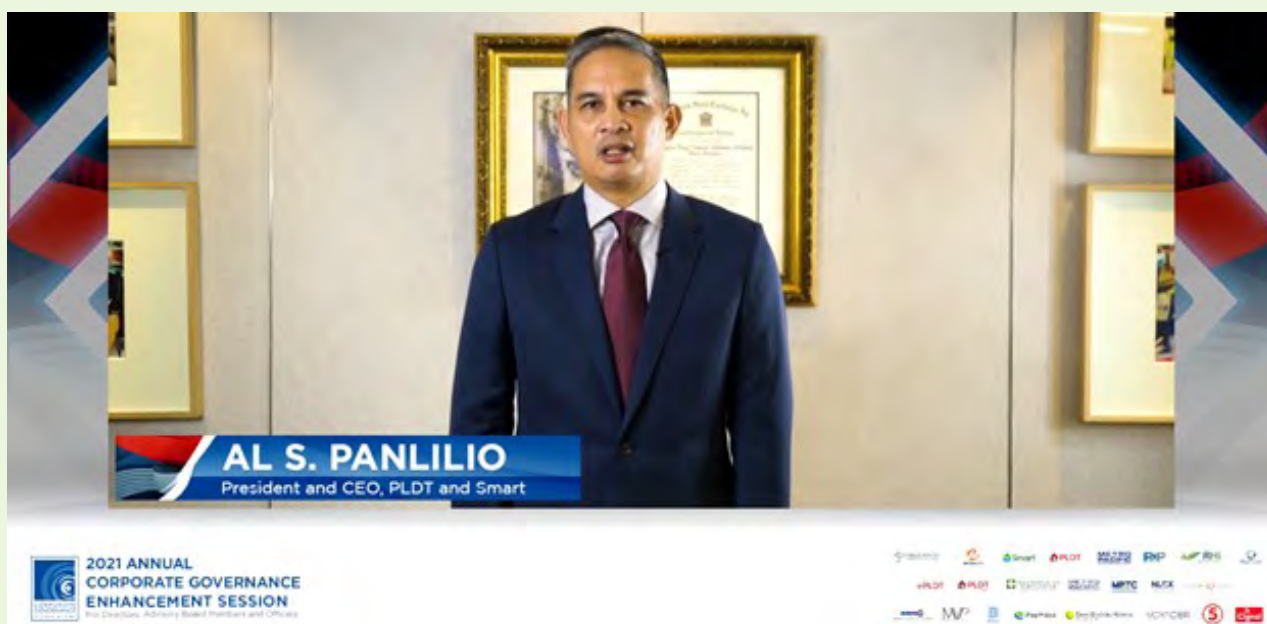
Code of Business Conduct and Ethics (Code of Ethics) -

Our Code of Ethics defines the Company's corporate governance principles of integrity, accountability, transparency and fairness, which the Company shall observe in the conduct of its business. It sets the governance and ethical standards that shall govern and guide all business relationships of the Company, its directors, officers and employees.

The implementation of the Code of Ethics is reinforced by enabling policies such as the Supplier/Contractor Relations Policy; Expanded Whistleblowing Policy; Gifts, Entertainment and Sponsored Travel Policy; and Policy on Gift-Giving Activities which, in conjunction with the Code of Ethics, embodies the Company's anti-corruption policy.

Anti-Corruption Policy - The Company's anti-corruption policy, as embodied in the Code of Ethics and Policy on PLDT's Gift-Giving Activities, prohibits direct and indirect bribery and corrupt practices in compliance with applicable laws and regulations. For the effective implementation of the anti-corruption policy: (a) it provides specific guidance, procedural safeguards and internal controls pertaining to the offering or giving of gifts which are prohibited or those which are regulated by law; (b) its implementation is reinforced by related policies such as the Company's Corporate Governance Guidelines for Suppliers which prohibits bribery in connection with business transactions involving the Company and its suppliers, as well as Company policies on Gifts, Entertainment and Sponsored Travel, Whistleblowing, Supplier/Contractor Relations and Conflict of Interest; and (c) it is carried out through appropriate monitoring and preventive measures, which include internal controls, training and communication programs, whistleblowing facilities, third party due diligence and enforcement mechanisms.

Conflict of Interest Policy (COI Policy) - The COI Policy mandates the avoidance of any actual or apparent COI situation. Directors, officers, employees and consultants are enjoined to promptly disclose the COI situation, seek approval from the appropriate authorities and inhibit from any action, decision



or transaction involving such COI. The Company has established an online COI disclosure system to facilitate the immediate disclosure and risk assessment and management of such conflict.

Material Related Party Transactions Policy (MRPT Policy) – The MRPT policy covers related party transactions that meet the Materiality Threshold as therein defined and covers PLDT and the PLDT Group. It provides the processes, controls and safeguards for the proper handling, including review, approval and disclosure, of such related party transactions in accordance with applicable laws and regulations. MRPTs are reviewed by the Audit Committee, which is composed entirely of independent directors, and subject to approval by the Board.

Policy on Gifts, Entertainment and Sponsored Travel (Gifts Policy) and Policy on Gift-Giving Activities -

The Gifts Policy provides safeguards in 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 Policy on Gift-Giving Activities provides guidance and procedural safeguards with respect to gift-giving activities to government officials and employees and to business partners, for or on behalf of PLDT. The Policy seeks to ensure that such activities are compliant with applicable laws, respectful of the intended recipient's gifts policy, and consistent with the Company's core values and policies. The Company has established an online Gifts disclosure system to facilitate the immediate disclosure of offers or receipt of Gifts from third parties.

Supplier/Contractor Relations Policy (S/C Relations Policy) - The relationship between the PLDT Group and its suppliers is an important component to achieve effective business performance while ensuring ethical business practices. The S/C Relations Policy provides rules for arm's length transactions and fair treatment of prospective and existing suppliers. It adopts the process of supplier accreditation and competitive bidding, as a general rule, to ensure that contracts are awarded only to qualified and duly accredited suppliers who offer the best value for money for the Company's requirements.

Expanded Whistleblowing Policy (EWB Policy) - The EWB Policy provides guidelines on handling employee disclosures or complaints regarding violations of Corporate Governance Policies, questionable accounting or auditing matters, and other violations and offenses covered by the Company's Human Resources Manual that are not covered by the first two classes of violations. The EWB Policy protects whistleblowers and witnesses from retaliation and in

compliance with SOX 404, the EWB Policy provides a system for the disclosure or filing of a complaint by an employee who, in good faith, believes that the Company or any colleague is or has engaged in illegal or unethical conduct. To ensure confidentiality in the handling of a disclosure or complaint, PLDT maintains a Whistleblowing Helpline and other reporting facilities such as a dedicated electronic mailbox, post office box, and facsimile transmission system. Anonymous disclosures or complaints are allowed and duly processed, subject to certain conditions. In all processes and activities related to a whistleblowing disclosure/complaint, utmost confidentiality is observed to ensure the integrity of the process and protect the parties, employees or officers who are allegedly involved therein.



The Company reviews all corporate governance policies at least once every two years to ensure that they are appropriate for PLDT, benchmarked with global best practices, and compliant with applicable law and regulations. In 2021, the Gifts Policy, Policy on Gift-Giving Activities, EWB Policy and S/C Relations Policy were reviewed by the PLDT Board acting through its Governance, Nomination and Sustainability Committee and were determined to remain compliant with applicable laws, regulations and best practices and are appropriate for the Company.

PLDT benchmarks against recognized international best practices and monitors developments in corporate governance to elevate the Company's CG policies, practices and processes to global standards as it promotes ethical corporate culture and strives



to go beyond compliance. The Company's initiatives include adherence to laws and regulations covering labor, environment, and commercial aspects of the business. For instance, compliance to the Labor Code has meant advocating for human rights, as well as following Occupational Safety and Health Standards (OSHS) to ensure a safe workplace environment for our employees.

Our key subsidiaries have adopted corporate governance rules and policies similar in substance and form to these corporate governance policies, appropriately adapted to their business environments and contexts. They have also appointed their respective corporate governance or compliance officers.

At the same time, as a publicly-listed Philippine corporation, we are covered by corporate governance rules and regulations of the Philippine Securities and Exchange Commission (SEC) and the Philippine Stock Exchange (PSE). At the same time, we comply with the applicable corporate governance standards of the United States since its American Depositary Shares are listed and traded in the New York Stock Exchange (NYSE). As an associated company of First Pacific Company Ltd., which is listed in the Hong Kong Stock Exchange, we also look to the corporate governance standards of Hong Kong for guidance and benchmarking purposes.

In 2020, PLDT was awarded as one of the top companies in the region in the ASEAN Corporate Governance Scorecard (ACGS) for the year 2019. PLDT, together with 17 other Philippine Publicly Listed Companies (PLCs), was recognized as one of the ASEAN Asset Class Publicly Listed Companies (PLCs) referring to companies with a score of 97.5 and above in the international benchmark.

We continue to benchmark against recognized international best practices and monitor developments in corporate governance to elevate the Company's CG structures, processes, and practices to global standards as it endeavors to venture beyond compliance and promote an ethical corporate culture.

This includes committed adherence to laws and regulations covering labor, environment, and commercial aspects of the business. For instance, compliance to the Labor Code has meant advocating for Human Rights for all as well as driving Occupational Safety and Health Standards (OSHS) to ensure a safe workplace environment for our people.

The same level of diligence is invested to ensure that prerequisite ECC required of business units prior to the commencement of certain projects, are duly acquired. Additionally, PLDT complies with the monitoring and reporting requirements to ensure the effectivity of ECCs granted.

We conscientiously adhere to the Consumer Protection Act and the guidelines set forth by the Ads Standards Council, ensuring that our customers are provided with complete and accurate information about our products and services. With customers as our north star, we fully support the government's Antitrust laws that protect consumers from predatory business practices and ensure fair competition. Our Legal Department conducts contract reviews and reviews of transactions to uphold this principle and preserve the relationship with the customers we aim to serve.

Tax

Tax Jurisdiction: Philippines (in million PHP)	2021	2020
Total Employees	17,446	17,571
Employee Wages & Benefits	25,344	26,833
Taxes withheld and paid on behalf of employees ¹	3,606	3,833
Taxes collected from customers on behalf of a tax authority ²	10,016	11,310
Industry-related and other taxes or payments to governments		
Real Property Tax	242	240
Documentary Stamp Tax	14	309
Significant uncertain tax positions	N/A	N/A
Balance of intra-company debt held by entities in the tax jurisdiction ³	22,547	23,347
Revenues from third-party sales	N/A	N/A
Revenues from intra-group transactions with other tax jurisdictions ⁴	16,220	8,723
Profit/loss before tax	34,154	33,021
Tangible assets other than cash and cash equivalents	519,805	451,977
Corporate income tax paid on a cash basis	5,130	4,452
Corporate income tax accrued on profit/loss	7,478	8,441

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 196 of the Annual Report

Note:

All figures above are the consolidated numbers of PLDT group.

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

The PLDT Group reinforces its commitment to creating value for its stakeholders by the efficient management of the costs to comply with its tax obligations. Standards for tax governance and management are set out across the Group through a responsible and sustainable tax strategy that is overseen by the Board of Directors and Audit Committee and executed by the Tax Group.

Our approach to tax is aligned with our core business principles of accountability, integrity, fairness, and transparency. We ensure that our tax affairs are conducted in full compliance with all applicable national and local tax laws and practices. This demonstrates our understanding of how our tax contributions directly impact the development of the Philippine economy and the lives of every Filipino.

Our tax strategy is also guided by our Code of Business Conduct and Ethics which requires doing

business in accordance with the highest standards of ethics and endeavors. As part of this, we have an Anti-Corruption Program that embodies our zero tolerance approach to tax integrity issues. A whistleblowing policy is also enforced to encourage anyone in the company to act in good faith and freely communicate their concerns about illegal or unethical practices without any risk of retaliation.

We work closely with tax authorities in a cooperative and transparent manner by engaging them 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 plays a vital role in the sustainable growth of our business and the country as a whole.

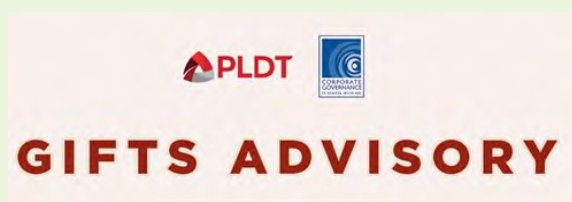
Policies on Anti-Competitive and Anti-Trust Behavior

PLDT supports the continued growth and development of the country's telecommunications industry, and welcomes robust market competition that benefits consumers. It strives to compete fairly through innovative and accessible products and services that address the needs of people.

PLDT therefore proactively works to ensure full compliance with competition-related laws, rules, and regulations as it diligently reviews all contracts that it enters into. PLDT's case against the Philippine Competition Commission ("PCC"), which was mentioned in the 2018 report, remains pending and is being handled by external counsel. The case is explained in the statement below:

In the Matter of the Petition against the Philippine Competition Commission

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 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 approve" status of the said transactions. In August 2016, the CA issued a writ of preliminary injunction enjoining the PCC to cease and desist from conducting further proceedings for the pre-acquisition review and/or investigation of the SMC Transactions. In April 2017, the PCC filed before the Supreme Court a petition to annul the writ of preliminary injunction issued by the CA. The petition remains pending with the Supreme Court.



Anti-Corruption 103-1, 103-2, 205-3

0 incidents

in which directors were removed or disciplined for corruption

in which employees were dismissed or disciplined for corruption

Incidents of corruption may erode stakeholder trust, damage reputation, and incur penalties from regulators, thereby adversely affecting company performance over time. Through the Company's anti-corruption policy, direct and indirect bribery and corrupt practices are prohibited.

Over the years, we have reached more employees by communication and training on the Company's anti-corruption policy, covering more than 99% of employees in 2021.

Communication programs include refresher courses and continuing online governance training and discussions on our Code of Business Conduct and Ethics ("Code of Ethics") and Policy on Gift-Giving Activities. Amid the continuing pandemic, these courses are available to employees on demand and communicated via email and workplace advisories. For the year 2021, 99.95% (11,327/11,333) of PLDT employees received communication on PLDT's Gift-Giving Policy on November 29, 2021 via Company email, in addition to Workplace and OneHub. All PLDT directors received communication on the Gift-Giving Policy on December 3, 2021, while PLDT consultants and advisors received the same on December 7, 2021. In Smart, 99.98% (5,464/5,465) of employees received communication on the Company's Gift-Giving Policy on December 1, 2021. These are in line with the Company's anti-corruption policy, relevant compliance requirements and its commitment to stakeholders to comply with relevant laws, consistent with the Company's core principles and values.

For directors, advisory board members, and officers, an annual in-house corporate governance training referred to as the Annual Corporate Governance Enhancement Session (ACGES) is organized by the Company in collaboration with other Philippine-based affiliate companies of First Pacific Company Ltd. on topics that are timely and relevant to the Companies and approved by the SEC. For PLDT employees, to facilitate continuous learning, 99.93% (11,328/11,336) received training in 2021 on the Company's corporate governance policies, including the Code of Ethics and Policy on PLDT's Gift-Giving Activities, while 99.91% (5,481/5,423) of Smart employees received similar training in 2021.

Percentage of employees who received **communication** on anti-corruption policies and procedures

PLDT
Smart
99.95%
99.98%

Employee Rank	2021					
	PLDT			Smart		
	Active Employees ¹	Received Communication	Percentage	Active Employees ²	Received Communication	Percentage
Rank and File	4,867	4,862	99.90%	2,576	2,575	99.96%
Management	5,660	5,660	100.00%	2,158	2,158	100.00%
Executives	712	712	100.00%	664	664	100.00%
Officers	94	93	98.94%	67	67	100.00%
TOTAL	11,333	11,327	99.95%	5,465	5,464	99.98%

Employee Rank	2020					
	PLDT			Smart		
	Active Employees ³	Received Communication	Percentage	Active Employees ³	Received Communication	Percentage
Rank and File	4,525	4,520	99.89%	3,050	2,644	86.69%
Management	5,927	5,927	100.00%	2,048	1,918	93.65%
Executives	657	657	100.00%	620	589	95.00%
Officers	87	87	100.00%	60	59	98.33%
TOTAL	11,196	11,191	99.96%	5,778	5,210	90.17%

Employee per Region	2021					
	PLDT			Smart		
	Active Employees ¹	Received Communication	Percentage	Active Employees ²	Received Communication	Percentage
LUZON	9,357	9,351	99.94%	4,739	4,738	99.98%
VISAYAS	1,062	1,062	100.00%	394	394	100.00%
MINDANAO	914	914	100.00%	332	332	100.00%
TOTAL	11,333	11,327	99.95%	5,465	5,464	99.98%

Employee per Region	2020					
	PLDT			Smart		
	Active Employees ⁴	Received Communication	Percentage	Active Employees ⁴	Received Communication	Percentage
LUZON	9,255	9,250	99.95%	5,002	4,498	89.92%
VISAYAS	1,014	1,014	100.00%	428	389	90.89%
MINDANAO	927	927	100.00%	348	323	92.82%
TOTAL	11,196	11,191	99.96%	5,778	5,210	90.17%

¹ Total Employee as of November 29, 2021 with active email address

² Total Employee as of December 1, 2021 with active email address

³ Total Employee as of November 20, 2020 with active email address

⁴ Total Employee as of December 14, 2020 with active email address

205-2

Percentage of employees who received **trainings** on anti-corruption policies and procedures

PLDT

Smart

99.93%

99.91%

Employee Rank	2021					
	PLDT			Smart		
	Employee Count	Received Training	Percentage	Employee Count	Received Training	Percentage
Rank and File	4,826	4,821	99.90%	2,551	2,549	99.92%
Management	5,702	5,701	99.98%	2,143	2,142	99.95%
Executives	713	712	99.86%	662	660	99.70%
Officers	95	94	98.95%	67	67	100.00%
TOTAL	11,336	11,328	99.93%	5,423	5,418	99.91%

Employee Rank	2020					
	PLDT			Smart		
	Employee Count	Received Training	Percentage	Employee Count	Received Training	Percentage
Rank and File	819	808	98.66%	538	509	94.61%
Management	1,224	1,218	99.51%	206	199	96.60%
Executives	145	141	97.24%	44	41	93.18%
Officers	11	7	63.64%	55	53	96.36%
TOTAL	2,199	2,174	98.86%	843	802	95.14%

Employee per Region	2021					
	PLDT			Smart		
	Required to take Training	Received Training	Percentage	Active Employees ²	Received Training	Percentage
LUZON	9,361	9,353	99.91%	4,698	4,693	99.89%
VISAYAS	1,062	1,062	100.00%	393	393	100.00%
MINDANAO	913	913	100.00%	332	332	100.00%
TOTAL	11,336	11,328	99.93%	5,423	5,418	99.91%

Employee per Region	2020					
	PLDT			Smart		
	Required to take Training	Received Training	Percentage	Active Employees ³	Received Training	Percentage
LUZON	1,706	1,683	98.65%	646	607	93.96%
VISAYAS	209	207	99.04%	101	100	99.01%
MINDANAO	284	284	100.00%	96	95	98.96%
TOTAL	2,199	2,174	98.86%	843	802	95.14%

*A risk-based approach to anti-corruption training was taken in 2020.

Anti-Money Laundering, Combatting Financial Crimes

In April 2021, PayMaya signed an Information-Sharing Protocol (ISP) agreement with the Anti-Money Laundering Council (AMLC) to help the government in its efforts to prevent and combat financial crimes in the country.

The ISP between AMLC and PayMaya serves as a bilateral agreement and cooperative framework for more efficient communication and collaboration to prevent and mitigate financial crimes in the country. PayMaya collaborates with the AMLC on information-sharing and capacity building to help strengthen the integrity of the Philippine financial system.

PayMaya also stepped up its efforts to combat financial crimes in its system by deploying anti-fraud detection tools, implementing a more stringent KYC process, and actively informing its users to avoid being victimized by fraudsters and other unscrupulous individuals.

PayMaya reiterated its commitment to fully support legislation and cooperate with government agencies to combat human trafficking, online sexual abuse, and the exploitation of children.

provides a comprehensive approach that is aligned to these global standards and makes full use of the Three Lines of Defense Model.

The **Three Lines of Defense Model** ensures that all levels of the organization contribute to managing enterprise risks. Risks are managed by ensuring controls are in place and crafting appropriate mitigation strategies.

The First Line of Defense oversees identifying and mitigating risks within their operational units, implementing and enhancing controls, and escalating critical risks.

The Second Line of Defense leads risk management activities by identifying necessary controls of the organization, cascade of controls to the First Line, and monitoring of effectiveness and execution. They assess overall exposure of the risks and are in charge of escalating critical risks to senior management.

The Third Line of Defense (Internal Audit) ensures that all declared controls, mitigation strategies, and corresponding timelines are implemented by risk and mitigation owners.

The Group Enterprise Risk Management Department (GRMD) started gradual implementation of the ERMF in the fourth quarter of 2020 and since then, a total of eight (8) business units have been engaged, with four (4) units operating as a First Line of Defense.

Implementation was focused on introducing risk management standards and principles, aligning the format and collection of risk data to a Risk Library, and standardizing measurement of risks (Risk Score) against likelihood and impact to six categories – people, finance, customer, governance, technology, and reputation.

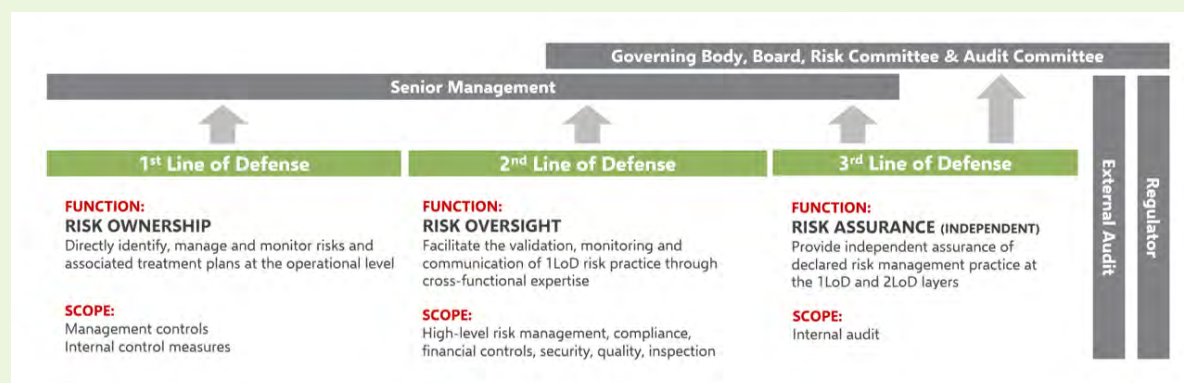
Risk Identification Analysis and Evaluation is supported by various activities across multiple levels of the organization using both Top-Down and Bottom-Up Approaches:

Enterprise Risk Management (ERM)

102-11

The practice of our corporate ethics is anchored firmly on the principles of Accountability, Integrity, Fairness and Transparency. That is why PLDT has aligned its risk management strategies to global standards that are built along the same principles: The ISO 31000 Risk Management Standard, COSO's Enterprise Risk Management Framework, the S&P Global Corporate Sustainability Assessment, and the GRI Sustainability Reporting Standards.

The Enterprise Risk Management Framework (ERMF) was enhanced in 2020 with the aim of raising the risk maturity level of the organization as the framework



Top-Down Approach

- The Top Risks of the organization are identified by the Top Management Level. These risks present the highest exposure to the company.
- Risk owners are identified for each risk to ensure accountability and that necessary controls are in place.
- Once approved, the report is cascaded to all business units for:
 - Input to strategic planning and budget formulation
 - Understanding potential impact to strategy and operations
 - Planning and formulation of risk mitigation strategies
- Risk mitigation strategies for top risks are reviewed at least annually by the RC but the review of risk mitigation strategies with the Unit Heads are and should be more frequent.

Bottom-Up Approach

- Business units identify both internal and external risks within their environment that directly impact their objective and strategies, and report to their respective heads. Risk identification takes into consideration the identified top risks from the Top Down Process.
- Units assess risks and introduce necessary controls or mitigation measures to ensure that they are within their declared risk appetite.
- Risks that have significant impact on the company's objective are communicated and escalated to the GRMD and Top Management. Risks that are deemed critical to operations are regularly presented to the Chief Risk Management Officer (CRMO), and presented at least annually to the Risk Committee (RC).

Risk operations were transitioned online during the pandemic: this involved discussion between the GRMD and other units, as well as quarterly presentations to the Risk Committees.

Meanwhile, Risk Mitigation is implemented across the enterprise, depending on the potential impact of the risk to the company's strategy.

For instance, operational risks are mitigated within the respective business units, while other units are engaged for risks that affect more than one line of business (cross-functional risks). Top Risks and their operational drivers are also cascaded to business units for proper mitigation. The ERMF supports this activity by ensuring risk ownership, consolidation of mitigation strategies, and monitoring of controls.

For the first half of 2021, the focus of efforts was to sustain roll-out of the ERMF and continue business unit engagement across all layers in the organization (Top-Down, Bottom-Up approach). This was achieved through:

- ✓ Ensuring oversight from the C-suite through risk management activities and quarterly meetings with the Risk Committee
- ✓ Regular cross-functional discussions among risk managers of various units to identify integration points and ensure accuracy of collected risk data
- ✓ Integration of education efforts (GRMD Cascade Series) to support ERMF adoption and standards compliance
- ✓ Calibration of the Governance, Risk, and Compliance (GRC) Platform to support the risk process

In the second half of the year, leadership changes for both the organization and the GRMD resulted in a new strategic focus: strengthening of the enterprise risk practice and anchoring of risk management activities to sustainability. This was supported through:

- ✓ Established operational processes to support COSO's Three Lines of Defense Model
- ✓ Transition of select First Line of Defense units to operate as the Second Line of Defense (2LoD). Implementation strategy focused integration of risk processes within business units that function as project approval gates. As of December 2021, pre-work with the Data Privacy Office and Cybersecurity Operations Group have been initiated.
- ✓ Alignment of activities with Internal Audit as initial effort in building a centralized risk data library
- ✓ Reorganization of GRMD to expand and support execution of new strategy
- ✓ Building and incubation of reputation management practice to address reputational risks

The company's risk management strategies are annually disclosed in the Corporate Governance Review for First Pacific Company Limited, the Annual Reports submitted to the US and Philippine Securities and Exchange Commission (SEC), and the PLDT Sustainability Report. An overview of the ERM framework and other relevant information are also made available on the corporate website.

Key impacts, risks, and opportunities

102-15, 201-2

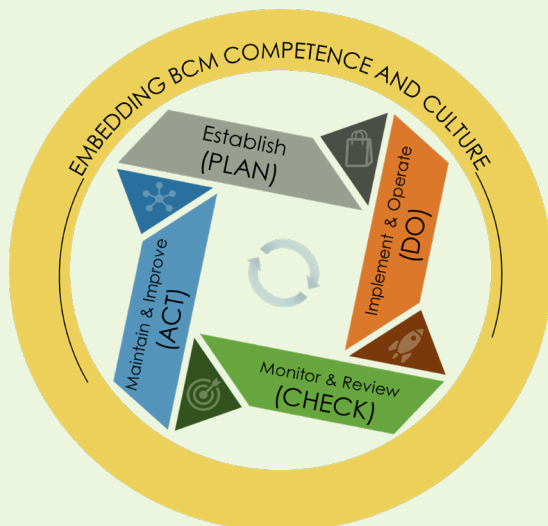
Top Risks in 2021	Impacts (Potential or Existing)	Opportunities
Prolonged pandemic	The crisis response programs from the government and its agencies included mobility restrictions and additional regulations that resulted to changing customer requirements.	The Company's agile operational processes and product and service delivery provide essential support for customers' accelerated digital transformation strategies
Slow economic recovery for the country	Our customer base changed their spending patterns and enterprises adjusted their strategies and plans according to the economic outlook for their families and organizations in the short term.	Offering an array of new packages and promotions that can respond to the new opportunities and needs of the market, the Company is a partner of growth for the country.
Increasingly competitive market	Additional players in the market campaigned to attract customers and compete for new subscribers.	The Company further strengthened its strategic position as an integrated telecommunications company to provide the market a comprehensive array of quality products and services that deliver all their digital communication needs.
Changing expectations on Customer Experience	As more and more customers enjoyed and experienced the conveniences of digital life, they also demanded reliability, higher security, and innovation from their telecoms provider.	Continuous innovation based on a holistic CX roadmap kept the Company focused on the needs of the customer, continuously developing processes and services that make customers happy.
Ability to successfully execute transformation programs	Barriers to transformation may prevent us from competing properly and hinder us in responding to our customers	Reorganization and shifting of strategic focus to support existing transformation programs
Increasingly competitive talent market	Aside from competitive wages and benefits, more and more professionals and local talents are seeking a meaningful career that enable and empower them to make an impact on their communities and on society as a whole.	Consistent practice of the Company values, along with its vision and mission for the country and its people, attracts the best talents who share the Company's values as an Equal Opportunity Employer who enables Diversity and Inclusion and empowers a safe and healthy workplace of the future.
Continuing global threats and attacks on Cybersecurity and Data Privacy	Some companies remain fearful about undergoing digital transformation and customers rely heavily on industries and service providers to ensure protection at all times.	Continuous investment of resources on ensuring proper protection and enhanced capability to provide Cybersecurity and Data Privacy as part of the Company's sustainability strategy.
Politics and Governance	Changing socio-political environment brings uncertainty on continuity of regulations or on new regulations to expect and plan for.	Proactive engagement with regulatory bodies and thought leaders will articulate the Company's position on sustainable development and inclusive progress that will benefit our communities and stakeholders.
Climate Change	The increasing magnitude of impact brought about by climate events on communities' safety and on their economic enterprises emphasize how essential it is for the country to have strong and agile public services such as communications.	A well-studied comprehensive approach to sustainability programs and business continuity plans that factor in a Climate Change strategy demonstrates how the Company's responsible and ecologically conscious leadership is committed to all its stakeholders.
Risk Culture	Current attitudes and culture in dealing with risks may not be sufficient to encourage timely identification and escalation of risk issues that have the potential to significantly affect our core operations and achievement of strategic objectives.	Develop an integrated approach to building a risk culture anchoring on corporate sustainability, technology, and engaging risk education.

Enterprise Business Continuity and Resilience 102-11, 102-29

Despite the adversities brought about by the COVID-19 pandemic and recent typhoons that caused business disruptions, PLDT Inc., through its Enterprise Business Continuity and Resilience Office (BCRO), remains agile and creative in adapting to the changing environment by developing new and alternative ways to build organizational resilience with the capability for an effective response that safeguards the interests of key stakeholders, reputation, brand and value-creating activities.

Framework and Methodology

The Business Continuity Management System (BCMS) of PLDT and Smart is built on the Plan-Do-Check-Act (PDCA) model. With PDCA, risks and threats are identified, processes and response procedures to any type of business disruptions are improved, solutions are implemented in a methodical way and changes in the organization brought by different external factors are managed. Progress in BCMS implementation is being reviewed regularly which ensures that the processes are always responsive to the current and future risks, pursuant to the principle of continuous improvement.



PLDT Inc. worked on and maintained its ISO 22301 Business Continuity Management System Certification in 2021. With the pandemic still affecting business-as-usual, all ISO 22301 Certification efforts were still undertaken, albeit, virtually. Although there were obvious challenges in conducting virtual activities, the positive outcome resulted in more trainings conducted and more employees reached in terms of BCMS Awareness activities.

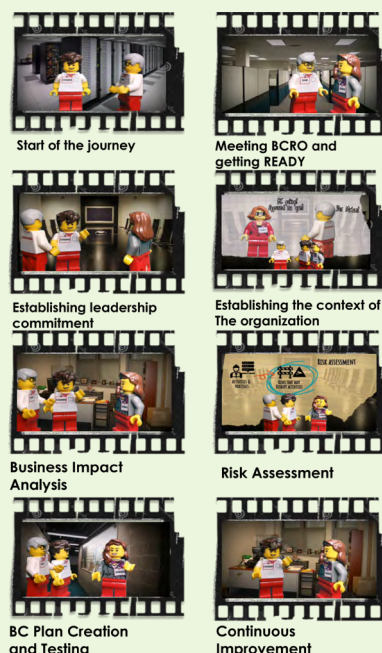
Embedding BCM Culture

Part of PLDT and Smart's Business Continuity (BC) is educating all the employees on what it means to have business continuity (BC) in the company. Every employee should be aware and familiar with BCMS. They should have a common understanding of their roles and responsibilities in the event of a disaster. To provide a company-wide BC Awareness, BCRO continually develops and improves the BCMS e-Learning. It tackles topics about basic BCMS processes, its importance and its application to our workplace and our daily lives.

In general, the goal of BC Awareness is for employees to be cognizant of:

- the BCM efforts made by the organization
- the organization's BCM response (in a wider sense)
- what they need to do during emergencies
- what they need to do to respond to an incident or to a disruption

E-Learning was launched in the PLDT Smart Learning University with the support from the Learning and Development Team. It is made available as a mandatory course for all employees, both the new hires and the existing employees. The platform is very accessible as it is available on desktop and for mobile phones. The compliance period runs for several months, within which the compliance percentage is monitored daily.



To further engage the employees and promote the effectiveness of BCMS e-learning as an awareness initiative, the Declaration of Compliance is included in the platform as a module. And as a part of the compliance monitoring initiatives, reminders and compliance advisories are blasted regularly.

BCRO in Action

Despite the COVID-19 pandemic's continued presence, PLDT and Smart remain steadfast and committed in achieving its international certification for business continuity. The ISO 22301 certification mainly covers network operations which include operational processes, business impact analysis and risk management system, operational planning and control, business continuity planning and testing, performance evaluation, internal audit process, and compliance to all legal, regulatory and other applicable requirements.

A total of 12 PLDT and 6 Smart Sites were certified by TUV Rheinland Philippines, Inc. Moreover, PLDT and Smart have transitioned its ISO 22301 international certification from Singapore Accreditation Council (SAC) to Deutsche Akkreditierungsstelle (DAkS) in Germany. The ISO 22301 Certification journey of PLDT and Smart demonstrates their strong commitment to the delivery of quality products and services to their customers and stakeholders.



Another value of having BCMS in place is gaining a competitive advantage. As part of our commitment in providing resilient services to its enterprise clients, BCRO proactively supports and directly addresses the specific BC concerns and queries of current and potential enterprise clients, clarifying and explaining to the latter the extensive contingency measures that have been adapted to mitigate the impact of incidents to company services.

In support of this, the company initiated specific programs to ensure that its third-party service providers are likewise equipped with appropriate business continuity processes that are aligned with us. Specific programs meant to build Supply Chain resiliency are being developed and expanded to foster maturity with our key service providers and suppliers.



In an environment where risks are not only evolving but likewise getting more complex, having a robust BCMS in place enables PLDT to provide critical services even under adverse conditions, with specific business units having their respective contingency response, restoration, and recovery procedures. Moreover, regular tests are done for such BCP's to ensure that the declared Recovery Time Objectives (RTO) and Maximum Tolerable Period of Disruption (MTPD) are properly and consistently met in different adverse conditions.

Apart from creating, arranging, and documenting BCPs, a more critical factor for a successful implementation of threat/risk response is to ensure that all employees involved are aware and informed of the contents of the plan. Employees who belong to PLDT & Smart's Regional Disaster Management Teams (RDMT) and the First Responders/Emergency Management Teams (EMT) are the main players in the Risk/Threat Based Response Plans, and it is imperative that they have a deep understanding on the various plans that they will be implementing. This prompted the initiative to have a series of nationwide cascade of the various response plans to RDMT's and EMT's through the #ResilienceSummitSeries. Two sessions of the Resilience Summit were conducted. The first session covers the various threat response plans of PLDT & Smart namely Crisis Communications Plan, Labor Action Plan, Facility Emergency Management Plan, Cyber Crisis Plan, and Network Disaster Recovery Plans, while the second session focuses on the COVID-19 vaccination for different regions.

The effectiveness of BCPs is practically evident when it is applied during an actual emergency or disaster. As telco companies, PLDT and Smart are vulnerable to a range of environmental risks which is a major consideration in conducting risk assessment and in the creation of corresponding BCPs. This is due to the fact that the Philippines is located along the typhoon belt in the Pacific which makes typhoons inevitable and being situated in the "Pacific Ring of Fire" makes the country vulnerable to frequent earthquakes and volcanic eruptions.

Typhoon Odette was one of the most powerful tropical cyclones that hit the Philippines in 2021 and had impacted South Luzon, Visayas, and Mindanao. Due to the strength of the typhoon, communication and power lines were down, infrastructures were damaged, and fuel and water supplies became a challenge. The availability of well-established network BCPs minimized the extent of the impact of the typhoon, helped in swift decision making, and enabled the affected groups and facilities in getting the support and relief they required.

BCRO supported these groups by overseeing the implementation of the various threat-specific business continuity plans. After the typhoon BCRO undertook a post-disaster analysis on the key lessons learned and items for improvement, wherein the response and recovery capabilities of the company were subjected to review and revisions, with the objective of improving readiness and speed of recovery.

Apart from meteorological threats, the COVID-19 pandemic still causes business disruptions up to this time. We have adapted to this new normal and continues to improve our emergency response in order to keep the business running. Alternative and hybrid work arrangements were implemented to ensure that network operations and customer support were uninterrupted. Those that were required to perform work in the office were provided with the highest level of protection and safety, while those working from home were provided with all the necessary tools and support for them to perform their functions at an optimal level. We also ensured that customer-facing employees were appropriately protected and trained to keep themselves and our customers safe. While there is an ever-increasing variety of threats which can cause business disruptions, we continue to strengthen our business continuity efforts to increase our resilience towards any types of business disruptions. Having a robust BCMS gives us confidence moving forward in knowing that the organization can effectively adapt and respond to a changing organization and risk environment.

Asset Protection and Security Risk Governance (APSRG) Sector

The year 2021 had been marred by various quarantine restrictions due to the pandemic. While this had put constraints on the mobility and operations of PLDT's security group, alternative and innovative initiatives launched by the Sector were able to overcome and compensate for these limitations, in order to fully support the company's objectives and goals.

Stakeholder Engagement: Partnering with the Public and Local Government Units (LGUs) in Securing Telecommunication Assets

The COVID-19 quarantines restricted people's mobility nationwide at some point, but criminal entities targeting PLDT's outside plant (OSP) assets still persisted in light of economic hardships and the fact that these illicit activities were already being done outside the rule of law.

With the end-view of addressing OSP loss incidents nationwide while ensuring seamless connectivity to PLDT's customers and stakeholders, PLDT-APSRG launched Case Operation Plan (COPLAN) "Scarecrow 2."

COPLAN Scarecrow aims to organize communities, especially in the barangays, to act as force multipliers and to be part of a network of people who proactively reports to authorities or to PLDT-APSRG if they witness someone stealing or causing damage to PLDT OSP assets. This network includes the residents in the barangay, the barangay tanods, and the local police force. It promotes co-ownership of our outside plant assets to the public, stressing on the impact of intermittent or zero connectivity if the cables are cut or assets are stolen by thieves. The resulting cooperation between the different stakeholders created a nationwide partnership between PLDT-APSRG, the populace and LGUs in securing our telecommunication assets.



Makati Barangay Secretary receiving Barangay Kits from Team Head of GMMS-APD Team as part of COPLAN "Scarecrow 2"

Enhancing Human Resources for Crisis Management and Incident Response

Training had been the focus of PLDT-APSRG to improve personnel competency in working either individually or as a team.

On Crisis Management, specialized threat management and response training sessions were conducted with focus on upgrading the skillset of frontline personnel – members of the different Asset Protection Divisions and the Emergency Management Team (EMT). Tailored for trainers, the course aims to equip the students, especially the members of APSRG, with the knowledge and competencies in training the members of the EMT.

In addition to this, the Water Search and Rescue (WASAR) rainings were likewise regularly conducted by PLDT-APSRG in coordination with the Philippine Coast Guard. This periodic training further enhances the skills of WASAR Teams and ensure the readiness of equipment like rubber boat, outboard motor, and other WASAR paraphernalia.

These preparations for disaster response served the company in good stead when PLDT's security team was tasked to provide rescue operations in the aftermath of Typhoon "Odette" in December 2021.

All these initiatives and activities form an integral part of the overall security readiness program of the company which ensures protection of corporate assets and operations, as well as our stakeholders, partners, and fellow Filipinos as part of our corporate social responsibility.



Security Risk Management Head conducting training on Security Threat Emergency Protocol Trainor's Course



Mindanao Asset Protection Division WASAR Team preparing for action.

Supply Chain Management

102-9, 103-1, 103-2, 103-3, 205-2, 205-3

PLDT recognizes that the procurement process is a key enabler of the company's sustainability journey and is a material aspect where we aim to move beyond due considerations of speed, cost, and reliability of operations. To inculcate our mission into every business process, we aim to include sustainable supply chain management goals of upholding environmental and societal values in this area.

Our Supplier/Contractor Relations Policy, enforced by the Procurement Management through strategic partnership with suppliers, has been crucial in allowing the Company to influence and monitor compliance. The policy enables us to uphold the highest professional standards of business practices and ethics in dealing with suppliers for the procurement of products and services.

Through this policy, PLDT promotes and implements standards of relationships with suppliers that embody the principles and values of integrity, fairness, transparency, and accountability. Directors, employees, and consultants are all mandated to maintain the Company's reputation for equal opportunity and honest treatment of suppliers on all business transactions.

The guidelines work together with other key policies such as our Anti-Corruption Policy and our Policy on Gifts, Entertainment, and Sponsored Travel, as well as the Implementing Guidelines on Solicitation and Acceptance of Gifts which regulates the suppliers from giving gifts and/or other favors to PLDT Group employees.

Also expected from all suppliers is compliance with the annual Conflict of Interest Disclosure where they are likewise required to submit Conflict of Interest Disclosure as part of Supplier Qualification which is forwarded to Corporate Governance Officer (CGO) for cross-checking.

Furthermore, there is the Procurement Policy whose provision on Health, Safety, and Environment states that all purchased goods and/or services of the Company must meet the applicable PLDT Group requirements as well as relevant rules and regulations of the government. It also contains the Code of Conduct for both Company employees and suppliers as well as provision for a hazard-based Emergency Response Plan to be included in the contracts with key suppliers.

Basic requirements requested from Suppliers are business permits which are submitted during the qualification phase. Business permits issued by Local Government Units in the Philippines have environmental components such as Sanitation Fee and Garbage Fee among others. Qualification for junk/scrap buyers under Logistics also requires an Environment Compliance Certificate (ECC) from the Department of Environment and Natural Resources.

In addition, the Pre-Contracts Management team enhanced the Procurement contract provisions to enforce various Sustainability Development Goals. The policy is enforced during the Supplier Qualification stage where suppliers are required to sign a Supplier Conforme, a document that includes an annex specific to sustainability principles for suppliers who share PLDT's values as a responsible business.

205-2, 205-3

100%

of business partners
have been communicated to on the
organization's anti-corruption policies
and procedures

0 incidents

of contracts terminated
with business partners
due to incidents of
corruption



In 2021, 401 suppliers underwent qualification screening, and 58 of whom were identified to have potential environmental impact. 100% agreed to integrate EESG into their core decision-making and to implement best practices to improve overall supply chain sustainability performance.

The process is further complemented by the Post Contracts Management team who implements monitoring mechanisms for compliance. In addition, the Company began implementing EHS-related audits on suppliers/contractors in 2021.

In 2021, the Company introduced efficiencies in supplier relations through several SAP Ariba solutions such as Supply Chain Collaboration, Supplier Lifecycle Performance Management, Sourcing, and Contracts Management. Enhancements on these solutions will continue and may introduce new features to further increase in process efficiency. Currently, collaborative planning and forecasting processes on various Procurement categories are being undertaken towards this goal.

Other initiatives implemented in 2021 were:

- Establishment of a three-year Radio Access Network (RAN) deal with our critical supplier partners to set the capacity projections for the entire Wireless Network requirement. Such visibility has improved the price competitiveness of the company's acquisition while enabling our suppliers to optimize supply chain process and manufacturing.
- Collaboration with suppliers to effectively reduce delivery lead time as raw materials and production capacity are planned ahead.
- Review and streamlining of the acceptance and payment procedure to ensure a better working relationship with our supplier partners.
- Company-wide implementation of Marketplace Business Network using SAP Ariba to fully automate and provide an easy, fast, and efficient way to transact our Procure to Pay process with our suppliers.

For 2022, the Procurement Management plans to include the discussion of sustainability initiatives in regular performance review with the suppliers. The discussion may include, but not limited to, initiating and/or recommending changes to the supplier's sustainability initiative based on best practice or alignment with PLDT and Smart initiatives.

Supporting Local Suppliers

103-1, 103-2, 103-3, 204-1

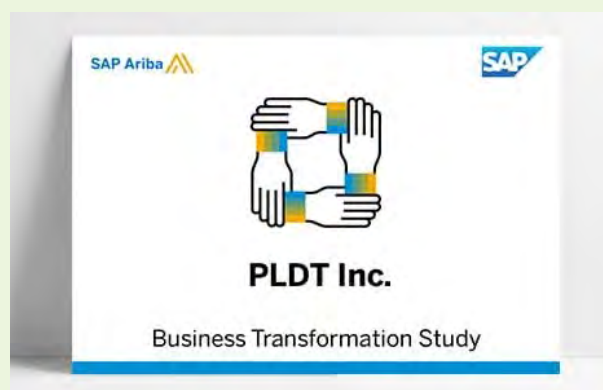
65% of procurement budget used for significant locations of operations that is spent on local suppliers

As we continuously seek improvement in all its processes, there is an ongoing update of the Procurement Policy and the Health, Safety, and Environment section is currently being expanded to cover other sustainability principles.

Majority of Procurement transactions or spend in 2021 were issued to Local Suppliers, demonstrating the Company's support for the local economy. The rest of the contracts were issued to Foreign Suppliers, as deemed necessary.

In many cases, particularly for offshore suppliers with innovative products and services, we successfully convinced said foreign suppliers to establish a locally registered company. The local presence enables faster response time and improves our cost base by developing local resources to sustain support. We also bridged several foreign sources with a reputable local fulfillment partner with a strong supplier relationship with PLDT.

We believe forging strong partnerships with strategic suppliers not only ensures a reliable source of goods and services currently needed but also provides access to technological advancement in the future. This can optimize the spend on new technologies which often require substantial investment.



Keeping our end-to-end infrastructure secure: Cybersecurity

103-1, 103-2, 103-3, TC-TL-230a.2

PLDT and Smart, through the Cybersecurity Operations Group (CSOG), developed a customized Cybersecurity Operational Framework based on international frameworks and standards to predict, prevent, detect, and respond against various security attacks. CSOG's internal processes are hinged on these functions which comprise our operations framework which consists of Predictive, Preventive, Detective and Responsive. Generally speaking, the Predictive framework refers to the pre-attack stage where in cyber threats are proactively identified long before it reaches the PLDT and Smart environments while the Preventive and Detective takes effect during an attack to minimize exposure and the Responsive framework for the post-attack in order to accelerate response to minimize impact to operational, legal financial, reputational and compliance risks. This approach is in line with the organization's mission in establishing a cyber resilient and trusted telecommunications and digital infrastructure.



Cybersecurity Operational Framework



The end-to-end operations were especially customized by CSOG for PLDT and Smart taking into careful consideration the threat landscape, our network infrastructure, and our products and services offered by the enterprise. PLDT and Smart's investments in protection technologies integrate these predictive, preventive, detective, and responsive capabilities.

Meanwhile, the Corporate Information Security Policy (CISP) and its supporting standards ensure implementation of the necessary controls to protect the company information assets and compliance with all

applicable legal and regulatory requirements. Among these are the following:

- Data Privacy Act of 2012
- International Organization for Standardization (ISO)
- Critical Security Controls Maturity Assessment
- Sarbanes-Oxley (SOX) Standards

PLDT's cybersecurity defenses are constantly upgraded against malicious and criminal attempts that use increasingly advanced techniques. Augmenting cybersecurity measures became more significant at the onset of the COVID-19 pandemic as PLDT facilitated more business transactions online and enabled work from home arrangements for staff.

PLDT adopted a multi-layered defense to reduce emerging threats, provide visibility into the threat landscape, slow down attackers' progress, and detect them before they could lead to significant damage to the Company's assets or adversely affect business operations. This updated defense model integrates the use of new technologies, such as the Internet of Things (IoT), cloud infrastructures, big data and analytics, web applications, and mobile devices, to establish effective protection against an expanding threat environment.

Information security risk assessments are performed on all new technologies, systems, platforms, and network elements that will be introduced and connected to any of PLDT Group network, using the services of external service providers, permitting access to the critical systems either by internal, external user or system accounts, and granting access from external locations outside PLDT Group network.

Relevant stakeholders are involved in the risk assessments of new projects, products, or services, as well as existing assets where emerging threats and noted vulnerabilities are discovered. Remediation for noted vulnerabilities are monitored and assessed in a timely and appropriate manner.



Consumer Protection

With the rise of digital transactions, the Philippine financial services industry has been experiencing higher fraud, security, and privacy breaches incidents. PayMaya and Maya Bank have obligations to keep stepping up security and data privacy on all fronts across our platforms, products, processes, and organization.

In 2021, PayMaya launched its #PayMayaFraudControl campaign to enable customers and employees to protect themselves against fraud attacks. The campaign has three components:

1. **Consumer Protection Awareness.** Advocacy to promote consumer protection through various communication assets posted on PayMaya's official accounts.
2. **Security and Privacy Awareness in the Workplace.** A gamified campaign for employees to better appreciate and retain relevant privacy and security knowledge to help them perform their tasks safely and securely.
3. **Awareness Testing.** Activities that measure the efficacy of controls and the privacy and security awareness level of the employees.

Keeping our customers safe:

Data Privacy 103-1, 103-2, 418-1, TC-TL-220a.1

2021 saw an increase in the number of scams conducted online and via SMS. Our Privacy Office and the Cybersecurity Operations Group worked in close collaboration with the NPC and the NTC to protect our customers. For instance, Smart was decisive in immediately acting to cut the scammers' capability to send out the phishing SMS that deceived mobile users into giving their personal information and parting with their hard-earned money. Smart also took timely remedial measures such as taking down the identified URLs used by the scammers, conducting a public information campaign to educate the public on the scammers' modus operandi, and sharing the results of its investigation with the regulators.

This year, the Data Privacy and Information Security (DPISC) Committee of the PLDT Board of Directors became fully operational. The PLDT DPISC is the first—and to date, the only—Board Committee on privacy and information security among publicly-listed companies in the Philippines.

The Committee has been studying the emerging risks in privacy and information security as well as the trends in regulatory approaches and global best practices in addressing those risks. The Chief Information Security Officer (CISO) and Chief Data Privacy Officer (CDPO) have kept the Committee abreast of key privacy and security breaches across the globe that had an impact on the Philippines, receiving guidance from the Committee in return.

The Privacy Office has also worked closely with the People Group to ensure that privacy and data protection measures were in place when the MVP Group embarked on its vaccination program called "We Got Your Vac". The vaccination program was directed

Number of substantiated complaints on customer privacy	250 Fixed	205 Wireless
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Number of complaints from regulatory bodies	0 Fixed	2 Wireless
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100% of complaints addressed

~4.1M Customers, users, and account holders whose information is used for secondary purposes

Total number of identified leaks, thefts, or losses of customer data	5 Fixed	6 Wireless
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*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.

at employees and their dependents. The Privacy Office assisted in the completion of a Privacy Impact Assessment (PIA) that was conducted to ensure that privacy risks were identified and addressed during the planning and implementation stages.

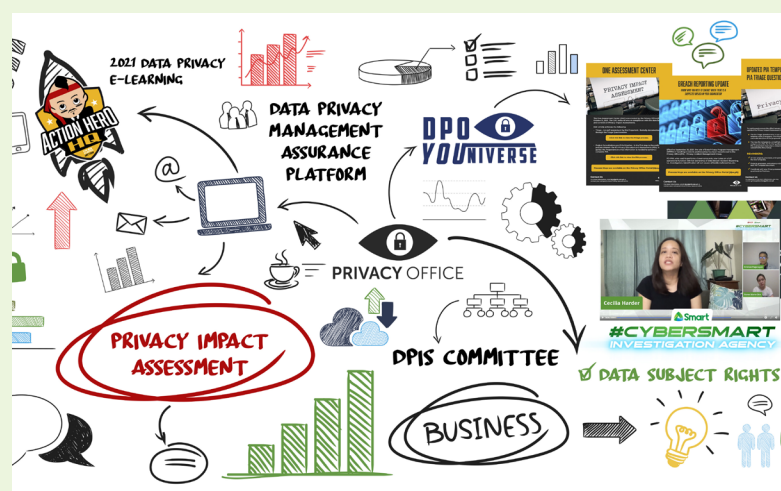
With the COVID-19 response resulting in unprecedented collection of data—including sensitive personal information—our Privacy Office ensured that data privacy is respected and protected by providing guidance and assistance in the creation and implementation of COVID-19 reporting and monitoring mechanisms for employees as well as retail stores' visitors. Guidance from the Privacy Office also ensured that sharing of personal data with the Government was done in accordance with the Data Privacy Act. The Company continued to improve its policies and processes based on the insights from its experience in managing various privacy programs, addressing privacy incidents, and responding to data subject concerns. In 2021, the Company updated its Breach Management Standards, Personal Data Privacy Risk Management Standards, Privacy Impact Assessment Standards—including a new PIA template, Records of Data Processing Activities Standards, and Privacy Management Program Standards.

The Privacy Office also ramped up the implementation of the Data Privacy Management Assurance Platform (DPMAP), which automates and digitizes the documentation for the Company's privacy

operations. The platform allows units to comply with the Company's privacy and data protection standards, supported by a world-class provider that operationalizes the enterprise software for privacy, security, and data governance. Automation started with Cookie Notice and Consent and, as of end of 2021, 19 websites are already compliant with active consent collection and enforcement of website cookies.

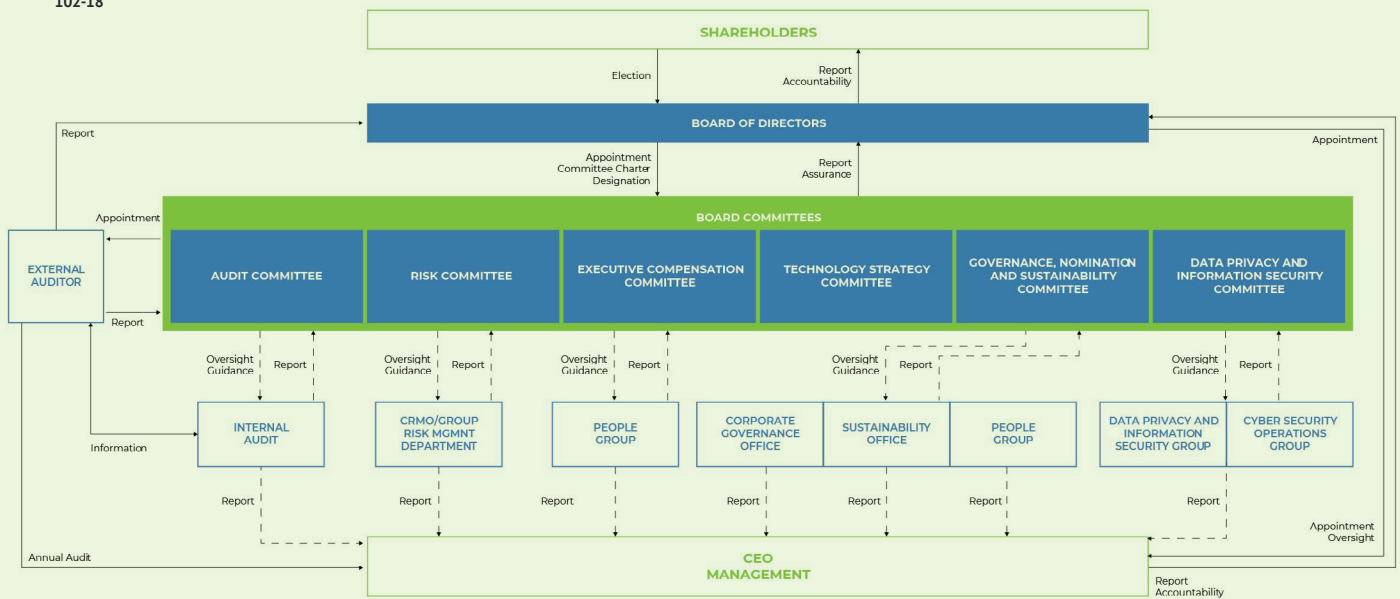
The Company's unceasing efforts to improve its Privacy operations have been recognized, with PLDT's "DPO YOUiverse", named as one of the finalists in the NPC's Privacy Awareness Week Awards for 2021 for the category, Personal Information Controller-Initiative of the Year. DPO YOUiverse is a privacy and data protection communication campaign for PLDT employees and consultants that aims to instill a culture of privacy within PLDT. It includes an annual e-learning course, a web series that depicts the everyday work experiences of employees as they deal with privacy and data protection issues, and regular infographics on various privacy-related topics.

The Privacy Office was also actively involved in the campaign for online safety: the #CyberSmart Online Caravan, which was a series of events geared toward students, teachers, and school administrators. The Caravan aimed to equip participants with the skills and knowledge to protect themselves in their digital activities. The Privacy Office discussed data subjects' rights and how these are important tools in ensuring that privacy and personal data are protected. The Privacy Office also answered questions on dealing with data breaches and remedies of victims of unauthorized use of personal data. The Privacy Office emphasized the importance of personal vigilance in protecting the students against privacy violations.



Governance Structure

102-18



The primary responsibility for ensuring good corporate governance in PLDT is vested in our Board. As the body entrusted with authority to act for and on behalf of the Company, acts of the Board, including its exercise of corporate powers, conduct of business, and control of the properties of the Company, are expressions of the will of its stockholders by whose mandate the Board was constituted.

With this mandate, our Directors perform their duties diligently and in good faith and devote sufficient time and attention for such purposes. As trustees of stockholders' and other stakeholders' interests, our Board and its directors act in the best interest of the Company and for the common benefit of its stockholders and other stakeholders.

Among the PLDT Board's duties and responsibilities are to ensure a high standard of governance and to promote and protect the interest of the Company, its stockholders and other stakeholders, including ensuring 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 Board oversees the Company's disclosure of material and reportable information regarding financial, non-financial and sustainability issues, including those concerning the management of economic, environmental, social and governance ("EESG") aspects of the business.

The Board of Directors provides strategic leadership in PLDT's governance. The Board oversees the corporate governance framework established to enable the Company to conduct its business in order to foster long term success, sustain competitiveness and create value for its stakeholders.

Our Board is composed of 13 qualified and competent members, each highly regarded in his or her respective fields and/or industry. Our directors possess complementary skills and expertise, and the requisite independence, probity and diligence as they exercise their fiduciary duties. Our Board has three independent directors selected on the basis of specific independence criteria set out under applicable laws and rules, our By-laws and CG Manual, who are free from any business or other relationships with PLDT and its subsidiaries which could, or could reasonably be perceived to, materially interfere with the exercise of independent judgment in carrying out their responsibilities as independent directors. Retired Supreme Court Chief Justice Artemio V. Panganiban was appointed by the Board as Lead Independent Director on June 9, 2020 and was re-appointed on June 8, 2021 pursuant to the Code of Corporate Governance for Publicly-Listed Companies. The Company does not have shareholder agreements, by-laws provisions, or other arrangements that constrain a director's ability to make objective decisions and vote independently.

Our directors are all business owners or leaders and hold, or have held, senior management positions. They all have extensive experience in their respective fields or industries, such as telecommunications, Information and Communication Technology (ICT), business processing, infrastructure, power, insurance, real property development, retail and agriculture businesses, law and public administration. Mr. James L. Go, Mr. Kazuyuki Kozu and Mr. Naoki Wakai, for example, have extensive experience in the telecommunications industry, the major sector in which PLDT operates.

The Board of Directors

102-22, 102-23

Manuel V. Pangilinan	Non-Executive Director (Chairman)
Alfredo S. Panlilio	Executive Director (President & CEO)
Artemio V. Panganiban	Independent Director (Lead)
Bernido H. Liu Bernadine T. Siy	Independent Directors
Non-Executive Directors	
Manuel L. Argel, Jr. Helen Y. Dee Ray C. Espinosa James L. Go	Kazuyuki Kozu ¹ Albert F. del Rosario Naoki Wakai ² Marife B. Zamora

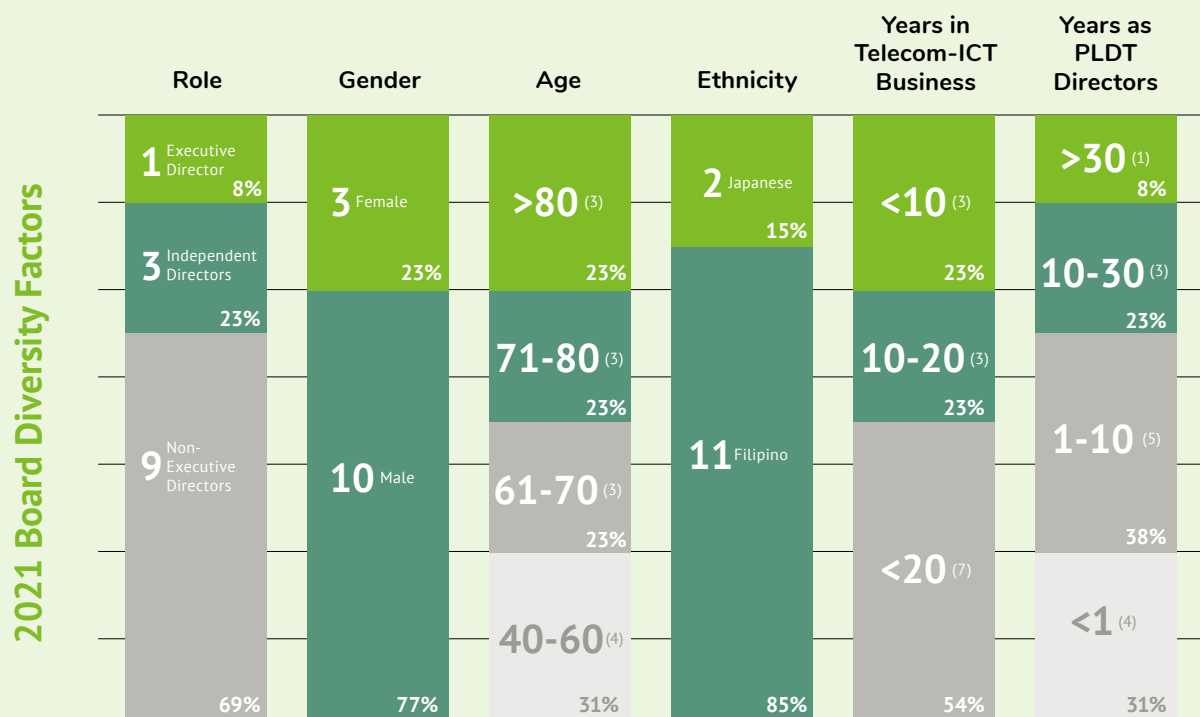
¹ Elected to the Board of Directors effective July 6, 2021, vice Mr. Junichi Igarashi who resigned effective at the close of business on July 5, 2021.

² Elected to the Board of Directors effective August 26, 2021, vice Mr. Shigeki Hayashi who resigned effective at the close of business on August 25, 2021.

PLDT considers having an optimally performing diverse Board an essential element to attaining the Company's strategic objectives and its sustainable development. PLDT's Board Diversity Policy articulates the Company's recognition of the enhanced quality of performance and decision-making capability 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, and length of

service, and is a combination of executive, non-executive, and independent directors.

The Company continues to improve its Board diversity with the election of four new directors in 2021: (a) the newly elected President and CEO; (b) two non-executive directors with extensive background on the telecommunications industry, and (c) a female independent director.



The Company's Board Diversity Policy provides that without infringing the cardinal right of stockholders to nominate and vote for the election of directors, the Governance, Nomination and Sustainability Committee and the Board shall 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 the case may be, for the Company 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 the Company.

For the purpose of selecting the members of our Board, the Governance, Nomination and Sustainability Committee follows the Company'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 relevant factors, such as conflict of interest and directorships and/or positions in other corporations. This process ensures that the selection of directors and independent directors is aligned with the Board Diversity Policy and the Company's Vision, Mission, and strategic objectives.

The directors are elected each year to serve until the next annual meeting of stockholders and until their successors are elected and qualified, except in case of death, resignation, disqualification or removal from office. On June 8, 2021, the Company held its Annual Stockholders' Meeting in virtual format where the directors/independent directors of the Company have been duly elected to serve as such for the ensuing year.

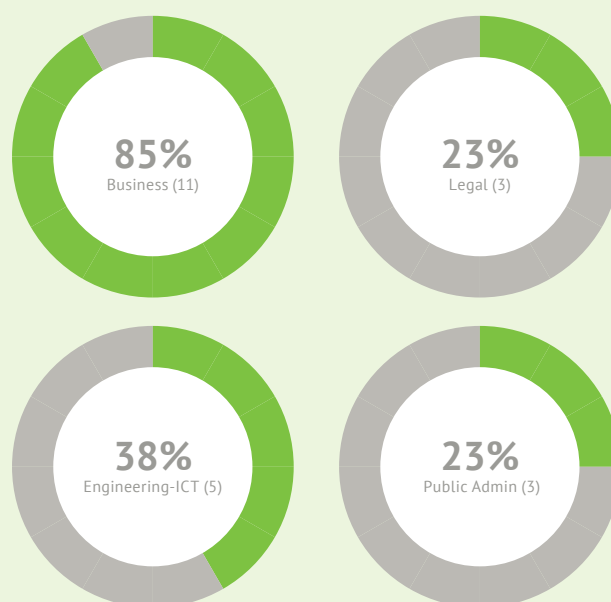
In 2021, the governance structure of the Board was further strengthened by way of: (a) a Board refresh with the election 4 new directors; (b) the positions of Chairman of the Board and Chief Executive Officer held by separate individuals; and (c) no executive director serves in more than two boards of listed companies outside of the group.

Three of the 13 members of the Board are female and two are Japanese citizens. All of them are qualified and competent directors with diverse and complementing skills, expertise, experience, and knowledge, which enrich the collective processes and practices of our Board.

The Board conducts an annual self-assessment to evaluate the performance of the Board as a whole, the Board Committees and the individual directors. Each Board Committee also conducts an annual self-assessment of its performance. This process enables the Board to identify its strengths and areas for improvement and elicit individual director's feedback and views on the Company's strategies, performance and future direction.

Director's Professional Background

Several of our directors have professional background and business experience in more than one field.



Board Committees

102-22, 102-23, 202-2

To aid in ensuring compliance with the principles of good corporate governance, our Board has constituted the following Board Committees: Audit; Governance, Nomination and Sustainability; Risk; Executive Compensation; Technology Strategy; and Data Privacy and Information Security Committees to assist the Board in the performance of its functions and responsibilities. The respective charters of the Board Committees provide that each shall have the necessary resources and authorities to discharge their responsibilities, including obtaining external legal or professional advice.

ADVISORY BOARD/COMMITTEE

Our Board is supported by an Advisory Board/Committee that provides guidance and suggestions, as necessary, on matters deliberated upon during Board meetings.

The Advisory Board/Committee is composed of:

Oscar S. Reyes
Roberto R. Romulo*
Benny S. Santoso
Orlando B. Ve
Christopher H. Young

*Until January 22, 2022. Mr. Roberto R. Romulo passed away on January 23, 2022.

RISK COMMITTEE (RC)

102-29

The RC assists the Board in the performance of its functions to: (i) oversee Management's adoption and implementation of a system for identifying, assessing, monitoring, and managing key risk areas; (ii) review Management's reports on the Company's major risk exposures; and (iii) review Management's plans and actions to minimize, control, or manage the impact of such risks.

The RC is composed of:

Artemio V. Panganiban, Chairman/
 Independent Director
Bernido H. Liu, Independent Director
Bernadine T. Siy, Independent Director
James L. Go, Member
Kazuyuki Kozu*, Member
Anabelle L. Chua, Non-voting member

*Mr. Kazuyuki Kozu was appointed as a member of the RC on July 6, 2021, vice Mr. Junichi Igarashi.

AUDIT COMMITTEE (AC)

The AC assists the Board in fulfilling its oversight responsibility for: (i) the integrity of the Company's accounting and financial reporting principles and policies, and system of internal controls, including the integrity of financial statements (FS) and the independent audit thereof; (ii) the Company's compliance with legal and regulatory requirements; (iii) the Company's audit process; and (iv) the performance of the Internal Audit organization and the external auditors (including the external auditors' qualifications and independence). For efficiency, the Board has determined that in lieu of creating a distinct Related Party Transactions (RPT) Committee, the AC's functions shall include the review of material RPTs and significant unusual transactions, in accordance with the materiality threshold set in the Material Related Party Transactions Policy and the Guidelines on the Proper Handling of RPTs or by the Board.

The AC is composed of:

Bernadine T. Siy, Chairman/Independent Director
Bernido H. Liu, Independent Director
Artemio V. Panganiban, Independent Director
Corazon S. de la Paz-Bernardo, Advisor
James L. Go, Advisor
Kazuyuki Kozu*, Advisor
Roberto R. Romulo**, Advisor

*Mr. Kazuyuki Kozu was appointed as a member of the AC on July 6, 2021, vice Mr. Junichi Igarashi.

**Until January 22, 2022. Mr. Roberto R. Romulo passed away on January 23, 2022.

GOVERNANCE, NOMINATION AND SUSTAINABILITY COMMITTEE (GNSC)

102-24

The GNSC assists the Board in the performance of its functions to: (i) establish the Company's corporate governance framework, principles, and policies and oversee their implementation and of continuing education and communication programs on good governance; (ii) develop and implement the Board's performance evaluation process, as well as the evaluation process for the annual review of Board Committees and individual directors' performance; (iii) review and evaluate the qualifications of the persons nominated to the Board and to other positions requiring appointment by the Board; (iv) identify persons qualified to become members of the Board and/or the Board Committees; (v) make an assessment of the effectiveness of the Company's nomination and selection process for the Board and Board Committees; (vi) establish the Company's sustainability strategy, framework, program, and policies and oversee their implementation; and (vii) oversee the Company's social investments and commitments to making meaningful impact to communities.

The GNSC is composed of:

Manuel V. Pangilinan, Chairman
Artemio V. Panganiban, Independent Director
Bernido H. Liu, Independent Director
Bernadine T. Siy, Independent Director
Kazuyuki Kozu*, Member
Gina Marina P. Ordoñez, Non-voting Member
Ma. Lourdes C. Rausa-Chan**, Non-voting Member
Melisa V. Vergel De Dios***, Non-voting Member
Alfredo S. Panlilio****, Advisor

*Mr. Kazuyuki Kozu was appointed as a member of the GNSC on July 6, 2021, vice Mr. Junichi Igarashi.

** Until January 24, 2022.

*** Appointed on November 4, 2021.

**** Appointed on March 22, 2022.

EXECUTIVE COMPENSATION COMMITTEE (ECC)

The ECC assists the Board in the performance of its functions to: (i) oversee the development of a compensation philosophy or policy consistent with the strategy, culture, and control environment of PLDT; (ii) oversee the development and administration of PLDT's executive compensation programs, including long term incentive plans and equity-based plans for officers and executives; (iii) oversee the development and administration of the Company's performance management framework to monitor and assess the performance of Management; (iv) review the succession plan for officers, including the CEO; and (v) oversee the development and implementation of professional development programs for officers.

The ECC is composed of:

Manuel V. Pangilinan, Chairman
Artemio V. Panganiban, Independent Director
Bernido H. Liu, Independent Director
Bernadine T. Siy, Independent Director
Kazuyuki Kozu*, Member
Gina Marina P. Ordoñez, Non-voting Member

*Mr. Kazuyuki Kozu was appointed as a member of the ECC on July 6, 2021, vice Mr. Junichi Igarashi



TECHNOLOGY STRATEGY COMMITTEE (TSC)

The TSC assists the Board in the performance of its functions to: (i) review and approve the strategic vision for the role of technology in PLDT's overall business strategy, including the technology strategy and roadmap; (ii) fulfill its oversight responsibilities for PLDT's effective execution of its technology-related strategies; and (iii) ensure the optimized use and contribution of technology to PLDT's business and strategic objectives and growth targets.

The TSC is composed of:

Manuel V. Pangilinan, Chairman
Albert F. del Rosario, Member
Ray C. Espinosa, Member
James L. Go, Member
Kazuyuki Kozu*, Member
Alfredo S. Panlilio**, Member
Oscar S. Reyes, Non-voting member
Orlando B. Vea, Non-voting member

*Mr. Kazuyuki Kozu was appointed as a member of the TSC on July 6, 2021, vice Mr. Junichi Igarashi

**Mr. Alfredo S. Panlilio was appointed as a member of the TSC on July 6, 2021.

DATA PRIVACY AND INFORMATION SECURITY COMMITTEE (DPISC)

The DPISC assists the Board in the performance of its functions to (i) promote and foster a culture of data privacy and information security governance; (ii) review and approve the Company's strategic plans on data privacy and information security; (iii) ensure accountability for compliance with regulatory standards and best practices on data privacy and information security; and (iv) oversee 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.

The DPISC is composed of:

Manuel V. Pangilinan, Chairman
Ray C. Espinosa, Member
Kazuyuki Kozu*, Member
Bernido H. Liu, Independent Director
Alfredo S. Panlilio, Advisor

*Mr. Kazuyuki Kozu was appointed as a member of the DPISC on July 6, 2021, vice Mr. Junichi Igarashi



GRI Content Index

GRI Standard	Disclosure	Page No.	Omission
GRI 101: Foundation 2016			
General Disclosures			
GRI 101: Foundation 2016			
Organizational Profile			
GRI 102-1	Name of the organization	Cover page	
GRI 102-2	Activities, brands, products, and services	5-6	
GRI 102-3	Location of headquarters	About the report	
GRI 102-4	Location of operations	<p>PLDT Home: https://pldthome.com/sales-and-service-centers</p> <p>PLDT Enterprise: PLDT Makati General Office, Legazpi Village, Makati, Metro Manila</p> <p>ePLDT Inc, the ICT arm of PLDT: 5/F L.V. Locsin Building, Ayala corner Makati Avenue, Makati City, Philippines 1200</p> <p>PLDT Global Corporation: 2F Smart Tower 1, 6799 Ayala Avenue, Bel-Air, Makati City, Philippines 1226</p> <p>Smart Stores: https://smart.com.ph/Pages/smart-stores</p>	
GRI 102-5	Ownership and legal form	https://main.pldt.com/investor-relations/shareholder-information/shareholding-structure	
GRI 102-6	Markets served	5-6, 33	
GRI 102-7	Scale of the organization	33-34, 37-39	
GRI 102-8	Information on employees and other workers	58	
GRI 102-9	Supply chain	97-98	
GRI 102-10	Significant changes to the organization and its supply chain	No changes in 2021.	
GRI 102-11	Precautionary Principle or approach	90-91	
GRI 102-12	External initiatives	About the Report	
GRI 102-13	Membership of associations	10	
Strategy			
GRI 102-14	Statement from senior decision-maker	11-16	
Ethics and integrity			
GRI 102-15	Key impacts, risks, and opportunities	92	
GRI 102-16	Values, principles, standards, and norms of behavior	17-18, 83-85	
Governance			
GRI 102-18	Governance structure	102	
GRI 102-22	Composition of the highest governance body and its committees	103-107	
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GRI 102-29	Identifying and managing economic, environmental, and social impacts	105, 90-95	
Stakeholder engagement			
GRI 102-40	List of stakeholder groups	21-28	
GRI 102-41	Collective bargaining agreements	65	
GRI 102-42	Identifying and selecting stakeholders	21-28	
GRI 102-43	Approach to stakeholder engagement	21-28	
GRI 102-44	Key topics and concerns raised	21-28	

GRI Standard	Disclosure	Page No.	Omission
Reporting Practice			
GRI 102-45	Entities included in the consolidated financial statements	5-6	
GRI 102-46	Defining report content and topic Boundaries	19-20	
GRI 102-47	List of material topics	19	
GRI 102-48	Restatements of information	62, 74	
GRI 102-49	Changes in reporting	None	
GRI 102-50	Reporting period	About the report	
GRI 102-51	Date of most recent report	May 2021	
GRI 102-52	Reporting cycle	Annual	
GRI 102-53	Contact point for questions regarding the report	About the report	
GRI 102-54	Claims of reporting in accordance with the GRI standards	About the report	
GRI 102-55	GRI content index	108	
GRI 102-56	External assurance	113-116	

Disclosure	Standard	Topic	Page numbers and/or direct answers	Omission
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Positive Community Impact				
GRI 103: Management Approach 2016	GRI 103-1	Explanation of the material topic and its Boundary	41-44	
	GRI 103-2	The management approach and its components	41-44	
	GRI 103-3	Evaluation of the management approach	41-44	
GRI 203: Indirect Economic Impacts 2016	GRI 203-1	Infrastructure investments and services supported	41-44	
	GRI 203-2	Significant indirect economic impacts	41-44	
GRI 103: Management Approach 2016	GRI 103-1	Explanation of the material topic and its Boundary	39-40	
	GRI 103-2	The management approach and its components	39-40	
	GRI 103-3	Evaluation of the management approach	39-40	
GRI 413: Local Communities 2016	GRI 413-1	Operations with local community engagement, impact assessments, and development programs	39-40	
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GRI 103: Management Approach 2016	GRI 103-1	Explanation of the material topic and its Boundary	46-48	
	GRI 103-2	The management approach and its components	46-48	
	GRI 103-3	Evaluation of the management approach	46-48	
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	GRI 403-3	Occupational health services	46-47	
	GRI 403-4	Worker participation, consultation, and communication on occupational health and safety	51	
	GRI 403-5	Worker training on occupational health and safety	51	
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	GRI 403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	48	
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Labor Practices				
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Disclosure	Standard	Topic	Page numbers and/or direct answers	Omission
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	GRI 103-3	Evaluation of the management approach	61	
GRI 202: Market Presence 2016	GRI 202-1	Ratios of standard entry level wage by gender compared to local minimum wage	61	
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GRI 405: Diversity and Equal Opportunity 2016	GRI 405-1	Diversity of governance bodies and employees	56-58, 103-104	
	GRI 405-2	Ratio of basic salary and remuneration of women to men	61	
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	GRI 103-2	The management approach and its components	66	
	GRI 103-3	Evaluation of the management approach	66	
GRI 404: Training and Education 2016	GRI 404-1	Average hours of training per year per employee	66	
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GRI 103: Management Approach 2016	GRI 103-1	Explanation of the material topic and its Boundary	52-56	
	GRI 103-2	The management approach and its components	52-56	
	GRI 103-3	Evaluation of the management approach	52-56	
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GRI 103: Management Approach 2016	GRI 103-1	Explanation of the material topic and its Boundary	56-57	
	GRI 103-2	The management approach and its components	56-57	
	GRI 103-3	Evaluation of the management approach	56-57	
GRI 406: Non-discrimination 2016	GRI 406-1	Incidents of discrimination and corrective actions taken	56-57	
Conservation Pillar				
Energy & Emissions				
GRI 103: Management Approach 2016	GRI 103-1	Explanation of the material topic and its Boundary	71-72	
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GRI 302: Energy 2016	GRI 302-1	Energy consumption within the organization	73	
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	GRI 302-3	Energy intensity	74	
	GRI 302-4	Reduction of energy consumption	73-74	
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	GRI 302-6	Reductions in energy requirements of products and services	71-72	
GRI 103: Management Approach 2016	GRI 103-1	Explanation of the material topic and its Boundary	72, 75	
	GRI 103-2	The management approach and its components	72, 75	
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GRI 305: Emissions 2016	GRI 305-1	Direct (Scope 1) GHG emissions	72-73	
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GRI 103: Management Approach 2016	GRI 103-1	Explanation of the material topic and its Boundary	76	
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Disclosure	Standard	Topic	Page numbers and/or direct answers	Omission
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GRI 303: Water and Effluents 2018	GRI 303-1	Interactions with water as a shared resource	76	
	GRI 303-5	Water consumption	76	
Waste				
GRI 103: Management Approach 2016	GRI 103-1	Explanation of the material topic and its Boundary	76-78	
	GRI 103-2	The management approach and its components	76-78	
	GRI 103-3	Evaluation of the management approach	76-78	
GRI 306: Waste 2020	GRI 306-1	Waste generation and significant waste-related impacts	77	
	GRI 306-2	Management of significant waste-related impacts	76-78	
	GRI 306-3	Waste generated	77	
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GRI 103: Management Approach 2016	GRI 103-1	Explanation of the material topic and its Boundary	67-71	
	GRI 103-2	The management approach and its components	67-71	
	GRI 103-3	Evaluation of the management approach	67-71	
Commitment Pillar				
Economic Performance				
GRI 103: Management Approach 2016	GRI 103-1	Explanation of the material topic and its Boundary	86	
	GRI 103-2	The management approach and its components	86	
	GRI 103-3	Evaluation of the management approach	86	
GRI 201: Economic Performance 2016	GRI 201-1	Direct economic value generated and distributed	34	
	GRI 201-2	Financial implications and other risks and opportunities due to climate change	78-81	
	GRI 201-3	Defined benefit plan obligations and other retirement plans	63	
GRI 207: Tax 2019	GRI 207-4	Country-by-country reporting	86	
Anti-corruption				
GRI 103: Management Approach 2016	GRI 103-1	Explanation of the material topic and its Boundary	87	
	GRI 103-2	The management approach and its components	87	
	GRI 103-3	Evaluation of the management approach	87	
GRI 205: Anti-corruption 2016	GRI 205-1	Operations assessed for risks related to corruption	83, 87	
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	GRI 205-3	Confirmed incidents of corruption and actions taken	87	
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GRI 103: Management Approach 2016	GRI 103-1	Explanation of the material topic and its Boundary	87	
	GRI 103-2	The management approach and its components	85, 87, 90	
	GRI 103-3	Evaluation of the management approach	87	
GRI 206: Anti-competitive Behavior 2016	GRI 206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	87	
Anti-competitive Behavior				
GRI 103: Management Approach 2016	GRI 103-1	Explanation of the material topic and its Boundary	97-98	
	GRI 103-2	The management approach and its components	97-98	
	GRI 103-3	Evaluation of the management approach	97-98	
GRI 204: Procurement practices 2016	GRI 204-1	Proportion of spending on local suppliers	98	
GRI 308: Supplier Environmental Assessment 2016	GRI 308-1	New suppliers that were screened using environmental criteria	98	
GRI 414: Supplier Social Assessment	GRI 414-1	New suppliers that were screened using social criteria	98	
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GRI 103: Management Approach 2016	GRI 103-1	Explanation of the material topic and its Boundary	99-101	
	GRI 103-2	The management approach and its components	99-101	
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GRI 418: Customer Privacy 2016	GRI 418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	101	

SASB Technology & Communications Sector - Telecommunication Services



Topic	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	73
Data Privacy	Description of policies and practices relating to behavioral advertising and customer privacy	Discussion and Analysis	n/a	TC-TL-220a.1	100-101
	Number of customers whose information is used for secondary purposes	Quantitative	Number, Percentage (%)	TC-TL-220a.2	101
	(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	N/A
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	101
	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	99-100
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	79-77
	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
Competitive Behavior & Open Internet	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	33
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	93-95

Activity Metric	Category	Unit of Measure	Code	Page Number
1. Number of mobile subscribers	Quantitative	Number	TC-TL-000.A	38
2. Number of fixed line subscribers	Quantitative	Number	TC-TL-000.B	38
3. Number of broadband subscribers	Quantitative	Number	TC-TL-000.C	38
4. Mobile network data traffic	Quantitative	Number	TC-TL-000.D	38



United Nations Global Compact (UNGC)

Fundamental Responsibilities	Principles	Page Number
Human Rights	Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights	65, 85
	Principle 2: Make sure that they are not complicit in human rights abuses	65, 97-98
Labour	Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	65
	Principle 4: The elimination of all forms of forced and compulsory labour	65
	Principle 5: The effective abolition of child labour	45-46, 65
	Principle 6: The elimination of discrimination in respect of employment and occupation	56-57, 65
Environment	Principle 7: Businesses should support a precautionary approach to environmental challenges	91-92
	Principle 8: Undertake initiatives to promote greater environmental responsibility	69-70
	Principle 9: Encourage the development and diffusion of environmentally friendly technologies	69-70
Anti-Corruption	Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery	83-85, 87, 90



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Independent Limited Assurance Report to the Management of PLDT Inc. and Subsidiaries, Smart Communications, Inc. and ePLDT, Inc. (PLDT Group)

The Stockholders and Board of Directors
PLDT Inc.
Ramon Cojuangco Building
Makati Avenue, Makati City

Scope

We have been engaged by the PLDT Group to perform a 'limited assurance engagement', as defined by the Philippines Standards on Assurance Engagements (PSAE) 3000, *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*, to report on PLDT Group's Sustainability Report 2021 ("The Report") as of and for the year ended December 31, 2021 as detailed in the "Subject Matter" below.

Subject matter

The Subject Matter, coverage and Global Reporting Initiative (GRI) disclosures for our limited assurance engagement are as follows:

A. Covering PLDT Group

1. Economic
 - i. Economic Performance 2016
 1. 201-1 Direct economic value generated and distributed
 2. 201-3 Defined benefit plan obligations and other retirement plans
 - ii. Tax 2019
 1. 207-4 Country-by-country reporting
2. Environmental
 - i. Energy 2016
 1. 302-3 Energy intensity (fuel consumption)
 - ii. Emissions 2016
 1. 305-1 Direct (Scope 1) GHG emissions (fuel consumption)
 2. 305-4 Direct (Scope 1) GHG emissions intensity (direct emissions)
3. Social
 - i. Employment 2016
 1. 401-1 New employee hires and employee turnover
 2. 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees
 3. 401-3 Parental leave

- ii. Training and Education 2016
 - 1. 404-1 Average hours of training per year per employee by employee
 - 2. 404-2 Programs for upgrading employee skills and transition assistance program
 - 3. 404-3 Percentage of employees receiving regular performance and career development reviews
- iii. Diversity and Equal Opportunity 2016
 - 1. 405-1 Diversity of governance bodies and employees
 - 2. 405-2 Ratio of basic salary and remuneration of women to men

B. Covering PLDT, Inc. (PLDT) and Smart Communications, Inc. (Smart)

- 1. Economic
 - i. Anti-corruption 2016
 - 1. 205-2 Communication and training about anti-corruption policies and procedures
- 2. Social
 - i. Local Communities 2016
 - 1. 413-1 Operations with local community engagement, impact assessments, and development programs (*including PLDT-Smart Foundation, Inc.*)
 - ii. Customer Privacy 2016
 - 1. 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data

C. Covering PLDT

- 1. Economic
 - i. Anti-corruption 2016
 - 1. 205-3 Confirmed incidents of corruption and actions taken
 - ii. Anti-competitive Behavior 2016
 - 1. 206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices
- 2. Social
 - i. Occupational Health and Safety 2018
 - 1. 403-1 Occupational health and safety management system
 - 2. 403-4 Worker participation, consultation, and communication on occupational health and safety
 - 3. 403-5 Worker training on occupational health and safety
 - 4. 403-9 Work-related injuries

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 PLDT Group

In preparing the Report, PLDT Group applied the GRI Sustainability Reporting Standards.



- 3 -

PLDT Group's responsibilities

The Management of 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 PSAE 3000, and the terms of reference for this engagement as agreed with PLDT Group on March 11, 2022. Those standards require that we plan and perform our engagement to obtain limited assurance about whether, in all material respects, the Subject Matter is presented 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 Control

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 Control 1 (Redrafted), *Quality Controls for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements*, and accordingly maintains a comprehensive system of quality control including documented policies and 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. Interviewed the PLDT Group's Sustainability team to:
 - a. Understand the principal business operations
 - b. Appreciate the key sustainability issues and developments
 - c. Map out the information flow for sustainability reporting and the controls on information collation
 - d. Identify the data providers with their responsibilities, and
 - e. Recognize the likelihood of possible manipulation of sustainability data
2. Interviewed the employees and management (Sustainability, Foundation, Legal, Human Resources, People and Workplace Management, People and Organization Development, Performance Management, Benefits Administration, Finance, Benefit Trust Fund Accounting, Environment Health and Safety, Clinic, Learning and Development, Business Partnering and Learning Support Services, Data Privacy Office, Corporate Governance Office, Properties and Facilities Management, Supplier Management, Corporate Support Group, and Spend Management Department) to understand the key sustainability issues related to the Subject Matter and processes for the collection and accurate reporting of performance information
3. Checked the accuracy of calculations performed
4. Performed analytical tests and obtained documentation on a sampling basis to test assumptions, estimations and computations made by Management in relation to the Subject Matter in the Report
5. Tested that the data and statements had been correctly transcribed from corporate systems and/or supporting evidences into the Report
6. Obtained various reports and financial statements in relation to the Subject Matter in the Report

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, 2021, in order for it to be in accordance with the Criteria.

Our observations and recommendations will be included in the Management Report to be issued to PLDT Group. These observations and recommendations do not affect our conclusion.

SYCIP, GORRES, VELAYO & CO.


Benjamin N. Villacorte
Partner

SEC Accreditation No. 111562-SEC (Group A),
March 24, 2022, valid until March 23, 2025
Tax Identification No. 242-917-987
BIR Accreditation No. 08-001998-120-2022,
January 20, 2022, valid until January 19, 2025
PTR No. 8854386, January 3, 2022, Makati City

June 7, 2022



May 31, 2022

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)

0601294437-4

from **December 26, 2020 to December 25, 2021**

Here is the monthly RE delivered and the equivalent Carbon Emission Reduction/Carbon Credit.

Month	Metered Energy (MWh)	Renewable Energy (MWh)	Percentage
January			
February			
March			
April			
May			
June			
July			
August			
September			
October			
November			
December	704.89	140.98	20.00%
TOTAL	704.89	140.98	20.00%

Carbon Credit:

= Renewable Energy x (Grid Emission Factor-RE Emission Factor)

= 140.98 MWh x (0.7122 ($\frac{\text{tonneCO}_2}{\text{MWh}}$) - 0.0868 ($\frac{\text{tonneCO}_2}{\text{MWh}}$))

= 88.17 tonne of CO₂

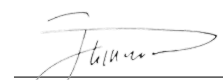
= 88.17 Carbon Credit

Note:

- One (1) Carbon Credit/Offset Certificate = 1 tonne of CO₂ reduction
- Based on DOE's 2015-2017 National Grid Emission Factor (NGEF)

Simple Operating Margin (OM) Emission Factor

Parameters	(t-CO ₂ /MWh)
2015-2017 Average EFgrid, OMsimple,y	0.7122


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June 01, 2022

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)

4693438393-9

from **December 26, 2020 to December 25, 2021**

Here is the monthly RE delivered and the equivalent Carbon Emission Reduction/Carbon Credit.

Month	Metered Energy (MWh)	Renewable Energy (MWh)	Percentage
January			
February			
March			
April			
May			
June			
July			
August			
September			
October			
November			
December	378.57	75.71	20.00%
TOTAL	378.57	75.71	20.00%

Carbon Credit:

= Renewable Energy x (Grid Emission Factor-RE Emission Factor)

= 75.71 MWh x (0.7122 ($\frac{\text{tonneCO}_2}{\text{MWh}}$) - 0.0868 ($\frac{\text{tonneCO}_2}{\text{MWh}}$))

= 47.35 tonne of CO₂

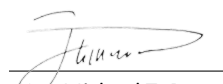
= 47.35 Carbon Credit

Note:

1. One (1) Carbon Credit/Offset Certificate = 1 tonne of CO₂ reduction
2. Based on DOE's 2015-2017 National Grid Emission Factor (NGEF)

Simple Operating Margin (OM) Emission Factor

Parameters	(t-CO ₂ /MWh)
2015-2017 Average EFgrid, OMsimple,y	0.7122


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May 31, 2022

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, 2020 to December 25, 2021**

Here is the monthly RE delivered and the equivalent Carbon Emission Reduction/Carbon Credit.

Month	Metered Energy (MWh)	Renewable Energy (MWh)	Percentage
January	3,561.76	566.79	15.91%
February	3,491.90	458.88	13.14%
March	3,097.60	164.25	5.30%
April	3,497.23	4.16	0.12%
May	3,407.59	-	
June	3,380.11	-	
July	3,390.30	-	
August	3,482.07	16.36	0.47%
September	3,410.48	-	
October	3,366.78	-	
November	3,477.90	102.26	2.94%
December	3,320.00	664.00	20.00%
TOTAL	40,883.72	1,976.70	4.83%

Carbon Credit:

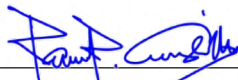
$$\begin{aligned}
 &= \text{Renewable Energy} \times (\text{Grid Emission Factor} - \text{RE Emission Factor}) \\
 &= 1976.7 \text{ MWh} \times \left(0.7122 \left(\frac{\text{tonneCO}_2}{\text{MWh}} \right) - 0.0868 \left(\frac{\text{tonneCO}_2}{\text{MWh}} \right) \right) \\
 &= 1236.23 \text{ tonne of CO}_2 \\
 &= 1236.23 \text{ Carbon Credit}
 \end{aligned}$$

Note:

- One (1) Carbon Credit/Offset Certificate = 1 tonne of CO₂ reduction
- Based on DOE's 2015-2017 National Grid Emission Factor (NGEF)

Simple Operating Margin (OM) Emission Factor

Parameters	(t-CO ₂ /MWh)
2015-2017 Average EFgrid, OMsimple,y	0.7122


 Ramon R. Avedillo
 Head, Energy Operations

May 31, 2022

CERTIFICATION

This is to certify that MPower has provided Renewable Energy (RE) to

ePLDT, INC.

with Contestable Service ID Number (CSIN)
456273520102

from **December 26, 2020 to December 25, 2021**

Here is the monthly RE delivered and the equivalent Carbon Emission Reduction/Carbon Credit.

Month	Metered Energy (MWh)	Renewable Energy (MWh)	Percentage
January	1,319.91	210.04	15.91%
February	1,375.57	180.77	13.14%
March	1,279.66	67.85	5.30%
April	1,464.32	1.74	0.12%
May	1,421.48	-	
June	1,749.70	-	
July	1,694.06	-	
August	2,042.91	9.60	0.47%
September	2,073.67	-	
October	2,152.85	-	
November	2,266.20	66.63	2.94%
December	2,298.64	459.73	20.00%
TOTAL	21,138.98	996.36	4.71%

Carbon Credit:

= Renewable Energy x (Grid Emission Factor-RE Emission Factor)

= 996.36 MWh x $\left(0.7122 \left(\frac{\text{tonneCO}_2}{\text{MWh}} \right) - 0.0868 \left(\frac{\text{tonneCO}_2}{\text{MWh}} \right) \right)$

= 623.12 tonne of CO₂

= 623.12 Carbon Credit

Note:

- One (1) Carbon Credit/Offset Certificate = 1 tonne of CO₂ reduction
- Based on DOE's 2015-2017 National Grid Emission Factor (NGEF)

Simple Operating Margin (OM) Emission Factor

Parameters	(t-CO ₂ /MWh)
2015-2017 Average EFgrid, OMsimple,y	0.7122



Ramon R. Avedillo
 Head, Energy Operations



May 31, 2022

CERTIFICATION

This is to certify that MPower has provided Renewable Energy (RE) to

IPC RACK I.T. DATA CENTER, INC.

with Contestable Service ID Number (CSIN)

451343010102

from **December 26, 2020 to December 25, 2021**

Here is the monthly RE delivered and the equivalent Carbon Emission Reduction/Carbon Credit.

Month	Metered Energy (MWh)	Renewable Energy (MWh)	Percentage
January			
February			
March			
April			
May			
June			
July			
August			
September			
October			
November			
December	655.41	131.08	20.00%
TOTAL	655.41	131.08	20.00%

Carbon Credit:

= Renewable Energy x (Grid Emission Factor-RE Emission Factor)

$$= 131.08 \text{ MWh} \times \left(0.7122 \left(\frac{\text{tonneCO}_2}{\text{MWh}} \right) - 0.0868 \left(\frac{\text{tonneCO}_2}{\text{MWh}} \right) \right)$$

= 81.98 tonne of CO₂

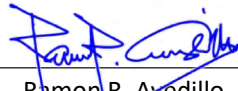
= 81.98 Carbon Credit

Note:

1. One (1) Carbon Credit/Offset Certificate = 1 tonne of CO₂ reduction
2. Based on DOE's 2015-2017 National Grid Emission Factor (NGEF)

Simple Operating Margin (OM) Emission Factor

Parameters	(t-CO ₂ /MWh)
2015-2017 Average EFgrid, OMsimple,y	0.7122


 Ramon R. Avedillo
 Head, Energy Operations









SUSTAINABILITY REPORT 2021

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