



2020 SUSTAINABILITY REPORT

# Reviving Livelihood, Enriching Lives



## SUSTAINABILITY REPORT 2020

For the PLDT Group, pursuing sustainability means contributing to a world that responds to the needs and best interests of our stakeholders, in the best and worst of times. Together with our employees, customers, investors, suppliers and partners, we seek to bring the best possible digital technology-enabled environment for our families and communities. Learning from the lessons of the pandemic, we intend to future-proof our network and ensure the delivery of innovative solutions, services and products necessary to endure in a rapidly changing landscape. We will continue to redefine resilience and empower our stakeholders with the tools to thrive in unprecedented circumstances as we forge a path to a truly sustainable world.





# About the Report

102-46, 102-50, 102-53, 102-54

This Sustainability Report covers initiatives and programs from January 1 to December 31, 2020 of the PLDT Group, which is composed of its fixed line (PLDT and ePLDT) and wireless (Smart) businesses.

This report has been prepared in accordance with the Global Reporting Initiative Standards: Core option. SGV & Co. did the independent external assurance on selected disclosures. *Please refer to SGV's statement of assurance on [page 165](#).*

We have also aligned this report to the Sustainability Accounting Standards Board and United Nations Global Compact Principles and made relevant references in the report. *Please refer to [page 162](#) for more details.*

Learn more about our sustainability initiatives, specifically under environmental stewardship, by following these social media pages:

 [PLDTSmartGabayKalikasan](#)

 [gabaykalikasan](#)

 [gabaykalikasan](#)

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

## **Chief Sustainability Office**

### **PLDT Corporate Office**

Ramon Cojuangco Building  
Makati Avenue, Makati City 1200,  
Philippines

Telephone: +632 88168024

Email: [chiefsustainabilityoffice@pldt.com.ph](mailto:chiefsustainabilityoffice@pldt.com.ph)

## **PLDT Corporate Governance**

Email: [corpgov@pldt.com.ph](mailto:corpgov@pldt.com.ph)

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# Sharing Our Purpose 102-16

**To create meaningful and resilient connections responsibly.**

The PLDT Group is the largest and most diversified telecommunications and digital services company in the Philippines, committed to connecting everyone everywhere through innovation and technology to build the resiliency of people and communities.



## VISION

Lead and inspire Filipinos to create a better tomorrow.

## MISSION

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

Our Company is the leading telecommunications and digital services provider in the Philippines. We offer a wide range of telecommunications and digital services across the country through our fixed line, wireless, and other principal business groups.

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). In 2020, our Company was listed as one of the largest in the Philippines in terms of market capitalization.

For many years, we have been diligently reporting on our sustainability journey and sharing with stakeholders the actions and choices the organization has made towards the pursuit of our sustainability goals. We have further refined our focus on “people, planet, and profit” to connect

our stakeholders with products, services, and operations that are innovative and environment-friendly, to build resiliency in our communities. These points of collaboration and action allow us to work together to achieve shared economic, environmental, social, and governance (EESG) goals.

This year’s report will show readers our commitment with increased engagements with sustainability partners and a drive to better define environmental goals and targets. We are focused on fine tuning our sustainability journey to fulfill our promise to deliver services and innovations that provide optimal benefits to target communities. We are motivated by our Seven Pillars of Sustainability, which we defined in 2019 and are articulated in this report. Our Sustainability Pillars articulate our purpose, guide our initiatives, and strengthen our resolve to move forward and deliver a future that our people truly deserve.

## We deliver our products and services through the following business units:

102-2, 102-6, 102-45

### PLDT HOME

PLDT Home is the Philippines' fastest fixed network and digital services provider, serving 2.9 million subscribers nationwide. PLDT Home offers broadband data services such as fixed wireless (PLDT Home WiFi) and fixed wired (PLDT Home Fibr) that run through our superior Fiber-to-the-Home (FTTH) network and reaches over 429,270 kilometers of fiber cables. With its extensive FTTH network roll-out, PLDT Home has over 626 Fibr-powered PLDT Smart Cities in the country, serving approximately 9 million homes nationwide.

PLDT Home's broadband services enable subscribers to enjoy up to 1 Gbps of symmetrical internet speeds or equal upload and download speeds.

This means unlimited, uninterrupted video streaming, lag-free gaming, and seamless internet browsing experience at home. With its strong commitment to fulfill subscribers' digital home lifestyle needs, 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 at the comfort of their homes.



### PLDT ENTERPRISE

Our corporate business unit, PLDT Enterprise, provides a suite of innovative solutions across all forms of enterprise. A major partner of both enterprises and small to medium-sized businesses that form the backbone of the Philippine economy, the unit gives clients the solutions for a wide range of digital communication needs.

These include internet, data networking, voice communication, data center, solutions for mobility, managed Information and Communications Technology (ICT) and cybersecurity.



## ePLDT, INC.

The Information and Communication Technology arm of our Group, ePLDT Inc. has led the industry in the development of end-to-end technologies for enterprises across the country and the Asia Pacific region. The subsidiary delivers digital business solutions that are at par with global standards, with products and services that include cloud, cybersecurity, purpose-built data center facilities, and managed IT services. These solutions are eyed to help organizations in varying industries to harness the power of technology in achieving their goals faster.

ePLDT currently owns and operates the largest data center footprint in the country with 10 facilities. The VITRO network of data centers has a total of 9,150 racks, powered by a combined 86 MVA total power capacity, serving the mission-critical operations of industry-leading organizations.



## PLDT GLOBAL CORPORATION

PLDT Global Corporation (PGC) is a technology services company that provides high-quality communication infrastructure and innovative platforms to its global network of carriers, enterprise customers, and retail partners enabling them to achieve their desired connectivity, reach, and market relevance.

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.



## SMART COMMUNICATIONS, INC.

Reinforcing integrated telecommunications superiority for our group, our wireless arm Smart Communications, Inc. (Smart) serves over 95 percent of the country's cities and municipalities. 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. Through our Postpaid and Prepaid groups, as well as our value brands TNT and Sun, our services benefit approximately 73 million subscribers. Smart also offers satellite communication services under the brand Smart World to ensure communication accessibility 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.

As part of the Company's massive group-wide digital transformation program, Smart fulfilled its commitment to give more than 96 percent of the population access to the most advanced LTE network. Smart increased the number of LTE or 4G base stations by 51 percent to about 24,600 and augmented the number of 3G base stations by 19 percent to 13,800.



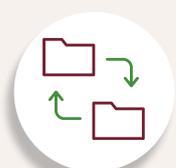
**Mobile**  
72.9 Million Subscribers



**Fixed Line**  
3.0 Million Subscribers  
10%



**Broadband**  
3.0 Million Subscribers  
43%



**Mobile Network Data Traffic**  
2.9 exabyte  
79%



Increase from 2019

# 2020 Highlights at a Glance 102-7



## Awesome Customer Experience and Quality of Service 102-6, 201-1, TC-TL-000.A, TC-TL-000.B

**429,270 km**

PLDT Fiber Optic  
Network Coverage

**Smart Coverage**



**96%**  
of Population



**95%**  
of Cities

**PHP188.3 BILLION**

Direct Economic Value  
Generated (Revenues)

Recognized by



for the **fastest fixed and mobile networks** in the Philippines for 2020



## Growth-Driven Innovation TC-TL-520a.2, TC-TL-550a.2

Smart 5G speeds breach  
**720 Mbps**

Investments of  
**PHP71.9 BILLION**  
to invest and future-proof  
the network (CAPEX)



## Responsible and Efficient Operations 302-5, 306-3, 306-5

**Fuel cell technology**  
deployed in

**200 cell sites**  
to reduce diesel  
consumption

**552,820**

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

Deployment of alternative  
cooling systems in about

**6,000 sites**  
to reduce energy



## Effective Environmental Stewardship Principle 7, 8 & 9

- Partnership with Sustainability Accounting Standards Board (SASB), Task Force on Climate-related Financial Disclosures (TCFD), United Nations Global Compact (UNGC), and Business for Social Responsibility (BSR) to monitor sustainability
- Partnership with the UP Marine Science Institute and Marine Environment Resources Foundation to rehabilitate marine protected areas in **24 sites**
- Partnership with the Department of Environment and Natural Resources (DENR) to **conserve the Caimpugan Peatlands at Agusan Marsh Wildlife Sanctuary**
- **Deployment of a bioacoustics monitoring system** for the protection of the Palawan rainforests, in partnership with the DENR and Huawei



**Excellence through Human Capital** 102-8, 401-2, 403-9, 404-2, 405-1

<p><b>17,571</b> Employees</p>	<p><b>97.7%</b> training reach rate of unique employees</p>	<p><b>654</b> e-learning courses for a total of <b>1,083 hours</b></p>
<p><b>722,656</b> training hours, average <b>41.1 hours</b> per employee</p>	<p><b>PHP26.8 BILLION</b> Employee compensation and benefits</p>	<p><b>2,565,050</b> Total Man-Hours, PLDT employees <b>without</b> lost time accidents</p>



**Positive Community Impact** 203-1

<p><b>PHP30.4 MILLION</b> worth of <b>medical equipment donated</b> to East Avenue Medical Center</p>	<p><b>1,047</b> total number of <b>Gabay Guro</b> graduates since 2007</p>
<p><b>PHP496 MILLION</b> investments to Community</p>	



**Good Governance and Ethical Business Practices** 201-1, 205-3

<p><b>PHP114.5 BILLION</b> <b>Economic Value Distributed</b> (includes operating costs, compensation and benefits, payments to government and providers of capital, and community investments)</p>	<p><b>PHP25.1 BILLION</b> Paid to <b>providers of capital</b></p>
<p><b>PHP7.7 BILLION</b> Taxes paid to government (please see <b>Annexes</b> for other tax matters)</p>	<p><b>0</b> Confirmed incidents of corruption</p>

- Product
- Planet
- People

# Awards and Recognition

The Group has received a significant number of awards and commendations, including those specific to sustainability. These attest to our commitment to excellence and sustainable development not just for the Company, but for all Filipinos.



## 2020 Digital Inclusion Benchmark of the World Benchmarking Alliance

- #1** Leading Company in Asia and Emerging Markets
- #4** in the Top 100 Influential Digital Companies Worldwide in terms of Digital Inclusion



## Business Intelligence Group 2020 Sustainability Awards

Sustainability Initiative of the Year:  
PLDT-Smart Gabay Kalikasan



## 55th Anvil Awards

**Silver Anvil Awardee:**  
The Good Fiber: PLDT 2018 Sustainability Report

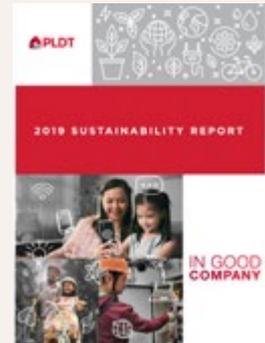


## GSMA Report: Digital Dividends in Natural Resource Management (London, UK)

Featured Case Study: Connected Mangroves and Rainforest Connection

## 18th Quill Awards

2019 PLDT Sustainability Report:  
In Good Company



Gabay Kalikasan omnibus campaign

Gabay Kalikasan "Power Over Plastic"  
Single Use Plastics ban

PLDT-Smart Gabay Kalikasan video series:  
Paperless Billing and Clean the Cloud



For the full list of awards, please see [pages 10-13](#) of the 2020 Annual Report.

# 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 (PAPELCO)
- Philippine Business for Education
- Philippine Business for the Environment
- Philippine Business for Social Progress
- 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)

## International

- Asian Carriers Conference Incorporated
- Business Continuity Management Institute (BCMI) of Singapore
- Business for Social Responsibility (BSR)
- Ethics and Compliance Initiative
- 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)

## External Initiatives / Charters 102-13

External Charter	Participation
<b>Global System for Mobile Communications Association</b>	Smart is a founding signatory of the Humanitarian Connectivity Charter. Smart is a member of the Mobile for Humanitarian Innovation, Climate Action Task Force, and Clean Technology Technical Working Group
<b>Global Reporting Initiative</b>	Sustainability Reporting
<b>Forum of Incident Response and Security Teams (FIRST)</b>	Membership provides the Group access to best practices in cybersecurity incidence response
<b>ISO 22301</b>	Business Continuity Management certification
<b>ISO 27001</b>	Organizational Information Security, Technical Security, and Physical Security certification
<b>United Nations Office for Disaster Risk Reduction (UNDRR)</b>	PLDT and Smart are members of the Private Sector Alliance for Disaster Resilient Societies (ARISE) in the Philippines
<b>Task Force on Climate-Related Financial Disclosures</b>	PLDT is the first Philippine telco and one of the pioneer local supporters of this international alliance
<b>United Nations Children's Fund (UNICEF)</b>	PLDT and Smart adhere to its set of recommended policies that integrate Children's Rights and Welfare into business
<b>United Nations Global Compact</b>	PLDT and Smart committed to support the UNGC's 10 principles
<b>United Nations Office for the Coordination of Humanitarian Affairs (UN OCHA)</b>	Smart is a member of the UN OCHA Community of Practice on Community Engagement

# One step at a time is all it takes

102-14

"We are building the country's most extensive digital infrastructure, to improve customer experience, serve target communities, and contribute to sustainable development."

## To our Stakeholders,

In 2020, the whole world experienced what is theorized as a black swan event – an extreme phenomenon that is unforeseen but makes a huge impact on people and businesses. Rather than panic, we adapted quickly to the challenges of COVID-19 and delivered responsive and comprehensive solutions to our stakeholders.



Lessons from the past year have shown that responsible and resilient leadership is the way out of the crisis. Our past efforts to future-proof our business and our networks have built the foundations to weather events of catastrophic proportions. We are building the country's most extensive digital infrastructure, to improve customer experience, serve target communities, and contribute to sustainable development.

**Our long-term effort to strengthen the delivery of our core service – digital connectivity – proved vital as the pandemic hit.**



As homes, small businesses, and whole industries increased their demand for digital services, our dedicated staff worked around restrictions and protocols to respond to immediate and urgent internet and communication concerns. Gaps in connectivity were bridged through fiber integration, our distinct competitive edge.



Aside from sustaining our core services, the pandemic required a pivot from business as usual. We adopted a people-first mindset, setting aside profit to prioritize the needs of people, particularly those disproportionately affected by the pandemic. We boosted internet speed and provided heftier data allocations. Reprieves and payment adjustments were offered to ease the financial burdens of customers. More importantly, we facilitated the digital transformation of businesses.

One year into the crisis, **we have helped reinvent resilience for the Filipino people** by providing the means for stakeholders to conduct the most necessary facets of their lives online.

Customers could work and study from home, pay bills, and purchase necessities online. Entrepreneurs moved to online platforms, enabling them to reinvent jobs lost in the pandemic and create new opportunities amid the disruption. Even better, people continued to connect with families and friends, consult their doctors, and even attend church services, all online. We also did not forget our target communities, and provided technology-driven programs for teachers, farmers, students, senior citizens, and indigenous peoples to allow them to navigate this new digital world.



Throughout this process, we continue to invest in the business and our customers by improving infrastructure, increasing base stations, and advancing connectivity to address current and future demands. Our business journey is moving steadily towards sustainability and ensuring resiliency of our stakeholders and the world we live in.

While our economic outlook remains unclear for 2021, there is hope. It is certain that **many Filipinos now have the tools to not only survive but thrive, throughout and beyond this crisis.** Seamless connections from wireless to fiber have not only facilitated meaningful and resilient connections, but provided vital lifesaving solutions crucial to generating incomes, continuing learning and education, reviving livelihood, and enriching lives despite unexpected and unprecedented hardship. Together, we have forged a new path, and we will continue to explore ways of better serving the Filipino people going towards a new and better normal, and a more sustainable world.

**MANUEL V. PANGILINAN**  
Chairman of the Board  
President and Chief Executive Officer  
PLDT Inc.

# One through Connectivity for our Future <sup>102-14</sup>

"We have been significantly improving the most robust network in the Philippines—offering the widest range of digital services."

## To our Stakeholders,



When the COVID-19 pandemic hit Philippine shores, **we promised to keep our countrymen connected**. As we worked diligently throughout the year, we kept and went beyond that promise – by providing innovative solutions to thrive in a new normal under the cloud of a pandemic.

While internet connectivity was already a necessity prior to the global health crisis, it became even more significant in the face of lockdowns, strict restrictions in movement, and the immediate need to shift to remote working and learning in the safety of the home. Digital services provided the lifeline that would bring a semblance of normalcy in such unprecedented circumstances.



The crisis may have caught everyone off guard, but heavy investments and the foresight to future-proof our business allowed us to continue the delivery of our increasingly urgent services. Our unrelenting efforts to build advanced digital infrastructure have certainly paid off.



**We were able to quickly mobilize our resources, modify business models and strategies, and restructure organizational priorities to respond to the extraordinary challenges of the pandemic.**



These resulted in a timely rollout of relevant services so that despite the disruption, customers have been able to work and study from home, purchase necessities and pay bills online, regain lost livelihood, create business opportunities, and enrich their lives with sustained connections with families, friends, and their faith. Our connectivity and digital solutions have been crucial to rebooting lives and livelihoods, and reviving jobs.



One year into the pandemic, we have shown that our network is more than ready to meet the needs of our customers in times of crisis. We continue to maintain service quality in terms of speed, reach, and reliability. More importantly, **we have been**

**significantly improving the most robust network in the Philippines - offering the widest range of digital services**, such as e-learning, e-health, e-payments, e-commerce, and e-sports, among others, enabling Filipinos to rebuild their lives and succeed in the new normal.

Our revenue has grown as we work non-stop to respond to the surge in demand for data and connectivity. For this, PLDT and Smart fully intend to repay the trust and loyalty of our customers by increasing our investments into the network to deliver quality services, increase base stations and service availability, and offer superior connectivity products.



**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. We have also 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 report provides information on efforts to save energy, shift away from plastics, explore renewable energy, address climate change, and forge partnerships in conservation, supported by digital technology and our network, and undertaken with a commitment to sustainability by our people.



The pandemic has emphasized the importance of ensuring that business operations remain agile, resilient and crisis-proof to best serve the interests and needs of our customers. **We will continue to learn lessons from this health crisis**, apply these to operations and the conduct of business, and work with our partners towards creating a stronger, more enriched, and sustainable world for everyone.

*Al Panlilio*  
**ALFREDO S. PANLILIO**  
 President and Chief Executive Officer  
 Smart Communications, Inc.

Chief Revenue Officer  
 PLDT Inc.

# One with technology and Sustainability <sup>102-14</sup>

“We are working with global sustainability organizations to create resilient business models and strategies and develop a science-based pathway to setting environmental targets.”



## To our Stakeholders,

We at PLDT have been on a focused journey to sustainability, to better serve our purpose of creating meaningful and resilient connections responsibly, well before the global pandemic hit the Philippines. As the country braced for the extraordinary impacts resulting from strict safety protocols and lockdown measures, we rose to the challenge of meeting urgent demands for connectivity in this unprecedented crisis.

Lessons from the pandemic have shown that a business built on sustainability contributes to the strength and resiliency of its communities.



**Our ability to sustain the business and keep providing quality service despite unexpected disruptions have helped our stakeholders cope, reboot, and recover from difficult situations brought on by COVID-19.**



Our Company has provided outstanding support to building the foundations of a new digital economy, which will be vital to Filipinos as we move forward. In tandem with our business and economic initiatives, we have been making solid headway in the path to sustainability. In 2020, we formed partnerships to strengthen our sustainability reporting, looked deeper into our impacts to better craft environmental targets and goals, and solidified alliances with government, the academe, development partners, and our stakeholders on the stewardship of our planet.

Addressing the impacts of the COVID-19 crisis has only strengthened our resolve to help craft a more sustainable future. In 2019, the PLDT Group established the Sustainability Office, a testament to the Company's full commitment towards its economic, environmental, social, and governance (EESG) performance for the benefit of all our stakeholders.



**We are working with global sustainability organizations to create resilient business models and strategies 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. **We also continue to use our technology and network to conserve the country's forests, peatlands, mangroves, and marine protected areas to maintain ecosystem services that provide tremendous benefits to humankind.**

All this effort would not have been possible without the support of conscientious leadership and committed personnel. The active participation of all levels of staff in mainstreaming environment into operations, as well as the conduct of our Gabay Kalikasan programs, shows our people's understanding of the need to live sustainably. This Company-wide commitment is most evident in our recognition at the 2020 Digital Inclusion Benchmark of the World Benchmarking Alliance. After a comprehensive evaluation, we were ranked as the #1 Leading Company in Asia and Emerging Markets and #4 out of the Top 100 Most Influential ICT Companies Worldwide in terms of digital inclusion. We were commended for our extensive programs to enhance access to digital technology; nurture technical skills for inclusion, employment, and entrepreneurship; strengthen user trust in our products; and develop innovations to advance the progress of Sustainable Development Goals. Most significantly, we are the highest ranked company headquartered in a developing country based on our excellent performance on the benchmark.

Despite such a difficult year, these accomplishments inspired us more than ever to integrate sustainability and create a future-ready company.

The crisis may not be over, but we now have the tools to thrive in adversity. Moreover, we are empowered with the resolve to create a new and better normal – a sustainable future for our families and communities. We are committed to consistently innovating and improving, so that together, we can build a future and a world that we deserve.

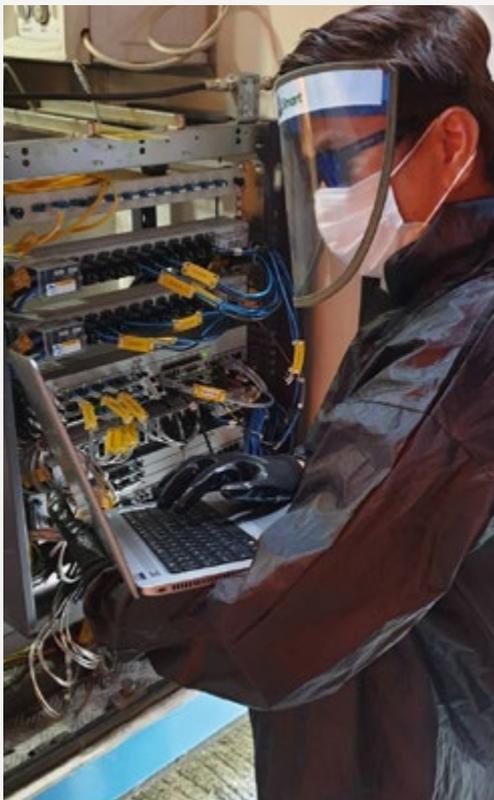
**JUNE CHERYL A. CABAL-REVILLA**  
Chief Sustainability Officer



# COVID-19 Response

## Reinventing resilience and extending compassion to our stakeholders 103-1

Amid the COVID-19 pandemic, the Company invested in initiatives to create a sound business environment that was quick to respond comprehensively to the global crisis. The organization swiftly mobilized resources to strengthen internet connectivity, address the needs of employees, and ease the way of doing business to sustain livelihoods – and we shall continue to innovate and transform to ensure a crisis-ready economy and society even beyond the time that the crisis is finally resolved.



### Taking care of our people 403-3, 403-6, 403-7

As our employees carried out extraordinary work amid the health crisis, the COVID-19 Command Center supervised the Company's response plans, managed medical supplies, provided essential needs of personnel, and implemented safety protocols.

The PLDT Medical Services Team delivered free medicine, launched medical consultations systems, supervised testing results, and accommodated staff in quarantine facilities. When COVID-19 vaccines became available, it facilitated a vaccination program for employees and their families. We also addressed mental health concerns through an internal program called "Mind Your Health."

For legend information, please see [page 07](#)



**Stakeholders**

Employees, Government, Customers, Communities, Children; ESG: Social

**Enhancing digital connectivity**

203-1, 203-2

With connectivity as the lifeline that has kept communities functioning during this pandemic, we reallocated 1,800 MHz frequencies from 2G to 4G/LTE to increase the volume of data traffic. The Company also doubled data allocation for postpaid subscribers, and enhanced data packages for prepaid customers.

We offered subscribers a six-month installment payment program for outstanding monthly bills. Customers could also reload phones from “jeepalengkes” or mobile stores, which also sustained the livelihood of sales partners.

**Providing communications support to key facilities**

The Company also contributed by providing hotlines, pocket mobile WiFi, smartphones, SIMs, e-load, and its online messaging platform, Infocast, for the use of command centers all over the country. Free mobile access to StaySafe.ph, which gathers health information from users, helped in contact tracing. The deployment of free fiber-powered, carrier-grade Smart WiFi in health and quarantine facilities, hospitals, and local government units (LGUs) addressed frontliners’ communication needs.

The Company also helped hospitals set up systems to conduct consultations and dispense prescriptions. With the Multi-Element On Wheels (MEOW) augmenting Smart’s LTE, 3G, and 2G services, high-speed internet was made available in high foot-traffic areas such as airport terminals and convenience stores.

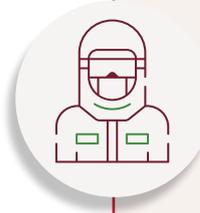
**Donating medical equipment and care packages**

As healthcare systems struggled to keep up with the unprecedented demand, the Company donated medical equipment and supplies to COVID-19 facilities. The Makati Medical Center Foundation received high-level decontamination services using Steramist Asia’s Binary Ionization Technology (BIT), while staff from the Research Institute for Tropical Medicine and the National Kidney and Transplant Institute were provided with care packages. We also donated 200 scrub suits for frontliners from the Armed Forces of the Philippines (AFP).

**PLDT Donations**



**PHP30.4 MILLION**  
worth of **hospital equipment** to East Avenue Medical Center



**118,000+**  
**personal protective equipment**  
**almost 4,000**  
**hygiene kits** to LGUs, communities, and frontline health workers



more than **20,000**  
**grocery packs** for families affected by the pandemic slowdown





### Facilitating distance learning

In support of the Learning Continuity Plan of the Department of Education (DepEd), PLDT offered digital tools, education strategies, and trainings to help ensure continuous learning. Long-running education programs shifted to the digital space, with Gabay Guro's online trainings gathering close to half a million teachers in 27 e-learning sessions on Facebook, while its program app carrying mobile learning resources generated over 100,000 downloads.

A collaboration with the University of the Philippines Open University (UPOU), the PLDT Infoteach Outreach Program holistic webinar series helped prepare teachers, students, and guardians for the new normal in education. The Smart-backed Central Visayas Institute Foundation - Dynamic Learning Program (CVIF-DLP) independent learning strategy was also heavily endorsed by DepEd for SY 2020-2021.

### Fundraising for frontliners

From online concerts to virtual musicals all filmed from the homes of various artists, we supported numerous fundraising events and encouraged subscribers to use the Text-to-Donate Drive.

### Delivering assistance to underserved communities

PLDT distributed food packs, face masks and hygiene kits, and educational and livelihood assistance to communities nationwide. Together with the Philippine Business for Social Progress (PBSP), we supported the Sewers of Solidarity for Orphans and Widows (SOW) in the production of face masks. On Global Handwashing Day last October 15, 2020, we again worked with PBSP and turned over two 200-liter handwashing facilities to Brgy. 310 in Sta. Cruz, Manila.

### Showing Compassion

Malasakit (concern) has been our core value in our crisis response efforts, particularly for the most vulnerable members of our society. We supported the Integrated Bar of the Philippines-Quezon City and provided the Bureau of Jail Management and Penology (BJMP) Quezon City Jail Male and Female Dormitories with videoconferencing equipment to speed up the hearing of cases and help decongest jails. We also helped the Misamis Oriental Provincial Jail facilitate an e-dalaw program so inmates can have video calls with their families.



# Our Sustainability Evolution

## A Pivotal Year for Sustainability

In 2020, the Company made positive strides to accelerating our sustainability leadership. The challenges of the COVID-19 pandemic underscored the importance of a resilient foundation to weather unexpected disruptions and deepened our promise to contribute to development and inclusive growth for our customers, communities, and stakeholders.



### Institutionalizing sustainability

After establishing the Corporate Sustainability Office (CSO) and launching *Gabay Kalikasan* in 2019, we created the Sustainability Board Committee under the Governance, Nomination, and Sustainability Committee (GNSC) to strengthen sustainability governance.



Jeffrey Hales, Chair of the SASB Standards Board, and Chaye A. Cabal-Revilla, PLDT-Smart Chief Sustainability Officer

### Adhering to Global Standards

The Group advanced its environmental, social, and governance (ESG) commitments by engaging leading global organizations that monitor corporate sustainability practices - Sustainability Accounting Standards Board, Task Force on Climate-related Financial Disclosures, United Nations Global Compact, and Business for Social Responsibility. In fact, our Company is SASB's first telecommunications global alliance member. These alliances will help embed sustainability within the organization, build capacity among staff, and generate best practices. We are also working with the Global System for Mobile Communications Association on environmental initiatives.

## Cascading our sustainability framework

The Company continues to cascade to all its employees the dynamic framework which is anchored on its vision, mission, and core purpose of creating a responsible and resilient business. As a telecommunications and digital services company, our mandate is to contribute to the country’s achievement of the United Nations Sustainable Development Goal (SDG) #9 and help “build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.” Our focus areas are:

**Product** Connect everyone everywhere through our products and services

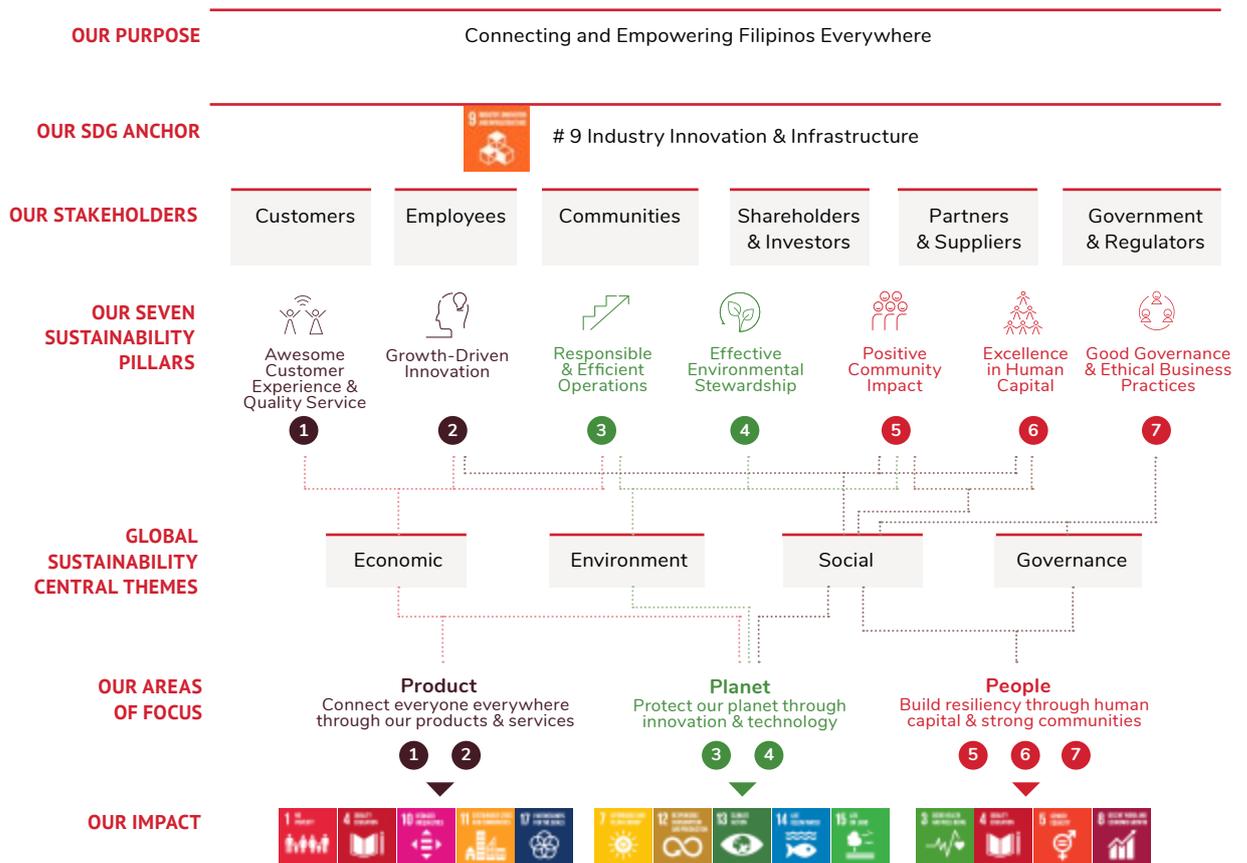
**Planet** Protect our planet through technology

**People** Build resiliency through human capital and strong communities

We anchored our seven pillars of sustainability on these focus areas. This alignment allows us to create the most value and meaningful long-term impacts for our stakeholders.

## Our Sustainability Canvas

Responsible and Resilient Business



# Sustainability Journey

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## 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

## Our Purpose

To create meaningful and resilient connections responsibly

## Our Promise

To enable meaningful connections anytime and anywhere

## Global Standards



## Materiality and Sustainability Reporting Framework [p.47](#)

## Enterprise Risk Management [p.43](#)

## Our Sustainability Journey

Three Sustainability Pillars	
2000 - 2014	
<b>People</b>	Create wider opportunities for employment, entrepreneurship, and the greater well-being of all Filipinos.
<b>Planet</b>	Invest in technical business solutions that both cut costs and help save the environment.
<b>Profit</b>	Expand the market of products and services.

### Sustainability Statement

Our sustainability journey inextricably links our purpose of connecting and empowering Filipinos everywhere, and contributing to the country’s sustainable development.

Our work in providing an extensive digital infrastructure that will enable the Philippines to successfully navigate a world amid another wave of disruption—as Internet of Things, artificial intelligence and 5G permeate—and meet the challenges to be better stewards of the environment and more equitable in social development.

We consider our seven-pillar strong sustainability framework as a canvas on which our business imperatives and strategies are in a constant interplay with programs that enable us to create the best value for our stakeholders.

These seven pillars are hinged on the focus areas to connect everyone everywhere through our products and services, protect our planet through technology, and build resiliency through human capital and strong communities.

Five Sustainability Pillars		Seven Sustainability Pillars	
2015 - 2018		2019 - 2020	
<b>Good Governance</b>	Adhere to the code of ethics and observe the values of accountability, integrity, fairness, and transparency.	<b>Awesome Customer Experience and Quality of Service</b>	Provide reliable customer experience and improve access to and quality of services.
<b>Ethical Business Practices</b>	Comply with the applicable laws, rules and regulations, and transparency through disclosures.	<b>Growth-Driven Innovation</b>	Develop innovations that create value to the business, consumers, and society.
<b>Quality of Service</b>	Improve service quality and be the catalyst in the formulation of solutions to achieve corporate goals.	<b>Responsible and Efficient Operations</b>	Achieve resource efficiency in all facets of business operations.
<b>Social Responsibility</b>	Strive to achieve resource efficiency in network and facilities operations	<b>Effective Environmental Stewardship</b>	Protect the environment and the country’s natural resources for sustainable development.
<b>Responsible Operations</b>	Improve the lives of communities and contribute to nation building.	<b>Excellence through Human Capital</b>	As an equal opportunity employer, cultivate a diverse and inclusive culture to develop transformational leaders.
		<b>Positive Community Impact</b>	Contribute to nation-building through community and volunteer programs that support key priorities and engagements.
		<b>Good Governance and Ethical Business Practices</b>	Commit to the highest standards of business ethics and corporate governance requirements.

Focus Areas	Sustainability Pillars GRI SASB TCFD	Objectives	Material Topics	SDG Targets
<b>Stakeholders</b> Employees, Customers, Shareholders & Investors / Suppliers, Government & Regulators / Communities, Media, & Children				
<p><b>Connect everyone everywhere through our products and services</b></p>	<p>1</p>  <p><b>Awesome Customer Experience and Quality of Service</b></p> <p>EESG Economic</p>	<p><b>Provide reliable customer experience and improve access to and quality of services</b></p>	<p>Service Quality, Access, and Network Improvements</p> <p>Data Privacy and Information Security</p>	
	<p>2</p>  <p><b>Growth-driven Innovation</b></p> <p>Economic AMBISYON 2040</p> <p>EESG Promote technology adoption</p> <p>Stimulate innovation</p>	<p><b>Develop innovations that create value to the business, consumers and society</b></p>	<p>Product and Services Innovations</p>	
<p><b>Protect our planet through technology</b></p>	<p>3</p>  <p><b>Responsible and Efficient Operations</b></p> <p>EESG Economic Environmental</p> <p>AMBISYON 2040</p> <p>Ensure safety and build resilience</p>	<p><b>Achieve resource efficiency in all facets of business operations</b></p>	<p>Resource Efficiency</p> <p>Business Continuity and Disaster Preparedness</p> <p>Asset Protection and Risks Management</p> <p>Cybersecurity</p>	
	<p>4</p>  <p><b>Effective Environmental Stewardship</b></p> <p>EESG Environmental</p> <p>AMBISYON 2040</p> <p>Ensure ecological integrity, clean and healthy environment</p>	<p><b>Protect the environment and the country's natural resources for sustainable development</b></p>	<p>Environmental Protection Initiatives</p> <p>Carbon Reduction Projects</p>	

Initiatives

- Ensure that all men and women, in particular the poor and the vulnerable, have access to appropriate new technology. (1.4)
- Enhance the use of enabling technology, in particular information and communications technology, to promote the empowerment of women. (5.B)
- Achieve higher levels of economic productivity through diversification, technological upgrading and innovation. (8.2)
- Empower and promote the social, economic inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status. (10.2)
- Reallocated assigned 1800 MHz frequencies from 2G to 4G/LTE to increase digital connectivity.
- Provided extensive digital communications support to COVID-19 command facilities, national government agencies, local government units, and hospitals all over the country.
- Developed broad range of new products to transform communication, work, business, education, sports, entertainment, and other facets of people's lives onto online platforms.
- Strengthened measures to protect customer data privacy.

- Significantly increase access to information and communications technology and strive to provide universal and affordable access to the Internet in least developed countries by 2020. (9.c)
- Promote the development, transfer, dissemination and diffusion of environmentally sound technologies. (17.7)
- Fully operationalize science, technology and innovation capacity-building mechanism for least developed countries by 2017 and enhance the use of enabling technology, in particular information and communications technology. (17.8)
- Increased 5G deployment across the country.
- Developed advanced technological solutions and innovations with international partners.
- Developed e-learning packages to ensure continuity of education.
- Partnered with Grab to provide way access to products and services.
- Created campaigns to support the digital transformation of education and business.
- Conducted PH Digicon to connect business leaders, technology innovators, and other stakeholders.
- Crafted unique digital solutions, such as SmartPlanet Bin, School-in-a-Bag, and the Ka-Partner app, to address pressing environmental, educational, and microentrepreneurship needs.
- Deployed personnel and technology to maintain digital infrastructure and technology during natural disasters.

- By 2030, double the global rate of improvement in energy efficiency. (7.3)
- By 2020, substantially implement integrated policies and plans towards resource efficiency, mitigation and adaptation to climate change, resilience to disasters, and develop and implement holistic disaster risk management at all levels. (11.b)
- By 2030, achieve the sustainable management and efficient use of natural resources. (12.2)
- By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse. (12.5)
- Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries. (13.1)
- Integrate climate change measures into national policies, strategies and planning. (13.2)
- Maintained programs to manage resource use and reduce GHG emissions and other environmental impacts.
- Standardized Business Continuity Management System to improve organizational resilience and protect critical business functions.
- Increased investments in cybersecurity to protect business operations and clients.

- Integrate climate change measures into national policies, strategies and planning. (13.2)
- By 2020, sustainably manage and protect marine and coastal ecosystems to avoid significant adverse impacts, including by strengthening their resilience, and take action for their restoration in order to achieve healthy and productive oceans. (14.2)
- By 2020, ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services. (15.1)
- Strengthened Gabay Kalikasan with significant programs to protect vulnerable ecosystems.
- Partnered with DENR, Huawei Technologies Philippines, and Rainforest Connection and deployed solar-powered bioacoustics monitoring systems to monitor forest activities
- Collaborated with Ericsson, and Sasmuan, Pampanga LGU on Connected Mangroves Project.
- Partnered with UP Marine Science Institute and Marine Environment Resources Foundation on the effective management and carbon sequestration of 24 marine protected areas.
- Collaborated with the DENR on the protection of the Caimpugan Peatland in Agusan Marsh Wildlife Sanctuary.
- Implemented energy saving initiatives to manage resources and reduce environmental impact.

<p><b>Build resiliency through human capital and strong communities</b></p>	<p><b>5</b></p>  <p><b>Excellence through Human Capital</b></p> <p>Social EESG AMBISYON 2040</p> <p>Accelerate human capital development</p> <p>Reduce vulnerability of individuals</p> <p>Maximize demographic dividend</p>	<p>As an equal opportunity employer, cultivate a diverse and inclusive culture to develop transformational leaders</p>	<p>Employee Health and Safety</p> <p>Diversity and Equality</p> <p>Talent Attraction and Retention</p>	
	<p><b>6</b></p>  <p><b>Positive Community Impact</b></p> <p>EESG Social</p> <p>AMBISYON 2040</p> <p>Promote philippine culture and values</p> <p>Expand economic opportunities</p> <p>Increase access to economic opportunities</p>	<p>Contribute to nation-building through community and volunteer programs that support key priorities and engagements</p>	<p>Upliftment and Technology for Community Development</p> <p>Partnership for the Goals</p>	
	<p><b>7</b></p>  <p><b>Good Governance and Ethical Business Practices</b></p> <p>EESG Governance</p>	<p>Commit to the highest standards of business ethics and corporate governance requirements</p>	<p>Good Corporate Governance</p> <p>Transparency and Disclosure</p> <p>Supply Chain Management</p>	

<ul style="list-style-type: none"> <li>• By 2030, ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university. (4.3)</li> <li>• Adopt and strengthen sound policies for the promotion of gender equality and the empowerment of all women at all levels. (5.C)</li> <li>• By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value. (8.5)</li> <li>• Protect labor rights and promote safe and secure working environments for all workers. (8.8)</li> <li>• By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status. (10.2)</li> </ul>	<ul style="list-style-type: none"> <li>• Prioritized employee health and well-being.</li> <li>• Invested in the continuous learning and development of employees through e-learning courses and webinars.</li> <li>• Crafted the “Wellness Revolution: Digital Edition” program to energize and engage the workforce.</li> <li>• Ensured safety of staff, particularly those who need to report to their respective offices.</li> </ul>
<ul style="list-style-type: none"> <li>• Build the resilience of the poor and those in vulnerable situations and reduce their exposure and vulnerability to climate-related extreme events and other economic, social and environmental shocks and disasters. (1.5)</li> <li>• Ensure significant mobilization of resources to provide adequate and predictable means to implement programs and policies to end poverty in all its dimensions. (1.A)</li> <li>• Investment in rural infrastructure, agricultural research and technology development in order to enhance agricultural productive capacity. (2.A)</li> <li>• Strengthen the prevention of substance abuse, including narcotic drug abuse and harmful use of alcohol. (3.5)</li> <li>• Ensure that all children have access to quality education. (4.2)</li> <li>• Substantially increase the number of youth and adults who have relevant technical and vocational skills, for employment, decent jobs and entrepreneurship. (4.4)</li> <li>• Substantially expand globally the number of scholarships available. (4.B)</li> <li>• Substantially increase the supply of qualified teachers for teacher training in developing countries. (4.C)</li> <li>• Enhance scientific research, upgrade the technological capabilities of industrial sectors in all countries. (9.5)</li> <li>• Strengthen efforts to protect and safeguard the world’s cultural and natural heritage. (11.4)</li> <li>• Access to science, technology and innovation (17.6)</li> <li>• Fully operationalize science, technology and innovation (17.8)</li> </ul>	<p>Maintained the following programs to continue to deliver essential services to stakeholders:</p> <p><b>Quality Education</b></p> <ul style="list-style-type: none"> <li>• Gabay Guro</li> <li>• School in a Bag</li> <li>• Central Visayan Institute Foundation-Dynamic Learning Program</li> <li>• Smart Wireless Engineering Education Program</li> <li>• Smart Prepaid Innovation Generation</li> <li>• #Cybersmart Caravan</li> <li>• #LearnSmart eLearning Sessions</li> <li>• MVP Academic Excellence Awards</li> <li>• PNP Educational Grant</li> <li>• PLDT Infoteach Outreach Program</li> </ul> <p><b>Improving Livelihood</b></p> <ul style="list-style-type: none"> <li>• Digital Farmers Program</li> <li>• Buy Local Buy Smart Campaign</li> <li>• WeHealAsOne: LGU Engagement Program</li> <li>• Kalye Mabunga</li> </ul> <p><b>Disaster Resilience</b></p> <ul style="list-style-type: none"> <li>• PSF support for the victims of the Taal eruption as well as other typhoons</li> <li>• #SafeAndSmart</li> <li>• Cash-for-Work-Program</li> <li>• Tuloy Pa Rin and Pasko Movement</li> <li>• Philippine Disaster Resilience Foundation programs and activities</li> </ul> <p><b>Tourism</b></p> <ul style="list-style-type: none"> <li>• Digital Catechism</li> <li>• #TravelSmart</li> </ul>
<ul style="list-style-type: none"> <li>• Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle. (12.6)</li> <li>• Promote public procurement practices that are sustainable, in accordance with national policies and priorities. (12.7)</li> <li>• Substantially reduce corruption and bribery in all their forms. (16.5)</li> <li>• Develop effective, accountable and transparent institutions at all levels. (16.6)</li> <li>• Ensure responsive, inclusive, participatory and representative decision-making at all levels. (16.7)</li> <li>• Promote and enforce nondiscriminatory laws and policies for sustainable development. (16.B)</li> </ul>	<ul style="list-style-type: none"> <li>• Renamed the Governance and Nomination Committee to Governance, Nomination, and Sustainability Committee. The GNSC includes the Chief Sustainability Officer as Non-voting member.</li> <li>• Formed the Data Privacy and Information Security Committee.</li> <li>• Signed and participated in the United in the Business of a Better World: A Statement from Business Leaders for Renewed Global Cooperation of the United Nations Global Compact.</li> <li>• Discussed leadership amid the pandemic at the Annual In-House Corporate Governance Enhancement Session for Board Members and top management officials.</li> </ul>

# Celebrating Our Progress

A banner year for sustainability, our alliances with international sustainability reporting partners, extensive assessment of ESG performance and targets, and continued collaboration in environmental stewardship underscored our drive to raise our business profile while caring for people and the environment.

## Working with sustainability allies 102-12



### Lauded at the 2020 Digital Inclusion Benchmark of the World Benchmarking Alliance

The in-depth analysis of the WBA tracked how the PLDT Group is helping advance a more inclusive digital economy and society.

The study was developed in close collaboration with an Expert Review Committee (ERC) of members from the World Bank Group, GSMA, International Telecommunication Union, and more. Stretching across 33 economies worldwide, the benchmark covers digital systems across three industries: telecommunication services; hardware, consisting of the manufacture of digital goods such as end-user devices, network equipment and semiconductors; and IT services, consisting of software applications, data centers, cloud computing and platform services.

DIB used four measurement areas—access, skills, use, and innovation—which are all aligned with the UN SDGs and informed by research, stakeholder engagement, and related indexes. The WBA then evaluated the companies according to their disclosures, commitments, and performance.



## Showcased best practices in sustainable development at the Prince of Wales' Accounting for Sustainability Summit (A4S)

Following the release of WBA DIB, the benchmarking leader chose us to showcase report findings at the A4S, which upholds sustainable decision-making in businesses.



PLDT-Smart Chief Sustainability Officer Chaye A. Cabal-Revilla discussed efforts to strengthen our digital network and develop affordable services for work-from-home employees, entrepreneurs who need online platforms for their business, and youth and teachers who need to continue with their learning.



**Only telco worldwide and sole Philippine company to participate at the Sustainability Accounting Standards Board Alliance Corporate-Investor Dialogue**

*“It is rare to see this level of transparency in these markets, and novel to have the richness of the data. It shows a self-confidence of the company to share, track, and capture all this data, and gives a strong perception that the company is run well and has reporting embedded in the culture.”*

**- Alliance feedback on PLDT’s ESG reporting**

The Corporate-Investor Dialogue highlighted the quality and implementation of SASB reporting standards. Members praised the substance and comprehensiveness of our ESG data, as well as our efforts in human capital reporting, specifically in the details concerning diversity and gender.

**Conducted the first assessment of climate change-related transition and physical risks to identify opportunities to address climate-related risks in line with TCFD recommendations.**



## Our environmental initiatives

- We partnered with the **University of the Philippines Marine Science Institute (UP MSI) and Marine Environment Resources Foundation (MERF)** to contribute to the natural regeneration and rehabilitation of marine protected areas (MPAs) in 24 sites.
- Our collaboration with the **Department of Environment and Natural Resources (DENR) targets the protection, conservation, and restoration of Caimpugan Peatlands** at the Agusan Marsh Wildlife Sanctuary.
- In cooperation with the DENR and Huawei Philippines, we undertook a project called Rainforest Connection, in partnership with a US-based non-government organization of the same name. Through a solar-powered bioacoustics monitoring system deployed in forests, this innovative solution taps mobile technology to detect and record forest sounds that can help prevent illegal logging and poaching activities. Pilot sites include five DENR-designated areas in Palawan, which is recognized as the country's "last ecological frontier."
- We continued our partnership with Ericsson on the **Connected Mangroves** project, which uses Internet of Things (IoT) solutions to restore mangroves for coastal communities.
- Our massive **environmental mural** over PLDT's Makati headquarters exterior aimed to raise awareness of wildlife vulnerable to climate change. The 120-foot high artwork of an endangered Rufous-headed Hornbill is the tallest environmental painting in Southeast Asia to date.



Read more on *Effective Environmental Stewardship* on [pages 85-94](#).

# 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.

## 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 Telecommunications Training and Education Center (TelTEC) and PLDT Smart University
- Programs that support the well-being of employees (MVP Olympics/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 major engagement programs
- 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/Giga
- 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

## 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

- 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



### 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

### 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

### Frequency of Engagement

- Quarterly release of financial statements, MD&A, and analyst presentations
- Quarterly conference calls and briefings with the press, investors, and analysts to announce financial and operating results, respond to queries and clarifications, and provide outlook
- Face-to-face briefings: upon announcement of first half and full-year results
- Quarterly or as needed participation in investor fora and conferences
- Quarterly dialogues with shareholders, fund managers, investors, and analysts

## 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**

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



**Responses**

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



## 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 spokespersons, and public affairs executives to provide accurate, reliable, vital, and timely information that is in the public interest
- Online channels
- Press briefings and press releases

### Key Concerns

Newsworthiness of events, press releases, and corporate movements

### Frequency of Engagement

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 mind-set 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)

### Frequency of Engagement

At least twice a month

### 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



### 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

More about this in the next page:

# Building our Children's Sustainable Future

## Increasing Child Safety in the Digital World Principle 1



The PLDT Group is committed to upholding children's rights to growth and development, as well as safety from harmful influences, abuse, and exploitation. These are in hopes of safeguarding their welfare particularly in times of crisis.

The Company has been working with UNICEF since 2018 to craft pro-children policies aligned with the Children's Rights and Business Principles framework. As a result, we incorporated children in the 2019 stakeholder management plan and recently released our landmark Child Safeguarding Policy.

The Company reinforced its technology and network security platforms to help eliminate

cases of online sexual abuse and exploitation of children in the Philippines. In cooperation with the National Telecommunications Commission and key industry intelligence sources, we blocked access to inappropriate websites and domains. As this report goes to press, we have signed a corporate membership to the Internet Watch Foundation (IWF), the international technology and intelligence alliance for the elimination of child abuse materials over the Internet. Meanwhile, Smart offered #CyberSmart: Cyber Security Beyond Digital learning series with DepEd, UNICEF, and National Privacy Commission (NPC) and successfully trained more than 28,000 students and teachers on Internet safety.

For legend information, please see page 07



**Stakeholders**

Government, Communities, Children; ESG: Social

**PLDT is the first Philippine corporate entity to integrate children’s rights in business through the Child Safeguarding Policy. This embodies our commitment to protecting Filipino children in a rapidly increasing digital landscape and within the context of our operations in the workplace, marketplace, and community.**

**Maintaining a safe online environment for children**



**Blocked**

**2,900 websites**

with online sexual abuse and exploitation of children content



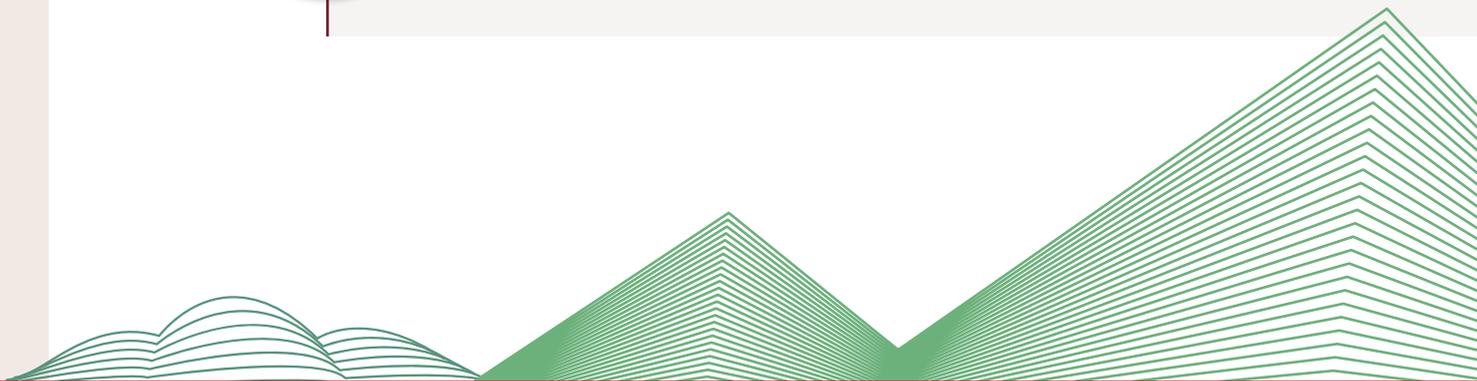
**Blocked more than**

**12 billion**

attempts by subscribers to open compromised pages



Working with Philippine Chamber of Telecommunication Operators (PCTO) to **amend RA 9775 or the Anti-Child Pornography Act of 2009 to better protect children**



# Enterprise Risk Management

102-11

Our list of top risks is dynamic and varied, affecting our shareholders, employees, customers, suppliers, and communities. It is important that we manage our risks properly in order to reduce the uncertainty associated with business performance, enable the organization to take advantage of opportunities, and promote planning for the allocation of resources and

Despite constantly evolving risk factors, our top long-term strategic risks have not significantly changed. The Company, therefore, keeps abreast of various technological advancements and innovations to integrate them into products and services. We also keep aware of the competitive situation in the industry, especially with new entrants and existing competition.

## Prioritizing Risks

While profitability remained important in 2020, it took a back seat to the business' more important components: the health and safety of our employees, maintaining connectivity and service to customers, and assisting the government in caring for those most affected by the crisis. COVID-19 required the organization to quickly adapt work set-ups and processes in order to continue effectively delivering high standard products and services.

We managed risks from COVID-19 by offering innovative products and services to customers and integrating operational changes to sustain the business.

## Our Strategy

The Company is committed to managing overall risk exposure systematically and in a way that supports our strategic decision-making process.

Through a comprehensive and integrated risk management program implemented across all levels of the organization, the Company is able to identify, analyze, and manage risks to a reasonably acceptable level. This enhances opportunities, reduces risks, and sustains competitive advantage.

## Top Company Risks 2020

- Prolonged pandemic
- Customer experience issues and reputational risks
- Delivery of transformation initiatives
- Competitive situation and economic conditions
- Rapid speed of disruptive innovations and new technologies
- Regulatory changes / political scrutiny
- Cyber security incidents and data privacy breaches
- People risks
- Inability to design and prepare future mode of operations
- Natural disasters / climate change

**Enhancing the Risk Management Process**

The Enterprise Risk Management (ERM) framework was updated and redeveloped with related processes and policies. Enhancements include a revised approach to the implementation Risk Appetite concept and the adoption of the Three Lines of Defense Model – a framework designed to facilitate an effective risk management system that clarified roles of management, various risk control and compliance oversight functions, and Internal Audit.

A new Governance, Risk, and Compliance platform was developed to improve the collection of risk information, enhance risk analysis and monitoring capabilities, and help implement the

updated ERM Framework. These will help the Group Risk Management Department (GRMD) meet regulatory requirements, develop an intelligent risk culture within the Company, promote active risk assessment and monitoring, and facilitate real-time reporting of risks.

The GRMD promulgates and encourages the adoption of a standard risk management process, underlining the need to focus on properly identifying, analyzing, evaluating, treating, and monitoring risks that may affect the achievement of business objectives.

**Improving Risk Governance**

The Corporate Sustainability Office also 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). We anticipate that the government will create regulatory directives in response to the potential impacts of climate change, such as the new RA 11285 or the Energy Efficiency and Conservation Act. These new regulations may impact our operations directly or indirectly through our suppliers or customers.

The implementation of the Enterprise Risk Management process ensures that critical risks are well understood and effectively managed across all our functions and units. We believe that an effective risk management program will contribute to the attainment of our objectives, thus creating value for the business and our stakeholders.

**Climate-related Risks and opportunities** 103-1

The 2020 Global Climate Risk Index (CRI) ranked the Philippines second as the country most affected in 2018 and fourth as country most affected in the last decade by climate change. The CRI indicates a level of exposure and vulnerability to extreme weather, which countries should interpret as warnings to prepare for more frequent and more severe future events. The Philippines is regularly exposed to tropical cyclones due to its geographical location. The CRI continuously ranks the Philippines among the most affected countries both in the current year’s index and the long-term index.

Climate change presents tremendous impacts on business, including:

- Damage to infrastructure
- Higher repairs and maintenance cost
- Service disruption
- Reputational risk
- Employee and customer health and safety
- Supply chain disruption
- Constraints on available resources

**The impacts of Climate Change adversely affect operations and financial conditions. The Company has signed up in support of the Task Force on Climate-Related Financial Disclosures, one of the first Philippine companies to do so, seeking ways to transparently work together to mitigate impacts of climate change.**

## Analysis based on the TCFD Framework 201-2

The Company has sought a third-party assessment that analyzed our climate-related transition and physical risks. It also identified opportunities to improve processes to address climate-related risks, improve disclosure, and respond to identified gaps. The assessment classifies climate-related risks into transition risks and physical risks.

The Risk Assessment according to the TCFD Framework is as follows:

### Transition Risk

#### Policy risk exposure is low.

The government has not yet determined carbon tax measurements to encourage action to reduce greenhouse gas (GHG) emissions aligned with the Paris Agreement. To quantify this risk, we will (1) set an internal carbon price to simulate policy risk relative to GHG emissions and (2) consider carbon risk exposure in investment decisions to help us develop cleaner alternatives and reduce carbon footprint.

### Transition Risk

#### Market risk exposure is low.

This is based on calculated profit at risk (EBITDA at risk) of the Top 100 customers of the Company (mostly Enterprise/Carrier clients) and assumed carbon pricing related to the client sector's GHG emissions. This focuses on market risk exposure for the consumer market in the second phase of quantification, which is considered immaterial on a standalone basis.

### Transition Risk

#### Reputational risk exposure is medium.

We considered potential increased stakeholder concern or negative stakeholder feedback as a climate-related reputational risk. The higher the overall reputation risk exposure of a company, the more likely it is to face challenges in attracting or retaining talent, long-term customer relationships, access to capital, license to operate, and investors. A matrix by the Industry Group, Carbon Global Standard Impact Classification, Carbon Intensity Decile Ranking, GHG Transition Pathway, and Climate Strategy Score determined the overall risk exposure.

### Physical Risks

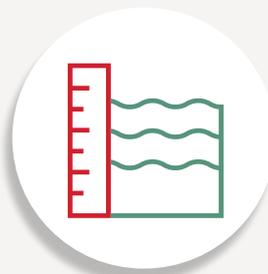
#### Both acute and chronic physical risks are high.

We simulated major climate risks and are reviewing adaptation plans and mitigation measures at our facilities and cell sites with high climate change physical risk exposure.

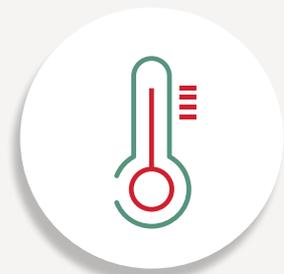
## Simulated Climate Risks



**Stronger typhoons** by 2021 to 2050 will expose infrastructure to high risk of damage.



High water stress in **83% of our sites by 2030**, especially in highly urbanized areas.



**Higher excess heat factor** that will put our facilities in Southern Philippines and Metro Manila at risk.

**Current Assessment of PLDT** 103-2, 103-3

Guided by the TCFD framework, the Company aligns the approach and strategy to climate-related risk around governance, strategy, risk management, and metrics and targets.

	Current Approach	Strategy
<b>GOVERNANCE</b>	<ul style="list-style-type: none"> <li>The CSO, working with ERM, ensures proper management of climate-related risks and opportunities. The GNSC and Risk committees then review the effectiveness of our climate risk management.</li> <li>The standardized Business Continuity Management System (BCMS) is dedicated to improving organizational resilience through the protection of critical business functions, which may be affected by climate change-related risks.</li> <li>The Enterprise Business Continuity and Resilience Office (BCRO), which manages strategies and programs to prepare PLDT to deal with different operational and business disruptions, looks into the BCMS.</li> </ul>	<p>Follow 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 continue to plan business strategies with various climate change scenarios in mind.</p>
<b>STRATEGY</b>	<ul style="list-style-type: none"> <li>Look at the potential business impact of risks and opportunities and create mitigating actions or act on opportunities.</li> <li>We strengthened our Business Continuity Plan (BCP) and formed the Crisis Management Plan to respond to climate-related risk.</li> <li>Focus on planning for more resilient infrastructure and processes.</li> </ul>	<ul style="list-style-type: none"> <li>The BCP was institutionalized to minimize impact and restore normal operations and service delivery as quickly and safely as possible after natural disasters.</li> <li>Ensure compliance with ISO 22301 certification of identified key critical facilities.</li> </ul>
<b>RISK MANAGEMENT</b>	<ul style="list-style-type: none"> <li>The GRMD encourages the adoption of a standard risk management process to identify, analyze, evaluate, treat, and monitor risks that may affect business objectives. The ERM process ensures that critical risks are understood and effectively managed across functions and units.</li> <li>We are considering these new policies to guide our energy-related GHG emission reduction in our long-term outlook for energy. This serves as our foundation in determining our business environment, strategies and investments.</li> </ul>	<ul style="list-style-type: none"> <li>The CSO assists the GRMD in reviewing climate-related risks and opportunities associated with the global transition to a low-carbon economy.</li> <li>We will anticipate new regulations that may directly or indirectly impact our operations.</li> </ul>
<b>METRICS AND TARGETS</b>	<ul style="list-style-type: none"> <li>Base stations, switches, and data centers provide service to customers and represent a substantial part of total GHG emissions.</li> <li>We have focused our carbon reduction efforts on network operations, including movement to cloud and adoption of technology innovations and solutions.</li> <li>We fortify infrastructure to manage climate risks and continuously update the Disaster Response Plan (DRP) for Weather Disturbance.</li> </ul>	<p>Prepare for disruptions caused by natural disasters with pre-planned failover testing of critical network systems and testing of DRPs and Emergency Response Teams (ERT).</p>

**We will continue to future-proof our business and prepare for both expected and emerging risks. We will maintain a responsive risk management system to keep our industry lead and connect people, whenever, wherever.**

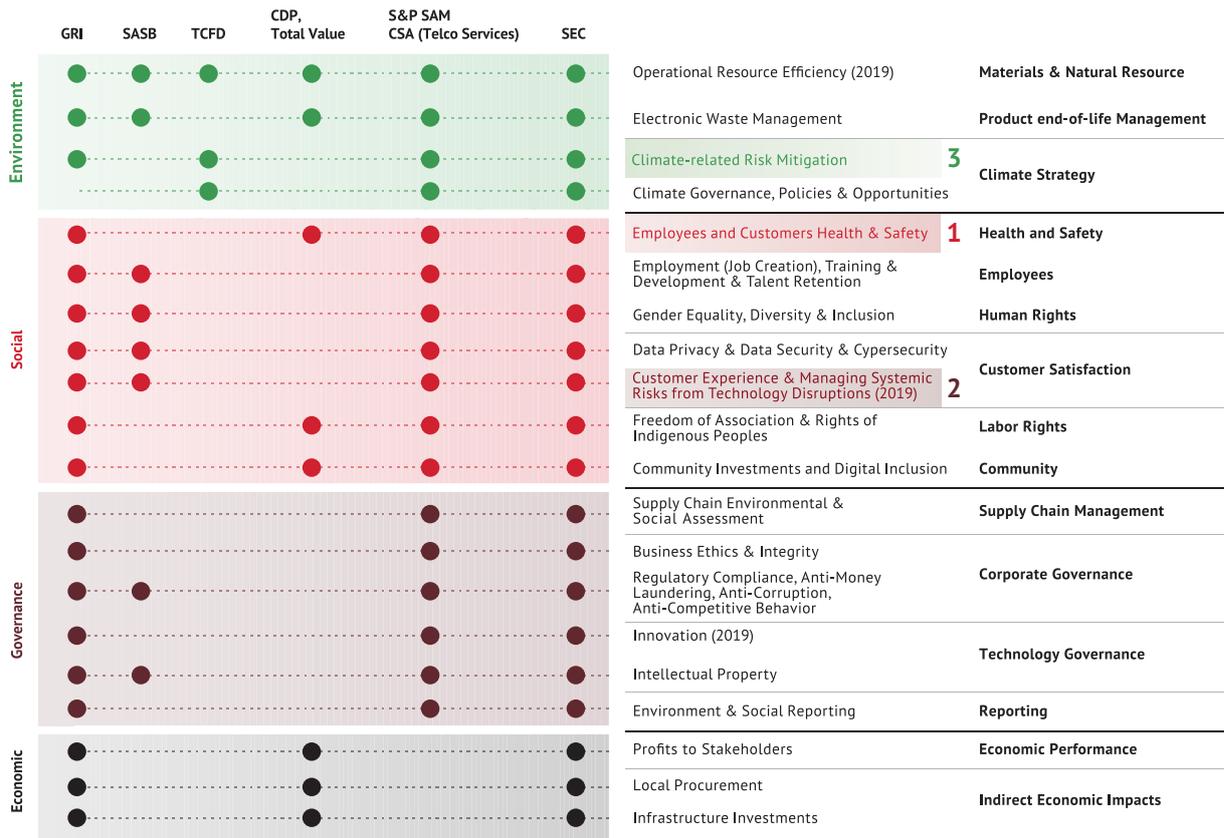
# Materiality and Sustainability Reporting Framework

102-46, 102-47

The PLDT Group constantly works with our stakeholders to create a sustainability roadmap that reflects significant stakeholder issues and provides the direction to enhance our performance. In 2020, we conducted workshops to identify our priority material focus and relevant internal and external factors that affect materiality.

Three important business topics emerged as we defined our material focus. These emerging issues were attributed to concerns brought about by the pandemic, as well as the anticipated entry into the telecommunications industry of a third service provider:

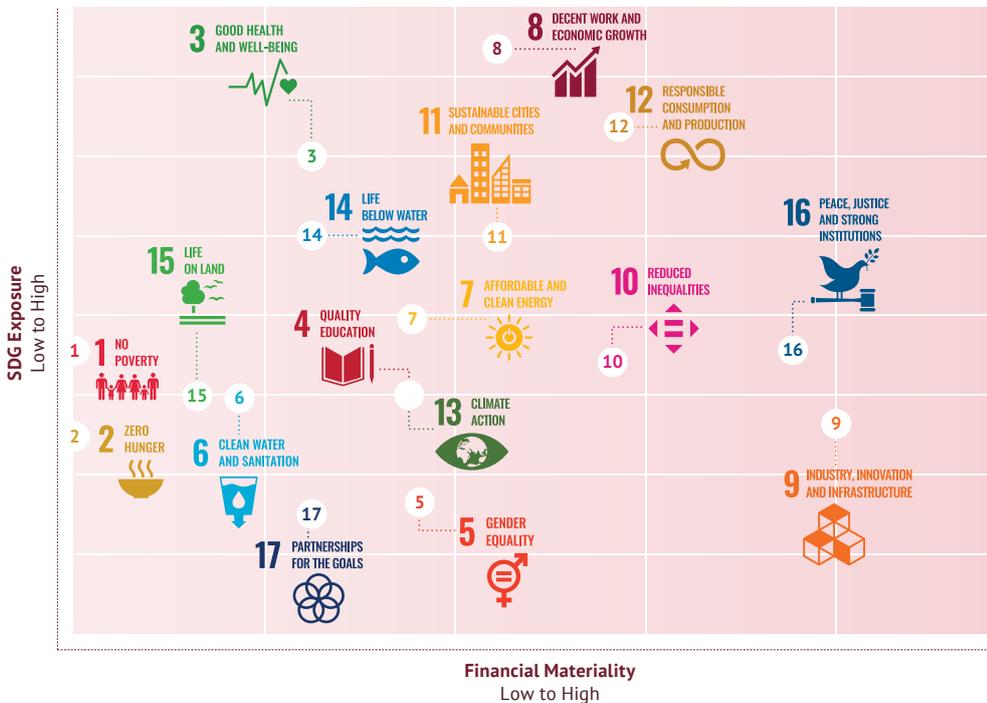
- **Employees and customers' health and safety** – the topic emerged as COVID-19 impacted business operations, and human health and well-being became an important lever in business.
- **Customer experience and managing disruptions** – customer focus will ensure loyalty and achieve business growth, particularly in a heightened competitive environment.
- **Climate-related risk mitigation** – mitigating identified climate risks can reduce business disruption, decrease vulnerability, and transform into a competitive advantage.



The Governance, Nomination and Sustainability Committee concurred and confirmed the materiality of the identified topics. These ESG topics are anchored on our vision and mission, and are more closely aligned with the Philippine Development Plan *Ambisyon Natin 2040* and the country's commitment to the United Nations 2030 Agenda for Sustainable Development and the 17 Sustainable Development Goals.



Our material topics are identified across the 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 scaled from 1 to 10, with 1 being the lowest and 10 being the highest score.



## Institutional Alliances

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



SASB Alliance  
[www.sasb.org](http://www.sasb.org)

### Sustainability Accounting Standards Board

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](http://www.fsb-tcfd.org)

### Task Force on Climate-related Financial Disclosures

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



UNGC  
[www.unglobalcompact.org](http://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](http://www.bsr.org)

## 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](http://www.gsma.com)

## 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](http://www.cdp.net)

## 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.

## Sustainability Pillars

page

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**53** Awesome Customer Experience and Quality of Service

**65** Growth-Driven Innovation





***Connect*** everyone  
everywhere through  
our products and services



# Our Awesome Customer Experience and Quality of Service

Connecting people and communities to build a better normal



In July 2020, Glenn Ong of Pasig City became Smart's first 5G customer.

With a world under crisis, ensuring we were able to provide our customers the level of support and service they needed was essential. Recognizing the vital role we had in keeping families, communities, businesses, and organizations connected further fueled the Company's deepened commitment to make every effort to enhance systems and processes enabling us to deliver memorable customer experiences.

By end 2020, the growth in fixed-line and broadband subscribers was expected as a result of the market's major shift to work-from-home arrangements in many industries and online learning for all educational institutions. Our broadband subscribers increased by 43 percent to almost 3.1 million (from 2.16 million) and

fixed-line subscribers went up by 10 percent to about 3.04 million (from 2.76 million). Our mobile subscribers had a slight decrease, standing at 72.9 million compared with the previous 73.1 million.

All these translated to mobile data traffic increase as demand for digital connectivity was a major driving force that allowed economies to continue effectively functioning through the restrictive community quarantines. From a daily average of 6,000 Terabytes per day in 2019, mobile traffic grew by 38 percent to a daily average of over 8,200 Terabytes in 2020. This current level is nearly triple that of 2018.



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



**72,933,839**  
mobile subscribers



**3,042,815**  
fixed line subscribers



**3,090,118**  
broadband subscribers

**Growth in data traffic**  
(terabytes/day)

**8,210**  
2020

**5,944**  
2019

**2,860**  
2018

### Pandemic response through service with care and empathy

With quarantine restrictions keeping a great number of people in their homes and forcing schools to immediately shift to online classes for the school year, majority of our customers were given a speedboost of at least 25mbps to support activities such as work, study, and recreation purposes. Customers were also given free NDD calls for a limited period of time to keep connected with family and loved ones during the imposition of the local community quarantine.

Right at the start, when community quarantines were announced, PLDT Home Wifi and PLDT Home Volume-based plan subscribers were given free access to verified government and news websites such as the Department of Health (DOH), National Disaster and Risk Reduction Management Council (NDRRMC), Philippine Information Agency (PIA), News 5, Philippine Star Global, Business World, CNN Philippines, ABS-CBN News, and GMA News Online.

In addition, wanting to also help ease some financial pressures for customers navigating through the crisis, the Company offered a payment deadline extension for accounts with overdue balances and proactively implemented a six-month installment payment scheme for accumulated bills. We also promoted digital channels for customers to receive and pay their bills, which includes auto-charge arrangements with partner banks to ensure continued use of our products and services.

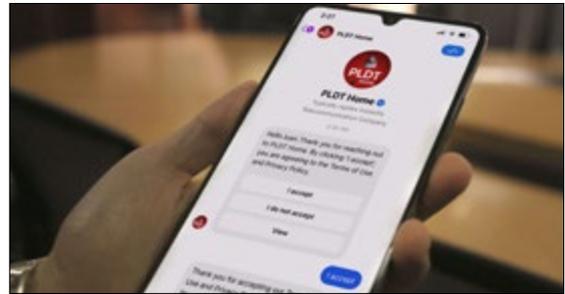
Additionally, to ensure that customers enjoy the best quality of internet connection, the Company is continuously expanding the roll-out of the latest fiber-to-the-home technology in various areas nationwide. Customers are proactively offered to upgrade to a Fibr plan as soon as facilities become available. The upgrade is free, which will ensure a more reliable internet experience.

Aiming to keep customers and employees safe, the Company transformed most face-to-face interactions into web services. PLDT and Smart beefed up online channels to make it easier for subscribers to settle bills, purchase prepaid load, and register to promos from home.

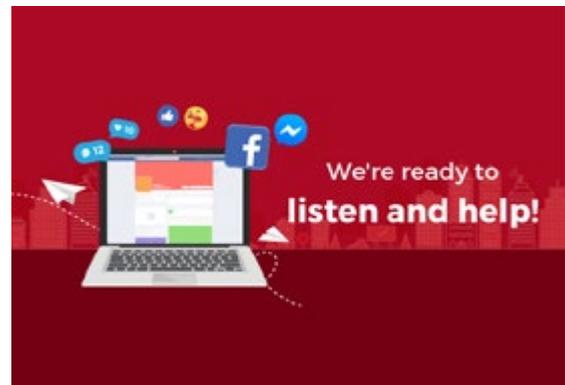
**PLDT Home also partnered with leading e-commerce platform Shopee** to make bills payment more convenient for postpaid customers. This was through its integrated mobile wallet, ShopeePay, which enables postpaid customers to skip going out or lining up at service and payment centers just to settle their monthly service bills.



**The PLDT Home Facebook Messenger chatbot** was launched in May, which provided self-care solutions to prospective and existing customers including requests to get a copy of bills, pay bills, reconnect a restricted account, report a service issue, enroll to paperless billing, apply/upgrade their subscription, and a lot more.



**The PLDT Cares FB page** was launched in July, which houses customer education materials on common billing, payment, troubleshooting, and account management topics in the form of instructional videos, text, and graphics. Service advisories for scheduled and emergency outages are now actively posted in the PLDT Facebook page (PLDT Inc.'s official corporate Facebook page) to advise affected customers and the public.



**An online booking facility was made available on PLDT Home's website** to give customers the option to conveniently book store appointments and make face-to-face transactions through video chat with our Sales and Service Center frontliners. This significantly drove common customer transactions typically done through store visits to online appointments to support the well-being and safety of our customers and employees during the pandemic.



**PLDT Home launched an SMS Help Channel** in November to cater to simple billing and payment-related concerns of our customers. The SMS channel can be used by our customers to quickly get answers about their outstanding balance, to request for a copy of their e-Statement of Account, and to get instructions on how to pay their bills using some of our authorized online payment channels.

Meanwhile, **the Company adopted safety protocols** in stores nationwide. In cases where service teams needed to enter customers' homes or business premises, they were equipped with protective gear and trained in the proper health protocols for before, during, and after site visits.

**It also introduced a PLDT Home Express Upgrade 170 hotline**, an agentless hotline, which allows eligible customers to easily upgrade the speed of their internet plan without the need of reaching out to our after sales hotline, visiting our SSCs, or applying through the website. Upgrading is easy and convenient with no required documents for submission and takes just 24 hours to complete the upgrade request.



And in order to support continuous improvement and strengthen accountability among business partners and stakeholders throughout the period, an email address, which was later converted to an online form in the website, was created specifically to

cater to reports of existing and prospective customers regarding alleged illegal installs done by contracted partners. This led to the imposition of penalties on the erring vendors and the improvement of checks and balances within the organization.

This was among the many ways that the Company showed it was ready to support its partners in meaningful ways. For instance, to equip its one million prepaid load sellers amid the changing communication needs of mobile customers, **the Company provided digital trainings for our PLDT-Smart Ka-Partners and introduced a new Ka-Partner app** that is designed as support for micro-entrepreneurs.



Forming collaborations was indeed a key strategy for companies looking to apply digital innovation for their customers. For instance, **the SM Store, in collaboration with PLDT, introduced its nationwide hotline number #14376 (I♥SM)** to support the store's Call to Deliver service, which was an essential service for them to address quarantine restrictions. The SM Store's #MyNumber hotline is powered by PLDT's expansive fixed-line network that will allow customers to dial the hashtag sign (#) followed by five digits, 14376 (I♥SM), which will connect them to the nearest The SM Store branch.

Furthermore, the popular Smart Padala and its agent network provided much-needed critical financial services to Filipinos particularly during the early days of the quarantine. With many banks, financial institutions, and payment centers being forced to temporarily close down, millions of Filipinos relied on their neighborhood Smart Padala agent to continue performing financial transactions such as remittances, bills payments, and mobile prepaid reloading.

Another initiative was on re-tooling tourism, one of the sectors most impacted by COVID-19 restrictions. We were able to launch digital mobile applications, in coordination with the Department of Tourism (DOT) that can be used for self-paced, contactless tours in 20 locations all over the country.

### Digital services to help people build back better

Going through the crisis has served to underline the value that digital technology offers to the pursuit of sustainability in the modern era. The PLDT Group's drive for continuous innovation and dynamic approach to service delivery has allowed it to offer useful solutions to a market that



The move was fortuitously timed in Cebu, aligned with the celebration of 500 years of Christianity. We partnered with the Archdiocese of Cebu to kick off the event with the launch of the *Panaw sa Pagtuo* (Journey of Faith) Mobile Exhibit App and a digital series featuring 21 historical videos leading to 2021.

At the same time, our enterprise arm powered the 133 Negosyo Centers of the Department of Trade and Industry (DTI) nationwide with connectivity and digital services to support Micro, Small, and Medium Enterprises (MSME).

DTI's Negosyo Centers play a pivotal role in getting MSMEs back on track to survive the current economic climate. In support, PLDT Enterprise is deploying its BEYOND FIBER, Smart WiFi, and PayMaya services to the full-service Negosyo Centers, including 16 additional centers in the Bangsamoro Autonomous Region in Muslim Mindanao (BARMM).

was looking to recover from the impact of the pandemic as well as attempting to rebuild a better, more sustainable way of living.

A good example is the **PLDT Home Biz**, which offers micro-entrepreneurs who operate home businesses with fast and reliable internet connection and e-commerce tools. In partnership

with the country's top e-commerce solutions companies such as PayMaya, UnionBank GlobalLinker, Sulit.ph, and GrabExpress, PLDT Home provides Home Biz subscribers with a complete e-commerce ecosystem for worry-free and safe payment options, digital platforms, and delivery solutions.

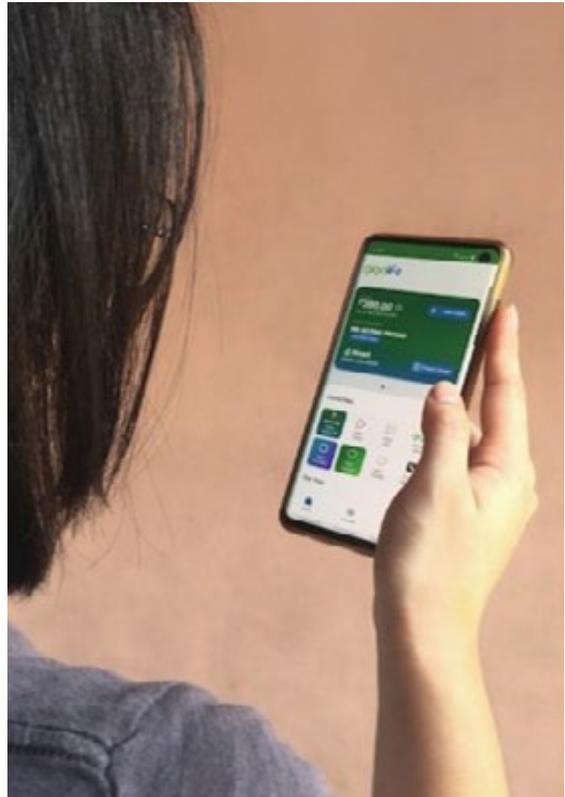
Meanwhile, Smart offers the **Smart Bro LTE Pocket WiFi** as a handy solution for professionals who need a fast and reliable mobile internet connection on the go. Its GIGA data offers include GIGA Work, which provides easy access to work and productivity tools plus open access data, and GIGA Pro for heavy data users.

Smart also launched **GigaLife App** for prepaid and postpaid subscribers, enabling them to seamlessly manage their digital life. Through the app, customers can conveniently monitor their data usage, register to promos, pay their monthly bill, and avail of exclusive perks and rewards, among others.

And to further support customers' passions, Smart expanded its current suite of GIGA offers by launching GIGA Pro, Smart's biggest prepaid data pack for heavy data users; GIGA Work and GIGA Study, which provide data allocations for work collaboration tools and learning apps, specifically tailored for employees' online productivity needs and students' online education needs; and GIGA K-Video, which allows Smart prepaid subscribers to enjoy ad-free streaming and unlimited downloads of K-dramas via the VIU Premium video streaming platform.

Smart also unveiled its new GigaPoints rewards program, which offers a simpler and easier way to earn, accumulate, and redeem exclusive treats through the GigaLife App. Prepaid subscribers of Smart and TNT can start earning GigaPoints on top-ups or by registering to their favorite GIGA promos.

Smart maximized its LTE network to deliver a variety of online events to its subscribers. Smart showcased world-class



entertainment, e-sports tournaments, and other digital innovations through GigaFest. This includes live events featuring local and international artists.

With people having to stay home and find ways to entertain themselves and their families, Smart offered more options as it gave active support to the country's e-sports industry by launching several online tournaments and holding one of the biggest events for the local e-sports scene, the **Siklab Saya**. It also launched the Free Games For All promo, which allowed Smart and TNT prepaid subscribers to access more of their favorite mobile games.

At the same time, Smart reignited fans' passion for hoops with the launch of the **NBA.Smart**. The portal is part of Smart's exclusive multi-year partnership to make NBA content more accessible to millions of Filipinos. In 2020, Smart also announced its global partnership with FIBA, where Smart 5G technology will play a vital role in the events leading up to and during the much-awaited FIBA Basketball World Cup 2023. The global sporting event will be co-hosted by the Philippines, Japan, and Indonesia.

For its part, PLDT Home Luzon subscribers for its Fibr Plan 1899 were given a one-month subscription to iflixVIP. PLDT Home also enabled families to enjoy entertainment at home by conveniently charging their NBA League Pass, the league's premium live game subscription service, to their PLDT Home subscription. What's more, PLDT Home powered the first ever digital E-Sports and Gaming Summit (ESGS), the country's biggest gaming convention, and brought the gaming experience to Filipino homes.



### Inspiring communities to look BEYOND

PLDT Enterprise led the transformation of the future of work through the introduction of new innovative solutions and services, putting together campaigns, and organizing several virtual events to support and equip businesses as they embrace the shift to digital.

Enabling businesses to work whenever and wherever, the PLDT Enterprise group developed and implemented the #ONEwithYOU Campaign, which was anchored on the value of “malasakit” for its employees and customers. It immediately found ways to pivot its operations by engaging with customers and supporting them amid the challenging times. #ONEwithYOU campaign encompassed internal cascades, digital materials, and press releases along with the release of stimulus packages and telecommuting solutions.

Inspiring businesses to look BEYOND and adapt to the challenging times, PLDT Enterprise also put together

BEYOND FIBER—the group’s most expansive 360-marketing campaign. Its official virtual launch garnered 100,000 views on top of the confirmation secured from 800 customers.

Then it set up **Day Zero**, an internal code name for the collection of initiatives to signify a new beginning for all businesses, aimed to personalize and tailor-fit the group’s products and offers to support the needs of the customers. The campaign was launched via a thematic video intending to inspire customers to embrace this new business age with the tagline, “Step into a new day. Every day is a new day.”



PLDT Enterprise also ran a campaign that communicated its commitment to empower the education sector with technology. Using videos that featured the perspectives of the educator and student on eLearning solutions and initiatives of our Company, the campaign highlighted how children should not stop learning and dreaming despite the challenging times. With over two million combined views for the videos, it has driven interest towards eLearning solutions that can aid both teachers and students’ remote learning experience.

And to further support the transition of businesses towards the online and digital platforms, PLDT Enterprise organized the **Keep Moving Forward campaign**, with a live launch event held on August 4 that amassed a total of 1,568,161 views on YouTube and Facebook.



In addition, the Company organizes **Tech Talk**, a thought leadership forum, which facilitates stimulating discussions on our different digital solutions. The pandemic pushed the series to use social and mass media to disseminate information on the latest trends across multiple industries. Two iterations of Tech Talk On-Air then came to life, which followed the same format but was done virtually.



Then there is **Project IMPACT**, designed to enhance customer experience by improving service delivery, employee engagement, and operational efficiency. Project IMPACT was received positively by both customers and PLDT Enterprise employees. To date, over 2,400 employees have been onboarded and more than 200,000 client databases have been migrated. This long-term change aims to streamline operation and make a positive impact on every single business.



**The Company also sponsored IMPACT: The Philippine Digital Convention 2020.**

Hollywood actress and global e-commerce entrepreneur Gwyneth Paltrow headlined this virtual event in October, alongside business influencers, thought leaders, and technology experts from around the world. The convention aimed to inspire attendees to embrace the call of making a positive impact on society by adopting innovations and technologies that will define the future of work.



Enabling enterprises to do business beyond borders is another goal for the Company. This is why PLDT Global Enterprise is focused on promoting the Philippines' vast capabilities to hyperscalers. Through this campaign, PLDT Enterprise promoted its global arm and its strategic points of presence across the

Americas and Europe as well as the Asia Pacific. This campaign increased awareness of the Company's international capabilities through events made for the global teams, creation of a thematic video, and the launch of the PLDT Global Enterprise website.

**Ensuring a strong foundation with network reliability and responsiveness**

As a provider of essential communications and connectivity services to the public, the PLDT Group considers all known risks that may result in disruption of operations and instills preparation and resilience into the business continuity plans. Risks can be natural

or unforeseeable circumstances, also known as force majeure, and includes such events as weather disturbances, earthquakes, volcanic eruptions, fire, labor unrest, civil unrest, war, or a pandemic.

In 2020, we achieved a speed score of 27.78 based on nationwide customer-initiated speed tests. Top download speeds reached 79.48 Mbps while upload speeds hit 92.18 Mbps.



**PLDT: 0.445**  
**Smart: 0.0083**

Average Network Interruption Frequency



**PLDT: 8 hours**  
**Smart: 6.31 hours**

Average Network Duration

We have seen an increase in network interruption frequency and duration in 2020 because of the impact of the pandemic where restoration teams had encountered a lot of constraints in quickly resolving technical issues. There are different health protocols set by the LGUs and building administrators including strict curfew implementation.

The Company therefore approaches business continuity in two ways—through People and Processes and through Network Architecture and Design.

People and Processes include the creation of the Crisis Management Team, and the appropriate plantilla who are tasked to ensure the implementation of the Business Continuity Plan, Crisis Communication Plan, and Disaster Recovery Plan. *These are discussed in detail in our Enterprise Risk Management on pages 45-48.*

**In terms of Network Architecture and Design, we have implemented the following:**

**Virtualization/Cloudification of Core Network (CS/PS Pooling)**

For our Fixed and Mobile Data Network, mobile data network platforms are strategically placed in various data centers to serve particular areas. Each area – specifically Northern Luzon, Northern Metro Manila, Southern Metro Manila, Southern Luzon, Visayas, and Mindanao – has two data centers each for data services, for a total of 12 data centers across the network. The system is designed to automatically switch from one data center to the other in the event of disruptions.

A similar structure is in place for the Voice and SMS Network. Switches and Gateways are placed in various data centers to serve voice and SMS traffic of the mobile network. The network is flexible and allows us to easily reroute traffic from one switch to another when necessary.

Meanwhile, to ensure reliability of the Subscriber Database, the system is housed in three different locations in the network, which are constantly mirroring each other and allowing use of any of the databases whenever the situation warrants.

**Resilient Transmission and IP Backbone Network**

The Domestic Fiber Optics Network (DFON) and Transport Network Transformation (TNT) comprise our backbone network. Our transmission network is composed of several loops that interconnect our various network and IT platforms. The ring architecture is resilient and ensures uninterrupted service during emergency situations caused by incidents such as typhoons and other natural disasters. The TNT is a new Transport and IP Backbone network equipped with the latest and the best technology available. Its high capacity network can cater to increasing data traffic. TNT is highly scalable, which facilitates easy and quick expansion. It also features a better resiliency scheme that can provide more resilient routes depending on an area’s fiber network.

**Flexible Network of Cable Landing Stations**

Our three cable landing stations across the network increase flexibility and capability to serve international data and voice traffic.

## Protecting Customer Data Privacy 103-1, 103-2, 103-3, 418-1, TC-TL-220a.1

Processing personal information is a core business component given the nature of our business. The Company's Data Privacy and Information Security Governance (DPISG) adopts data protection as its primary goal to prevent personal data breaches, as these may have social and economic impacts that may harm the Company's reputation and ability to do business. The following policies safeguard personal data and protect the right to privacy under the Philippines' Data Privacy Act:

- Personal Data Privacy Policy
- Standards on Upholding Data Subject Rights
- Process Guidelines in Handling Exercise of Rights
- Updated Standards on Cookies, Privacy Notice, and Consent

The Personal Data Privacy Policy mandates compliance of personnel and service providers to our Company's programs, policies, measures, methods, and procedures adopted by the Company to safeguard personal data and protect the right to privacy of our customers, employees, and partners.

We adopted the Standards on Upholding Data Subject Rights (the "Standards") in August 2020. This establishes a consistent and effective approach for customers and other data subjects to exercise their rights under the Philippines' Data Privacy Act. The Standards applies to all personal data collected and processed in connection with our business activities. We also adopted the Process Guidelines in Handling Exercise of Rights in relation to the Standards.

In November 2020, the PLDT Board created the Data Privacy and Information Security Committee (DPISC) to assist the Board in overseeing our compliance with laws and regulations on Data Privacy and Information Security and ensure effectiveness of our privacy and security programs. The DPISC reviews and approves privacy and information security organizational changes, processes, and policies to maintain effective lines of accountability, responsibility, and authority for protecting information assets.

### We implement the following privacy standards to ensure compliance with policies:

1. Standards on Records of Processing Activities help maintain our internal inventory and map data processing activities. These focus on identifying Core Processing Activities and Sub-Activities of the data lifecycle, from collection to disposal and involve physical and electronic data materials. The Records of Data Processing Activities are essential to the management of the privacy risk impact assessment process.
2. Standards on Privacy Impact Assessment (PIA) detail the requirements for conducting our privacy risk assessments. This decision-making tool identifies and mitigates privacy risks at the start and throughout the personal data lifecycle of programs, projects, and records of processing activities.
3. Personal Data Privacy Risk Management Standards are necessary to coordinate activities that will direct and control group-wide risk management. It ensures the presence of appropriate controls to address privacy risks from data processing activities, processes, and systems.
4. Standards for Exercise of Privacy Rights enable data subjects to exercise privacy rights across our Company. It defines requirements in effectively handling requests and complaints of data subjects.
5. Data Breach Management Standards ensure that incidents and data breaches are properly handled. The standards cover important phases in data breach such as Planning that includes creation of a breach response team, incident identification, investigation, remediation, and notification to the National Privacy Commission.

Most of the data privacy incidents may be characterized as insufficient protection of personal information during the different stages of the data lifecycle and inadequate security measures employed by partners and service providers. The DPO counters data breaches with preventive security measures with the assistance of in-house data security experts. We also alert customers with advisories on identity theft and other frauds.

In addition to data breaches, we recorded 121 substantiated customer complaints in relation to customer privacy. These are complaints we received as exercise of rights of a data subject, as well as complaints from other customer channels that were later on determined to be privacy-related. Two (2) of these were referred to us by the National Privacy Commission while the rest are from outside parties or customers. These complaints were all addressed by management. The number of complaints has been attributed to customers' growing awareness of their rights under the Data Privacy Act and the heightened role of digital connectivity as people were forced to stay at home due to government-mandated community quarantines. In 2020, nine (9) customer complaints were classified as identified leaks, thefts, or losses of customer data, which is 44% lower than in 2019.

In terms of data in electronic waste, the Physical and Environmental Security Standards ensures the secure destruction of documents or equipment containing personal information following an established retention and disposition schedule.

Specific to the COVID-19 crisis, the Company adopted contact tracing measures in line with the mandate of Republic Act No. 11332 or the "Mandatory Reporting of Notifiable Diseases and Health Events of Public Health Concern Act." The DPISG then ensured the security of personal data by: (1) guiding the implementation of COVID-19 reporting mechanisms and assuring employees that data collection is undertaken in accordance with the Data Privacy Act; (2) providing electronic contact tracing forms at Smart stores to protect customer data privacy and establishing strict guidelines for employees on the retention of data; (3) collaborating



## 44% lower total

identified leaks, thefts, or losses of customer data compared to 2019



TC-TL-220a.2

## 6,962,614

Number of customers whose information is used for secondary purposes\*

\*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.

with the Legal Department in advising other units on the submission of personal data of employees and customers.

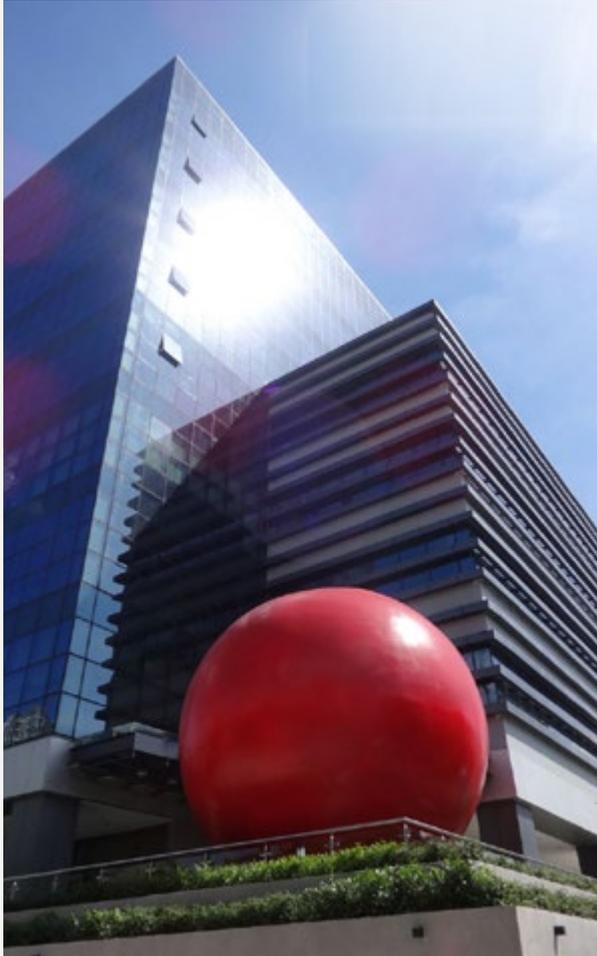
We made sure to provide guidance that balanced regulatory reporting requirements with the need to comply with data privacy principles. We will continue to protect personal and sensitive personal data by embedding privacy practices and capabilities in our operations to ensure data integrity, accuracy, confidentiality, and availability at all points of the data lifecycle. We will also adapt privacy rules and regulations in accordance with changes in data and technology, in collaboration with the government and telecom industry partners, to strengthen network security and enhance data privacy.



# Growth-Driven Innovation

103-1, 103-2, 103-3

Connecting through digital technology to bridge people and communities



TV5 Media Center in Mandaluyong City became the Philippines' first 5G Media City in 2020, while Gariath Concepts e-sports venue in Quezon City became the first 5G-powered e-sports hub in the country.

The PLDT Group's sustainability journey has always been abetted by its continuous pursuit of innovations that bring value to our stakeholders. This quest for fresh ideas on new ways to bring the Company's vision to fruition became even more significant as the world struggled to prevail over a devastating crisis.

The Company, with the full support of its people, responded to the call of the times and delivered innovations to keep people, communities, enterprises, and organizations connected to the resources they needed to overcome the challenges and find the path to recovery.

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Awesome Customer  
ExperienceGrowth-Driven  
InnovationResponsible and  
Efficient OperationsEffective Environmental  
StewardshipExcellence through  
Human CapitalPositive  
Community ImpactGood Governance and  
Ethical Business Practices



## PLDT Home offers innovative solutions TC-TL-550a.2

In 2020, PLDT Home was committed to keeping families strongly connected by enabling them to continue working, studying, playing, and earning safely at home.

PLDT Home partnered with Southeast Asia's leading everyday app, Grab, to quickly deliver internet solutions straight to Filipino homes. The collaboration allowed customers to order PLDT Home Wifi Prepaid units through various online channels and have them delivered to their homes within a day. This service made it possible for every Filipino to have quick and easy access to vital digital solutions.

And as schools and educational institutions had to instantly shift to online classes for the safety of both students and teachers, PLDT immediately rolled out PLDT Home Wifi Prepaid Famload Study packages designed to be affordable for families needing reliable connections for their children's home schooling. PLDT Home introduced new data packages such as FamLoad Study 599 and FamLoad Study 999. Each prepaid package features open access daily data allocation and free access to top learning sites and apps including Microsoft 365 tools, Gabay Guro App, Canvas, and NEO.

PLDT Home then teamed up with top technology provider ASUS to bring the top-of-line ASUS WiFi 6 routers that can deliver up to 1000 Mbps speeds for lag-free browsing, seamless streaming, and equal upload and download speeds anywhere and on any device at home.

It also introduced PLDT Home Wifi Prepaid Advance that offers LTE-Advanced (LTE-A) technology that can deliver the fastest wireless internet speeds versus the previous PLDT Home Wifi Prepaid modem. It is therefore more efficient compared to its previous version with its carrier aggregation features and ability to combine frequency channels that enable faster LTE speeds and better customer experience.

PLDT Home then continued to set the standard of PH home broadband by introducing Fibr Plus, a home internet service that comes with whole home wifi technology that replaces a collection of routers and range extenders with a smart mesh technology, eliminating dead spots anywhere at home for a seamless and uninterrupted connectivity. It also comes with a mobile app for easy installation and network management for a secured connection.



### ePLDT fortifies best-in-class capabilities

ePLDT was recognized with a number of awards for its advanced technological solutions and innovations. It secured the Philippines' first and only EF 3.0 certification for carrier ethernet services in the country, placing the Company among the list of top-tier global services providers, which includes Bell Canada, SSE Telecoms in the UK, PCCW Global, and Orange of France.

ePLDT Inc. is also the first and only Philippine organizational member of the global leader in incident response Forum of Incident Response and Security Teams (FIRST), strengthening its cyber security capabilities and enabling it to respond better to security incidents.

Furthermore, international partners such as Dell, Salesforce, Cisco, Hewlett-Packard Enterprise,



Fortinet, and Asus, and more than 50 certified Microsoft professional practitioners recognized ePLDT with multiple awards and expertise certifications. These signify ePLDT's capacity to provide world-class services to partners and customers. It has also been granted Gold Level status in five key technology areas, which demonstrates ePLDT's best-in-class capabilities in delivering Microsoft solutions for specialized areas of business.

### PLDT Enterprise strengthens partnerships



PLDT Enterprise partnered with multinational cloud computing company Alibaba Cloud for its data center services, metro Ethernet, and other connectivity solutions to support its overseas expansion and growth strategy in the Philippine market.

PLDT Enterprise created campaigns to support digital transformations for families, schools,

and businesses. These thematic campaigns focused on redefining the future of e-learning in the Philippines and communicated PLDT's commitment to empower education with technology to safeguard children's learning needs during the crisis. More discussions on these can be found in the Awesome Customer Experience section of this report.

## Smart Apps and 5G Deployment

Smart's mobile network now covers 96 percent of the population and is available in 95 percent of the country's cities and municipalities. This extensive coverage allows Smart to launch apps and solutions that cater to the needs of subscribers. In 2020, Smart launched its GigaLife App for prepaid and postpaid subscribers to enable customers to seamlessly manage their subscriptions.

As the leader in 5G deployment, Smart introduced in July 2020 Smart 5G, the country's first 5G commercial service in strategic areas in Metro Manila, Luzon, Visayas, and Mindanao. This ushered in the next evolution of wireless communications with superfast speed and ultra-low

latency. Customers can enjoy the benefits of 5G connection with the introduction of 5G-certified devices in collaboration with top manufacturers such as Samsung, Huawei, Apple, Vivo, Realme, OPPO, and other partners.

Highlights for 2020 include firing up 5G at the Gariath Concepts e-sports venue in Quezon City, the first 5G-powered e-sports hub in the country, as well as at the TV5 Media Center in Mandaluyong City, making it the first 5G Media City. Smart also delivered the country's first 5G-powered sports broadcast at the Philippine Basketball Association (PBA) in Clark Freeport in Pampanga.

## #SmartPlanet Principle 8

Our #SmartPlanet e-Waste Program uses technology to present a proper way of recycling discarded mobile devices, in order to avoid harmful effects of electronic waste on health and the environment. Using electronic sensors, the bin sends out Smart e-load in exchange for used phones, chargers, and tablets.

This innovation was the winning entry during the first MVP Geek Olympics, the Company's annual innovation competition that is open to all employees of the MVP Group. A brainchild of PLDT Innolab, an incubator for startups and developer communities wanting to scale extensible partnerships, the prize was a week-long tour in Silicon Valley, California. The winning team visited top digital companies such as Google, Facebook, and Twitter, where they met representatives working on these organizations' latest innovation projects.



### School-in-a-Bag

Smart's School-in-a-Bag is a portable digital classroom that is specifically designed to facilitate learning in basic education for communities in remote areas that have limited sources of electricity. The program combines mobile technology with innovative teaching methods and K+12 content. The School-in-a-Bag is best for schools in areas that offer elementary, high-school, and multi-grade classes, but have no access to electricity and internet signal. In 2020, Smart continued to deploy School-in-a-Bag kits nationwide, some of which went to the Department of Education to support the agency's Basic Education Learning Continuity Plan.



### Ka-Partner

There are about one million micro-entrepreneurs, known as *PLDT-Smart Ka-Partners*, who offer retail prepaid airtime load. As the pandemic drastically changed consumer behavior and shifted the communication needs of mobile customers, PLDT-Smart enabled its *Ka-Partners* to continue to earn incomes through digital trainings and tools, including the new *Ka-Partner* app. The app eases load selling, management, and monitoring, and gives more opportunities for the micro business owners to earn from transactions.





### Communication as aid

PLDT-Smart technology plays a key role in disaster response and recovery and crisis management. To ensure that network operations continue despite typhoons and natural disasters, PLDT and Smart pre-position emergency communications kits, equipment, and personnel in areas projected to be along the paths of typhoons. In 2020, engineers and other emergency personnel chartered flights and worked with the Philippine Air Force to reach typhoon-hit areas to repair damage to infrastructure, activate **Libreng Tawag**, charging and WiFi stations, and immediately send out texts and calls from the site.

PLDT and Smart also contributed its extensive line of telecommunication products and services to COVID-19 command centers nationwide, including those run by the Department of Information and Communications, Department of Science and Technology, Department of Transportation, the Philippine General Hospital, and the Research Institute for Tropical Medicine.

The Company uses its expertise and collaborations to develop innovative apps and solutions to make a difference for our customers and target communities. We will continue to develop sustainable partnerships to address challenges and drive inclusive growth in our society.

# Sustainability Pillars

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**73** Responsible and Efficient Operations

**87** Effective Environmental Stewardship

An aerial photograph of a dense, lush green forest. The trees are tightly packed, creating a rich, textured canopy of various shades of green. The perspective is from directly above, looking down on the forest floor.

***Protect* our planet  
through technology**



# Responsible and Efficient Operations

Connecting efficiency and resiliency to deliver sustainable solutions



As the Company maintains focus on responsibly staying the course through its sustainability journey, it has found that operational excellence goes hand in hand with continuous improvement.

Seeking to always increase efficiencies in various processes and operations, which is especially important in times of crisis, the Company relies on the dedication and support of a professional and committed workforce that reliably delivers on the Company's promises.

## Energy Consumption and Conservation 103-1, 103-2

Efficient and responsible use of energy resources is an important part of the Company's sustainability strategy.

Energy consumption is contributed by our fixed line and wireless facilities in the country, such as office buildings, fixed network sites, exchanges, business offices, cell sites, warehouses, and Remote Digital Line Units/Digital Line Carriers. The task of managing energy consumption is shared by teams that are focused on long-term efficiencies of our business operations.

Energy consumption accounts for about 20 to 40 percent of operating expenses and increase is expected as the Company expands its reach and services. 5G technology, for instance, which requires more dense and complex networks, will potentially increase energy use of the system. As such, these developments have also quickened the Company's efforts to mobilize projects optimizing efficient energy usage and exploring renewable energy sources.



**Total Fuel Consumed (in liters)** 302-1

	2020	2019	2018
<b>Overall</b>	16,728,444	15,314,297	13,619,021
<b>Gas</b>	4,156,026	2,564,671	1,386,287
<b>Diesel</b>	12,572,418	12,749,626	12,232,734
<b>Gas</b>	4,156,026	2,564,671	1,386,287
<b>Fixed</b>	3,750,400	1,914,487	668,296
<b>Wireless</b>	405,626	650,184	717,991
<b>Diesel</b>	12,572,418	12,749,626	12,232,734
<b>Fixed</b>	2,698,836	3,032,977	2,868,868
<b>Wireless</b>	9,873,582	9,716,649	9,363,866



**Energy Consumption (Gj)** 302-1, TC-TL-130a.1

	2020	2019	2018
<b>Overall</b>	620,787	574,200	514,886
<b>Gas</b>	139,389	86,017	46,495
<b>Diesel</b>	481,398	488,183	468,391
<b>Gas</b>	139,389	86,017	46,495
<b>Fixed</b>	125,785	64,210	22,414
<b>Wireless</b>	13,604	21,807	24,081
<b>Diesel</b>	481,398	488,183	468,391
<b>Fixed</b>	103,338	116,133	109,849
<b>Wireless</b>	378,059	372,050	358,542



**Total Electricity Consumed (in kWh)** 302-1

	2020	2019	2018
<b>Overall</b>	735,411,459	708,767,377	715,006,298
<b>Fixed</b>	242,679,241	245,120,055	239,893,349
<b>Wireless</b>	492,732,218	463,647,322	475,112,949



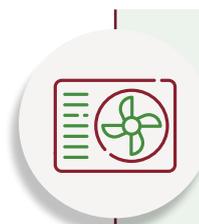
**Energy Consumption (Gj)** 302-1, TC-TL-130a.1

	2020	2019	2018
<b>Overall</b>	2,647,481	2,551,562	2,574,023
<b>Fixed</b>	873,645	882,432	863,616
<b>Wireless</b>	1,773,836	1,669,130	1,710,407

103-3

We continue to improve our technology and processes to reduce energy consumption. The Facilities Management and Network Operations teams have also been implementing energy reduction initiatives on an annual basis.

In 2020, the Company deployed new cooling equipment, optimized air conditioning unit (ACU) temperature settings, installed more LED lights, and rationalized workplace areas for better energy planning. The PLDT Technology Group also instituted automated monitoring for fuel usage for gensets and decommissioned redundant sites.



Inverter air conditioning units deployed in **6,000 sites**



Fuel cell technology deployed in **200 cell sites** to reduce diesel consumption

## Ensuring Energy Efficiency 302-4

**Energy Management Team.** The Company developed a core team to handle energy management and compliance to Department of Energy (DOE) regulations. Working with the various Environment, Health, and Safety (EHS) teams in PLDT and Smart, the adhoc team creates and formulates energy conservation programs that aid in the compliance with government regulations, monitor the programs, file regular reports and ensure that energy conservation initiatives are well implemented.

**Energy Assessment Tools.** The Company also developed energy assessment tools to ease and improve the energy management monitoring and conservation of energy of Smart Network sites. These tools include the Fuel Request and Consumption Report (FRCR) and an FRCR Help Desk tool to aid the requestor in their fuel request concerns. The FRCR and fuel management process helped reduce fuel purchase by setting a standard process to calculate fuel consumption as basis for fuel allocation thereby controlling fuel request to prevent fuel spoilage, contamination, and pilferage. It also helps in detecting excessive fuel usage or unaccounted fuel stock and in calculating genset loading as well as in recommending optimized use of fuel.

The team also developed an electricity validation tool that checks over variance of electrical billing in cell sites, detects faulty electrical load, and controls pilferages. This tool allows for faster data gathering and monitoring of rated capacity versus actual electricity consumption of network sites.

**Promotion of Innovative Energy Management Programs.** The EHS teams promote novel ways of doing energy conservation. Some of the programs they have started working on in 2020 include real-time measurement of actual electricity, fuel and GHG emission. Another innovative project is Remote Facilities Management System with Asset Traceability (RFMS) version 2.0 where all cell site energy

assets are traced and support facilities are geotagged. These programs ensure that network operations have effective and efficient processes in terms of energy consumption.

**Energy efficiency programs bring savings.** Energy savings initiatives conducted by the Property and Facilities team, such as replacing air conditioning units and chillers and monitoring temperatures across our business, have generated savings amounting to nearly Php 9M. PLDT has upgraded chillers in its facilities in Sampaloc, Ortigas, and Dansalan into optimized oil-free versions. These provide the highest efficiencies and reliability by eliminating conventional challenges brought about by oil issues.

Chillers are the biggest single power consumer in any facility and typically consume 30 to 50 percent of a building's power. The switch to oil-free magnetic bearing chillers eliminates the use of lubricating oil on chiller compressor bearings. This reduces bearing pressure, making the compressor more efficient which, in turn, results in lower energy consumed. The magnetic bearing also ensures reduced mechanical maintenance and equipment life is not reduced by increased hours of operation. Savings estimated for the chiller replacement initiative can be up to 60 percent.

Meanwhile, ePLDT, the Information and Communication Technology (ICT) arm of PLDT, which operates the group's data center business, has also implemented various energy conservation programs. With data centers being heavy consumers of power, ePLDT has given deliberate focus to energy efficiency. Among its programs are the replacement of old high power consumption equipment with new and more efficient machines and the installation of blanking panels that improve air flow efficiency and help in efficiently maintaining the required temperature within the server.

Setting up of cold aisle containment allowed the adjustment of the ACU setting for the other parts of the room to a higher set point, which translated to a 5 percent reduction in cooling energy consumption power for each 1 degree adjustment. The use of newer, more efficient equipment such as the uninterruptible power system (UPS) translated to an annual saving of around 365,000 kWh as the UPS unity power factor eliminates power losses within its system.

The Vitro facilities in Makati and in Clark also feature an Exterior Insulation Finishing

System, a type of cladding system that provides exterior walls with an insulated finished surface and waterproofing in an integrated composite material system. This avoids water seepage and prevents hot air from the outside to flow inside, thus contributing to reduction of heat and air infiltration by 55 percent.

PLDT, Smart, and ePLDT also installed LED lights, which contribute to about 70 percent savings on lighting energy consumption.

### **Exploring Renewable Energy**

The PLDT Group is working with partners to roll out viable renewable energy solutions. Projects currently in the pipeline include fuel cell, solar power solutions, and marine renewable energy using ocean currents.

The latter is envisioned to be deployed in Tawi-Tawi, the southernmost tip of the Philippines, where grid electricity is unavailable. Partners for this integrated hybrid renewable energy project include the University of the Philippines (UP) Marine Science Institute, the Marine Environment Resources Foundation, and OceanPixel. The goal is to enable sustainable development for remote islands and coastal communities in the Philippines.

The project envisions an initial capacity of 300kW to 600kW in the region of Tawi-Tawi, achievable through a Renewable Energy (RE) Project Development framework for Island Micro-grids. This will focus on a combination of appropriate and suitable RE systems that support specific electrification applications and productive end-use services. For this project, the Company is exploring the viability of the technology for roll-out to multiple island communities in the Philippines in order to reduce reliance on diesel generation and to improve energy access using a cleaner and more sustainable form of energy generation.

Smart also announced its foray into fuel cell-powered sites, an environment-friendly alternative that will simultaneously address connectivity issues in challenged-grid areas nationwide. The system is based on methanol-powered fuel, which can be combined with solar, wind, and other renewable resources to present a sustainable, cost-effective ecosystem.

ePLDT, on the other hand, set up solar panels on the roof deck of Vitro Clark in December 2020. An average of 12,000 kWh reduction has been recorded so far.



## Greenhouse Gas Emissions 103-1, 103-2, 103-3

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 this impact by ensuring the use of energy-efficient networks and infrastructure support systems. Replacement of network equipment with smaller, cost-efficient structures that consume less power and subsequently reduce carbon emission is part of the plan. The Company also favors network equipment providers that offer energy-efficient technologies.

Direct (Scope 1) GHG Emissions, or the direct GHG emissions from organizational operations and derived from the consumption of diesel and gas were

recorded as amounting to 43,248, and the intensities of GHG emissions normalized by total full-time employees was 2.46 tCO<sub>2</sub>e/employee.

Meanwhile, Indirect (Scope 2) GHG Emissions, which refers to emissions from the consumption of purchased electricity, amounted to 439,703 tCO<sub>2</sub>e and were all purchased from the grid. The intensities of GHG emissions normalized by employees was 25.02 tCO<sub>2</sub>e/employee.

In early 2020, we have started to baseline our Scope 3 emission employee commute but due to the pandemic's restriction of travel and majority are working from home in most parts of the year, data gathered may not be a fair representative of our Scope 3 emission.



### GHG Intensity 305-1, 305-2, 305-4

GHG Intensity (tonnes CO <sub>2</sub> e per employee)	2020			2019			2018		
	Scope 1	Scope 2	Total	Scope 1	Scope 2	Total	Scope 1	Scope 2	Total
<b>Fixed</b>	1.34	12.29	13.63	1.12	13.15	14.27	1.04	16.24	17.28
<b>Wireless</b>	4.77	51.08	55.85	4.69	47.11	51.80	4.26	45.10	49.36
<b>Total</b>	2.46	25.02	27.48	2.35	24.88	27.23	2.38	28.25	30.63

We aim to reduce our carbon footprint and increase operational and organic efficiencies through digitalization, green merchandising, and paperless billing and transactions. The Company intends to make use of more renewable energy sources in operations, from solar power and fuel cell for cell sites and the use of hybrid generators and invest in environmental programs such as carbon footprint offsetting initiatives.

The Technology Group is pioneering a GHG Reduction Program, which targets a reduction of 382 tons (3% total reduction using 2019 data as baseline) of greenhouse gases at the end of 2021. The program aims to support the global protocol on the reduction of GHGs emitted directly or indirectly by the organization. To achieve the desired reduction target, the Technology Group plans to embark on proposed projects that include genset rationalization, installation of DC genset and air conditioning units, among others. The Network team will also continuously monitor their fuel and electricity consumption.

We implement operational standards that establish clean and energy efficient operations in all our facilities. The Energy Environment Health and Safety (EEHS) and Property and Facilities Management (PFM) teams regularly monitor the status and performance of facilities, equipment, and generator sets. Those identified to be performing lower than standards are subjected to maintenance procedures and replaced as necessary.

**Water Consumption** 103-1, 103-2, 303-1

The Philippines generally has low-medium water stress regions, with some areas with high water stress. Thus, we implement water conservation measures (closed loop cooling, recycling, and others) and conduct regular maintenance works, including leak detection. In some facilities, rainwater is utilized whenever possible.

The water use intensity normalized by employee numbers and revenue were 27.06 m3/employee and 2.53 m3/PHP million respectively.

 **Water consumption** 303-5

Water consumption (in cubic meters)	2020	2019
<b>Total</b>	475,495	562,991
<b>Fixed</b>	410,284	454,321
<b>Wireless</b>	65,211	108,670

The Company 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. *Read more about our forest conservation efforts in [page 93](#).*

**69,546**  
Air Pollutants (tons)



**5,266**  
Refrigerants (tons)



## Waste Management 103-1, 103-2, 103-3, 306-1, 306-2, 306-3, 306-5, TC-TL-440a.1

A small segment of materials monitored are various consumables and supplies used in our offices and facilities. Majority of the wastes being tracked are outdoor advertising materials and marketing collaterals, regular scrap, used lead acid batteries, oil waste, and e-waste. Notably, the volume of the waste has significantly declined because of pandemic restrictions. Nevertheless, in compliance with relevant regulations and ordinances, the Company consistently follows solid waste management processes as provided in the Environmental Management Plan. Compliance is also ensured in new infrastructure projects.

The intensity of total waste generated normalized by employees was 0.07 tonnes/employee.



### Solid Waste

Solid Waste (in metric tons)	2020	2019
<b>Total</b>	<b>1,166</b>	<b>1,395</b>
<b>Fixed</b>	905	992
<b>Wireless</b>	261	403

The Company aims to recycle all the other wastes generated in its line of business, such as old fiber optic cables and used phones and chargers from consumers. To reduce plastic usage, we have cut the size of our SIM cards to half.

On March 1, 2020, the Group introduced the "Power Over Plastic" program that prohibits a variety of items from being brought inside its over 200 establishments. Banned items include single-use plastic bottles, eating and drinking utensils such as cups, lids, straws, stirrers, plates, and cutlery, disposable plastic snack packaging, sachets, styrofoam, sando bags, and plastic shipping packages. An education campaign was rolled-out to encourage over 17,000 employees to switch to more eco-friendly solutions.

In 2020, generated hazardous waste amounted to 594.24 metric tons owing to more aggressive clean-up of new hazwaste partner. To manage hazardous waste, the Company follows established processes and policy for hazardous waste disposal. It had also forged a partnership with the Philippine Business for Social Progress' **Balik Baterya** (Battery Exchange) Program that aims to properly dispose and recycle used lead acid batteries (ULAB) from businesses. While we do not have yearly targets for electronic waste disposal, both PLDT and Smart consistently remain to be top ULAB donors since 2006. Proceeds from the battery disposal help fund our education and environment programs.



### Hazardous Waste

Hazardous Waste (in metric tons)	2020	2019
<b>Total</b>	594	246
<b>Fixed</b>	156	186
<b>Wireless</b>	438	60



**552,820 kilos**

used lead acid batteries disposed, treated, and recycled

The Property and Facilities Management (PFM) and EEHS teams follow environmental compliance guidelines for the identification, labelling, segregation, and proper handling and disposal of hazardous wastes, which are based on government regulations on hazardous waste management (RA 6969). We also employ third party companies in the transport and disposal of hazardous wastes. Some of the solid wastes are sold by lot or bulk to accredited scrap buyers, who segregate those that can be recycled and properly dispose of the others. Aiming to improve the process, the Company has also required scrap buyers to provide a report on the amount of waste recycled and disposed, for proper tracking, reporting and disclosure.



The Company and all its business units ensure compliance with all the legal requirements set by the Department of Environment and Natural Resources – Environmental Management Bureau (DENR-EMB) and avoid violations of environmental laws. As a result, we have maintained good standing as one of the leading telecommunications companies that support environmental advocacies and stays clear from environmental violations and penalties.

The EEHS ensures compliance with Environmental Permits on DENR-EMB Regulations and works to acquire necessary permits including the Certificate of Non-coverage (CNC), Permit to Operate (PTO), and Hazardous Waste Generator ID (HWGID).

The team also initiated the revival of the Philippine Environment Partnership Program (PEPP) with DENR-EMB. The program aims to support and recognize organizations that have best practices and standards on environmental performance. PEPP includes incentives and reward mechanisms that would encourage organizations to comply with environmental regulations.

## Ensuring Cybersecurity 103-1, 103-2, TC-TL-230a.1, TC-TL-230a.2

The Company makes every effort to ensure the security of its network infrastructure and computer systems. Cybersecurity defenses are constantly upgraded against malicious and criminal attempts that use increasingly advanced technological measures. Augmenting cybersecurity measures became more significant at the onset of the pandemic as PLDT facilitated more business transactions online and enabled work from home arrangements for staff.

PLDT adopted a multi-layered defense to prevent and slow down perpetrators, and detect attacks before they can lead to significant damage to the Company's assets. 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.

We have significantly increased investments in cybersecurity with the following measures:

**Compliance with global cybersecurity standards and frameworks.** Corporate Information Security Policy (CISP) was instituted in 2019 and supplemented by corresponding standards that are based and compliant with global benchmarks and frameworks.

**Cybersecurity governance structure.** The highest body governing cybersecurity in the organization is the Board of Directors. The Cybersecurity Operations Group (CSOG) of the PLDT Group is actively managed by the CEO and Top Management as a direct result of the Board's invested interest in this area.

**Cybersecurity process governance and management.** The CSOG established a governance and management process framework through the establishment of Management and Operational Dashboards,

which monitor the maturity of controls, transparency of spend activities, and effectiveness of operating functions.

**Cybersecurity Management System and Operational Capabilities.** Our Information Security Management System (ISMS) is designed from a thorough assessment of the enterprise's risks before, during, and after an attack. This system ensures that both platforms and personnel are able to perform Preventive, Detective, Response, and Predictive capabilities.

**Endpoint protection and visibility.** An endpoint security has been deployed to all corporate workstations to detect, prevent, and respond to attacks, including third parties who are granted access to our system and network. The endpoint security solution also enables the operations team to quickly respond to and clean-up endpoints by blocking, remotely deleting and/or putting into quarantine malicious file detections.

**Fully operational Security Operations Center (SOC) and Cybersecurity Incident and Response Team (CSIRT).** The fully operational 24/7 CSIRT enables the detection and response to security incidents within less than one minute, on average.

**Corporate website protection.** A Web Application Firewall was implemented to protect against malicious attacks on our corporate web sites.

**Identity and User Access Management.** An automated review of applications, databases and operating systems is conducted on a quarterly basis whereas accounts and entitlements are reviewed annually. This capability supports both internal and external annual SOx-audit activities.



**Dynamic Vulnerability Assessment and Penetration Testing (DVAPT).** The PLDT Group performs periodic system audits, vulnerability assessments, penetration testing, and remediation to prevent the exploit of identified vulnerabilities.

**External security audits and assessments.** On an annual basis, independent or third-party security audits and assessments are performed on areas of governance, management, and technology assets to identify weaknesses in existing controls.

**Network Access Control.** Rogue and non-registered PLDT and Smart assets are continuously monitored, identified, and prevented access to the corporate network.

**Secure Domain Name System (DNS).** The PLDT Group implemented a secure DNS solution that blocks millions of access to phishing, scamming, and malware-distribution sites.

**Threat Intelligence.** We have established 150 million indicators of compromise in our threat intelligence database, which is now being used for real-time threat correlation.

**Anti-Distributed Denial of Service (DDoS) Defense Strategy: Resilience, Detection and Mitigation.** The Group's anti-DDoS Defense strategy covers all layers of defense (i.e. external, edge, internal, people, and process) in response to the significant increase in size, duration, and frequency of attacks.

**Increased Visibility on Security Events and Incidents.** We continue to expand our security visibility by enrolling active IP-based assets to our SOC.

**Customer Premise Equipment (CPE) governance and configuration management.** All CPEs undergo firmware assessment and configuration hardening. All identified vulnerabilities are remediated before a purchase of the CPE make and model is approved and deployed.

**User Awareness and Training.** All employees are mandated to undergo the Annual eLearning course to maintain cybersecurity consciousness and vigilance.

## Asset Protection and Security

Adapting to the challenges brought about by both environmental and technological changes, PLDT reconfigured its Asset Protection and Risk Management Center to a more expanded Asset Protection and Security Risk Governance Sector (APSRG).

Further strengthening the need to have dedicated and specialized groups focused in both the Strategic and Tactical aspects of Security, we created two centers under APSRG namely: Asset Protection Operations Center (APOC) and the Security Central Command and Administration Center (SCCA).

APOC is the group that handles the tactical day to day operations required to secure the company's assets and is composed of six geographical Asset Protection Divisions (APD) and the Company's Special Operations (SO). Meanwhile, the SCCA covers the Strategic and Administrative functions for the Company's security requirements, and under it is the Security Risk Management (SRM), Central Command and Security Systems (CC&SS), and Security Administration and Performance Management (SA&PM).

Responding to the challenges of 2020, APSRG assures that all the Company's facilities and assets are intact and secure against possible threats. It established appropriate health screening protocols, in close coordination with the PLDT's Medical Groups, to all those who would be entering the facilities and stores for the safety of internal and external clients. Furthermore, proactive monitoring processes, such as regular temperature check and social distancing compliance inspections by roving security personnel were conducted.

Furthermore, all contracted security personnel and receptionists assigned within the Company's facilities underwent Antigen Testing and provided with the appropriate Personal Protective Equipment (PPE) and training on proper health protocols to ensure their fitness to work for the safety of our employees and customers.

At the height of the crisis, APSRG likewise played a vital role, assuring that security response and assistance are always available to support the operational needs of the company. Together with the Enterprise Business Continuity and Resilience Office (BCRO), APSRG formed part of the PLDT COVID-19 Command Center that managed the delivery of essential supplies to critical facilities for continuous operations, as well as the distribution of the required PPEs and emergency supplies such as vitamins, facemask, thermal scanners, and face shields to company frontliners nationwide.

We also developed Lockdown Security and COVID-19 Health Screening protocols through the Security Risk Management Division, which were aligned with both Company and IATF (Inter-Agency Task Force against Covid-19) guidelines, and were strictly implemented nationwide by the various security personnel. We mandated physical distancing and monitoring of field security personnel as part of the minimum health protocols required. We also established automation of contact tracing forms to avoid physical contact and we deployed additional security personnel to company stores nationwide to ensure the security and safety of both employees and customers by ensuring compliance to health screening processes, health protocols, and social distancing.

## Business Continuity and Resiliency

The Group implements a standardized Business Continuity Management System (BCMS) dedicated to improving organizational resilience and protecting critical business functions. This system also addresses the Company's climate-change related risks. The BCMS is supervised by the Enterprise Business Continuity and Resilience Office (BCRO) under the office of the President and CEO to establish and implement strategies and programs that would prepare PLDT to tackle operational and business disruptions.

Institutionalizing the Business Continuity Plan, a Crisis Management Plan has been formalized and features more resilient infrastructure and processes. The BCP aims to:

1. Safeguard our interests by protecting our critical business functions against predetermined disruptions.
2. Manage the program for an effective response that safeguards the interest of key stakeholders, reputation, brand, and value-creating activities.
3. Reiterate our corporate social responsibility commitment as a critical infrastructure utility company that provides communication services during both regular and emergency situations.

As early as January 2020, about two months before the government's declaration of a community quarantine, the BCRO had come up with contingency strategies to mitigate the impact from a possible pandemic outbreak by implementing a lock-down strategy for its critical facilities, which would protect its employees from exposure to the virus and ensure continuity of operations. In addition to implementing the lockdown strategy for its critical facilities, the Company likewise ensured that the field operations personnel, who had to continue to address the installations for new customers and provide maintenance support to existing ones, were properly supported and protected with the timely and efficient distribution of appropriate PPE, supplements and medicine, health monitoring equipment such as thermal scanners, and the necessary IATF passes that allow field personnel to access strict community quarantine areas.

This was made possible through the establishment of the BCRO COVID Command Center, which oversaw the implementation of the Business Continuity strategy, full compliance by the company with government-mandated guidelines, and the efficient allocation and distribution of the necessary resources to both critical facilities and personnel performing critical functions.



Notwithstanding the disruptions caused by the pandemic, the Company ensured that it was able to duly transform and complete its ISO 22301 Business Continuity Management System Certification program. The strict lockdown protocols and travel restrictions imposed by the local government units led to the implementation of a remote certification audit by the external certifying body, TUV Rheinland Philippines. Prior to the actual certification audit, PLDT and Smart successfully qualified to the Full-Remote Audit method by passing the Capability Assessment by TUV, a requirement to ensure the reliability and stability of ICT in the identified critical facilities and that of auditees during the conduct of BCMS certification audit.

As a result, both PLDT and Smart achieved and maintained its International Certification in ISO 22301 Business Continuity Management System. These cover the three cable landing stations situated in La Union, Batangas, and Daet, which were ISO certified since 2016. Also included in the international certification are the identified critical facilities of PLDT in Metro Manila and Cebu City namely Diliman, Sampaloc, Greenhills, Garnet, Jones, South Cebu, and Mandaue; and the identified critical facilities of Smart in South Cebu, Diliman, Sampaloc, and Greenhills.

PLDT and Smart's ISO journey had a great influence in the organization's preparedness to unanticipated threats such as the pandemic crisis. The network critical business functions already have their business continuity plans and proactive measures in place, which keep the organization running despite the pandemic. The network restoration efforts and provision of products and services to its valuable customers remain uninterrupted, thus ensuring stable and reliable connectivity in the middle of the pandemic. The ISO Certification project is the organization's constant effort to show its commitment not only to the continual improvement of the business continuity management system, but

also embark on greater challenges in building network resiliency.

Complementing the ISO 22301 program is the Company's threat-based Emergency Response Plans. These plans are on an enterprise level, based on threats it had identified in the course of a Business Continuity Risk Analysis activity, for the purpose of having an aligned and best-of-breed response to emergencies. They were established in coordination with the appropriate subject matter experts and process-owners coming from various business units within the company such as Properties and Facilities Management, Asset Protection & Security Risk Governance, Technology and Network Operations, Corporate Communications, and others.

The BCRO is also continually leading the business continuity culture building and awareness across the PLDT Group using a Business Continuity for All framework as a contextual approach to establishing an enterprise-wide business continuity management system. A High-Medium-Low (HML) framework serves as a guide to determine the prioritization of business units per group, particularly during disruptive incidents, and serves as a first step in ensuring the availability of business continuity plans across all groups or business units within the organization.

Considering the new normal and with BCRO's digitalization initiative, Business Continuity Management System (BCMS) Awareness was made available in the form of eLearning, which can be accessed in an online learning platform with an aim to reach out to all employees and be able to provide them with basic knowledge on BCM. It was also made available in mobile devices through the PLDT Smart University for it to be accessible anytime and anywhere especially for the field personnel.

These BCMS Awareness also include BCP-related awareness programs, which aim to inform and refresh employees on the details of their BCPs, and familiarize them on their roles during emergencies while ensuring safety and prompt restoration of critical activities. The BCMS trainings and workshops were done through non-face-to-face meetings. Refresher courses were also done through the PLDT Smart University, giving more room for all employees to take the relevant program.

Meanwhile, the Company has developed the HANDA app, a disaster preparedness app managed by BCRO and APSRG. This home-grown software application was created in response to the need for an automated solution to help employees that were affected by disasters, emergencies, and accidents. This likewise provides the needed data to help the Company in the efficient deployment, through BCRO and

APSRG-Security, of its rescue and security response teams. The HANDA app also helps employees prepare for the anticipated threats as the Command & Security Systems Division regularly sends advisories to employees through the app.



The Company remains committed to operating an effective business continuity management system to ensure the continued provision of quality services to our stakeholders. Compliance with and expansion of ISO 22301 certification to our facilities ensures preparedness against disruptive incidents. Along with these, the Business Plan and programs show that delivering products and services and safeguarding operational security and continuity is a priority at PLDT.

**We will continue to work with partners to adapt resource efficiency programs, explore renewable energy sources, reduce waste and greenhouse emissions, and maintain business continuity to keep our promise to protect the planet and our customers.**



# Effective Environmental Stewardship

Connecting vision with action to boost momentum of change



PLDT supports research studies for 24 marine protected areas nationwide.

103-1

The PLDT Group's concern towards the environment, and its advocacy for a sustainable world for the benefit of the next generations of Filipino families and global society, was further deepened as the population shared a truly disruptive pandemic experience in 2020.

Bolstered by the initiatives of our Sustainability Office, the Company has been heartened to get the full support of our people and, together with like-minded individuals and organizations, actively taking every opportunity to affect the change we needed to see happen in order to improve the environmental situation in the country.

Having developed the initial baseline metrics for the Company's environmental performance, we had set upon aligning with international sustainability standards such as those of the Sustainability Accounting Standards Board, the United Nations Global Compact, and the Task Force on Climate-Related Financial Disclosures.

As the Company continues on its sustainability journey, it brings to the table expertise and technology, along with the capacity to raise awareness of climate change and of the responsibility of industries to take action and adopt more ecologically-aware processes in operations, service delivery, and product life cycles.

As responsible stewards of the environment, the PLDT Group lends its voice and influence to shine a light on the important issues that need leadership, collaboration, and action and partners with other organizations, investing resources to move the needle towards a tipping point for widespread and prevalent sustainability practice throughout the country.



**Gabay Kalikasan** 103-2, Principle 7, 8 & 9

Steered by the Sustainability Office, the **Gabay Kalikasan** program strives for a sustainable future for all Filipinos by boosting environmental stewardship and helping communities curb the effect of climate change. The program aims to achieve this goal by leveraging partnerships on environmental conservation programs, and exploring measures to transform operational efficiencies to reduce greenhouse gas emissions.

The program provides for a mix of direct investments in environmental programs, behavioral change campaigns through awareness-raising programs anchored on global and local environmental events and initiatives, and support for environmental conservation actions.

Leveraging on our innovative technology solutions and partnerships with global alliances and organizations, **Gabay Kalikasan's** roster of projects include protecting mangrove forests using Internet of Things solutions and monitoring illegal logging activities using wireless technology. The program also utilizes the power of art, music, and influential personalities to raise environmental awareness and bring the issue closer to Filipinos.



Gabay Kalikasan programs also utilize the power of art, music, and influential personalities to raise environmental awareness, and bring the issue closer to Filipinos.



INTRODUCTION / MESSAGES / COVID-19 / SUSTAINABILITY EVOLUTION / SUSTAINABILITY PILLARS / ANNEXES

Awesome Customer Experience

Growth-Driven Innovation

Responsible and Efficient Operations

Effective Environmental Stewardship

Excellence through Human Capital

Positive Community Impact

Good Governance and Ethical Business Practices

**Carbon Offsetting Programs** 103-2, 103-3, Principle 7 & 8

We are working with the GSMA and other partners on setting emissions targets with a clear goal of achieving net zero emissions by 2050. The Company participated in the GSMA Race to Zero online campaign on World Environment Day 2020 and announced the Group’s carbon neutrality target by 2030. Carbon offset schemes allow companies to invest in environmental projects around the world to balance out their carbon footprints. Measures to reduce carbon offsets include:

1. Improving operational efficiencies to reduce carbon emissions – deployment of energy saving air conditioning units in offices, network facilities, and data centers.
2. Using renewable energy in operations – exploration of renewable energy resource use for cell sites, and proof of concept study for marine renewable energy in Tawi-Tawi using underwater current, tides, and waves.
3. Investing in environmental projects – such as reforestation, nature conservation, marine/coral reefs protection, and peatlands preservation, and climate change awareness programs.

One of the components of our marine conservation project with the University of the Philippines-Marine Science Institute and Marine Environment Resources Foundation is understanding how healthy coastal ecosystems offset or counterbalance carbon footprint. The project aims to quantify how much carbon is sequestered in seagrass and mangrove areas in 24 marine protected areas across the country.

Mangroves serve as nurseries for various marine species and are important buffers against storms and large waves. These areas also have the ability to store large amounts of carbon. However, mangroves are being cleared at alarming rates for commercial land use. The loss translates to reduced fish catch, coastal erosion, and the release of carbon into the atmosphere. The project therefore aims to reinforce the need for healthy seagrass and mangrove areas. The data on carbon sequestration, combined with

assessments of management effectiveness of the 24 MPAs, will lead to the implementation of rehabilitation and management solutions to secure the conservation of these habitats.

We also implement various group-wide energy saving initiatives to ensure resource efficiency and reduce our environmental impacts. The EEHS and Property and Facilities Management teams monitor the performance of facilities and equipment and also track fuel, electricity, and water consumption, as well as our waste generation and greenhouse gas emissions. They ensure compliance with environmental laws and regulations and operational standards for energy efficient operations.

In addition to environmental programs, we have several measures that help improve our environmental performance. The Company’s participation in the Philippine Environment Partnership Program of the DENR allows for best practices-sharing while the submission of a DENR Self-Monitoring Report helps to ensure facilities consistently adhere to environmental standards.

The Company will continue to maintain resource efficiency by obtaining environmental compliance certifications for new Smart cell sites and by developing projects on environmental protection, pollution prevention, and hazardous waste management. We also commit to provide learning and training programs for our employees in order to enhance their awareness and involvement in conserving resources and reducing company environmental impact.

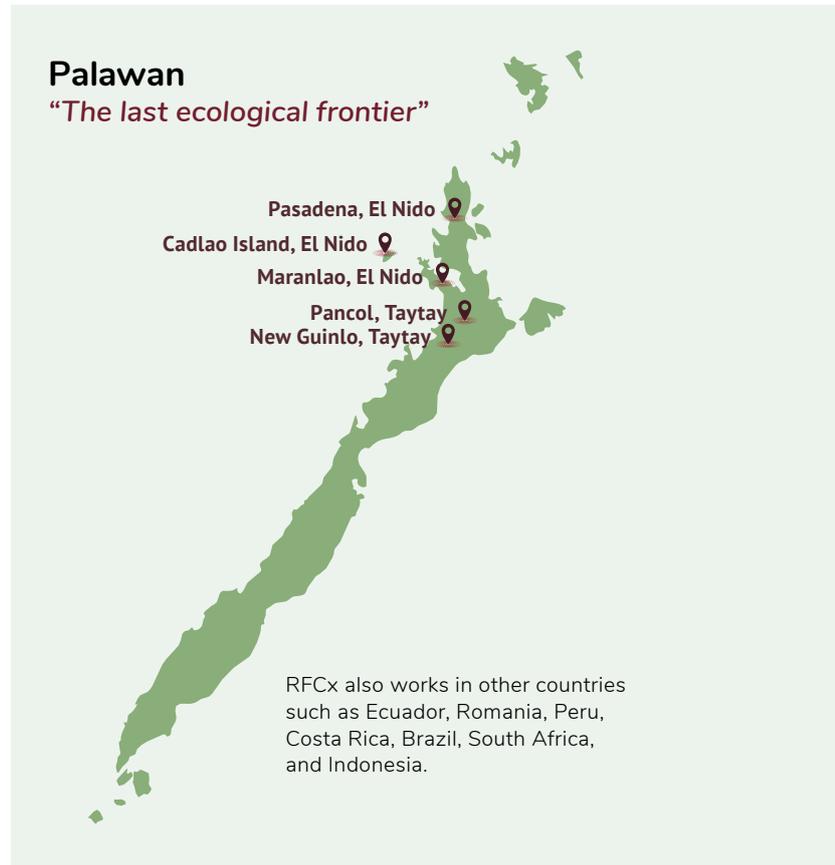


**Saving Forests** Principle 8

In partnership with the DENR Environmental Protection and Enforcement Task Force and Huawei Technologies Philippines, the Company deployed a solar-powered bioacoustics monitoring system called **Rainforest Connection (RFCx)**, developed by a start-up company from San Francisco with the same name. Through this landmark partnership, we use mobile technology to detect and record rainforest sounds that can help prevent illegal logging and poaching activities in the country’s rainforests.

Saving rainforests are vital for communities who depend on them for food, shelter, and livelihood. Rainforests are also essential to maintaining the planet’s ecological balance and curbing climate change. In this regard, bioacoustics monitoring capabilities and artificial intelligence give communities new ways of understanding and conserving rainforests. The program uses technology and big data to enable on-ground partners to save threatened rainforests and habitats by sending alerts for chainsaws, trucks and other signs of incursion.

The solution has been successfully deployed in five DENR-designated areas in Palawan, which is recognized as the “last ecological frontier” of the country:





Topher White founded Rainforest Connection, a startup which converts recycled cell-phones into solar-powered listening devices to monitor and protect remote areas of the rainforest.

## Mangrove Conservation Principle 8

Smart, in partnership with Ericsson and the local government of Sasmuan, Pampanga, continued the Connected Mangroves Project, an Internet of Things solution that uses wireless connectivity to collect critical data relevant to mangroves' survival.

The data collected from the mangrove area - such as water level, humidity, soil moisture and temperature, and other hazards in the environment - are sent in real time to a cloud system using mobile connectivity. Fisherfolk communities at the Sasmuan Bangkung Malapad Critical Habitat and Ecotourism Area greatly benefitted from this project, as they can already check marine area conditions just by accessing the dashboard in their mobile phones.

Sasmuan Bangkung Malapad Critical Habitat is a mangrove islet formed by the volcanic sediments deposited through Pasak River from the Mt. Pinatubo eruption in 1991. It is one of the many valuable ecosystems found within the Sasmuan Pampanga Coastal Wetland, which was recently designated a Wetland of International Importance under the Ramsar Convention.



Along with Rainforest Connection, the project was cited by GSMA in its 2020 Digital Dividends Report, as well as in the 2019 Case for Change initiative, as a global mobile industry contribution to the UN SDGs. Smart is also the first telecommunications company in the world to conduct this program.

**Marine Protection** 103-2, Principle 8

In partnership with UP MERF, the Company contributes to the rehabilitation and natural regeneration of marine protected areas in 24 sites. This collaboration on marine and coral reef protection aims to support efforts to curb climate change and provide a source of livelihood for coastal communities.



Our environmental alliances for marine protection involved academe and LGU partners.

103-3

In addition to marine conservation and protection, the project will empower and capacitate local communities in coastal marine environment management, and measure the carbon offset impact of each MPA per year. The program will be implemented in MPAs in these sites:



**Peatlands Conservation** 103-2, Principle 8

In 2020, PLDT partnered with DENR and kicked off a program to protect, restore, and conserve the Caimpugan peatland inside the Agusan Marsh Wildlife Sanctuary—a wetland of international importance under the Ramsar Convention and an ASEAN Heritage Park.

Peatlands are wetland areas that are critical for preserving global biodiversity, providing safe drinking water, minimizing flood risk, and addressing climate change. As the largest natural terrestrial carbon sinks, these ecosystems store more carbon than all other vegetation types in the world combined. Damaged peatlands are thus a major source of greenhouse gas emissions and peatlands restoration can bring about significant emissions reductions.

The Caimpugan peatlands hold the largest and only recorded remaining peat swamp forest in the Philippines. Covering 5,487 hectares, the peatlands is estimated to store 22.86 – 22.99 million tons of carbon. Our commitment to this first private-public partnership for peatland conservation is enshrined in House Bill No. 7206: National Peatlands and Peatland Resource Management, Conservation & Protection Act of 2020 (An Act to Conserve, Protect & Sustainably Manage Peatlands & Its Resources). HB 7206 indicates Gabay Kalikasan’s dedication to conserving the Caimpugan Peatlands and other peat swamp forests in the country.



Photo shows: (Top row) DENR Undersecretary for Attached Agencies Rodolfo Garcia, DENR ASec. and Director of DENR-Biodiversity Management Bureau Ricardo L. Calderon, DENR PENRO Agusan del Sur Provincial Environment & Natural Resources Officer Jose Flavio V Concha; (2nd row) DENR CARAGA Regional Executive Director Hadja Didaw D. Piang-Brahim, Agusan del Sur Governor Hon. Santiago B. Cane, Ramsar Convention Secretariat Senior Advisor for Asia-Oceania Reiko Iitsuka; (3rd row) PLDT-Smart Chief Sustainability Officer Chaye Cabal-Revilla; PLDT Chairman and CEO Manuel V. Pangilinan, PLDT-Smart FVP for Group Corporate Communications Cathy Yang; (4th row) Gabay Kalikasan volunteers Pops Fernandez and Derek Ramsay



### Promoting Ecological Consciousness 103-2, Principle 7, 8 & 9

The Company implements various programs to reduce waste in our operations and businesses. While the ban on single-use plastics in all PLDT Group establishments nationwide was temporarily put on hold owing to hygiene needs of the pandemic, it remains in effect and will resume implementation post-pandemic.

We also conducted online campaigns to educate and encourage the Company's employees, visitors, and customers to be more environmentally conscious about their lifestyle choices. A paperless billing campaign encouraged subscribers to opt for electronic billing to reduce consumption of paper and save trees. And to avoid harmful effects of e-waste, the #SmartPlanet phone recycling bin uses sensors to send free Smart load in exchange for old devices.

Bringing environmental stewardship to mainstream consciousness, the Company undertook a massive mural-painting project that features plants and animals most vulnerable to climate change. Conceptualized and painted in partnership with renowned environmental muralist AG Saño, the output covers the exterior of the Company headquarters in the Makati

Central Business District. The entire back façade of the building features a 120-foot high artwork of an endangered Rufous-headed Hornbill, and is said to be the tallest environmental mural in Southeast Asia to-date.

COVID-19 restrictions moved other environmental events and celebrations online, and we became one of the first in the Philippines to hold virtual events amid the pandemic. From March to June 2020, we held four online concerts to celebrate environmental events such as Earth Hour, Earth Day, and World Environment Day with support from volunteer celebrities and musicians. We also organized online contests to encourage digital users to participate in our environmental causes.

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**These and other initiatives bolster our commitment to being advocates for making better choices that protect future generations, and to conduct programs that sustain communities and protect the planet.**

## Sustainability Pillars

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- 115 Positive Community Impact
- 129 Good Governance and Ethical Business Practice

***Build*** resiliency through  
human capital and strong  
communities





# Excellence through Human Capital

## Connecting with our people to nurture the workplace of the future

The PLDT Group recognizes that the impact of the COVID-19 pandemic on our workforce will be long lasting. It is therefore committed to ensuring that the organization is able to mitigate the risks and disruptions as well as capture the opportunities that a crisis presents to further build agility, resilience, and sense of community in its culture.



Even as accelerated digital transformation placed technology front and center of every response to the situation, the organization made every effort to ensure that solutions and changes made remained focused on people and adding value to their experience.

### Employee Well-being 103-1, 103-2, 403-3, 403-4, 403-5, 403-6

At all times, the health and well-being of our people are our priority.

At the onset of the crisis, dedicated COVID-related channels were set up to address the anxieties of employees. Heightened Health and Safety Protocols were activated, and a **COVID-19 Self-Check Chatbot** served as the employees' daily health assessment and security requirement for entering the workplace. This is housed in "One Hub", our group-wide self-service

and knowledge base platform which is accessible via laptop, desktop and mobile phone. These sources are closely monitored by our Medical Services Team. The company also rolled out a **COVID Warrior Campaign** to educate employees on weekly tips, guidelines and safety protocols which include a **Coronavirus Online Form** employees are required to complete upon the onset of symptoms or in the case of exposure.



Various hotlines were made available, including a **24/7 InfoMed hotline** to address medical-related concerns and questions on health benefits from personnel. Meanwhile, a **COVID Employee Hotline** allowed employees to reach out to advisers on questions related to internal guidelines, safety protocols, rapid testing, shuttle services, and the like. A **COVID Online Helpdesk** via the Workplace by Facebook platform was also set up for all internal inquiries.

The Medical Services Team provided assistance by delivering medicines and vitamins to staff during the quarantine period and operationalizing its clinics nationwide. It also launched the Virtual Health Management system to facilitate teleconsultations with doctors, oversee employee testing results, accommodate employees in designated quarantine facilities, manage the health status of all our employees, and conduct a vaccination program for other illnesses, such as flu, for employees and their families.

Recognizing the importance of mental health during the crisis, we launched the “Mind Your Health” program. The project raised awareness on mental health issues and rolled out weekly communication and webinars to break the stigma on managing and taking care of mental health in the workplace. Sessions and live talks featured mental health experts who shared their insights on how best to address mental well-being issues such as stress, anxiety, and depression.

It was essential for us to also engage Officers and Executives in the program, providing them with specific modules and sessions to help understand the important role they play in promoting the mental well-being of their teams. The Medical Services Team also facilitated counseling and consultations with accredited healthcare professionals to ensure that employees experiencing mental health issues found support and treatment interventions to help them cope and heal.

#### COVID-related channels:

- Coronavirus Online Form
- COVID-19 Self-check Chatbot
- COVID Warrior Campaign
- 24/7 InfoMed Hotline
- COVID Employee Hotline
- COVID Online Helpdesk via the Workplace

#### Mind Your Health Program



##### 11 webinar series

on issues on stress, anxiety, and depression with **3,879 views** and **1,414 live participants**



**7 e-Learning modules** that engaged **11,912 participants**



e-Learning modules on unexpected change, stress management, and managing anxiety had the highest responses from employees

**Promoting Diversity and Equality** 102-7, 102-8, 103-1, 103-2, 103-3, 401-1, 405-1, Principle 6

Even under challenging times, the PLDT Group remained committed to being the kind of organization that will attract the best talents. The Company has been consistent in implementing its non-discrimination policy that gives equal opportunity to all qualified applicants. Competency is the main criteria with candidates chosen for their qualifications regardless of gender, age, or inclusion in a particular sector. In terms of gender equality, the Company uses one salary structure, with compensation packages based on competencies, performance, and credentials. We pursue goals to improve diversity in the workplace as it allows us to better engage our employees, understand customers, and generate creative products and services.

In 2020, group-wide employee population grew by 3 percent from 17,032 to 17,571. The employees comprise 11,264 males (64.11 percent) and 6,307 females (35.89 percent). Out of 1,136 new hires in 2020, 66 percent or 751 went to PLDT, 108 to ePLDT, and 277 were employed by Smart. The largest age group in the Company are employees between the ages 30–50 (46%), followed by staff under 30 (37 percent), and then staff over 50 (17 percent).

Women are strongly represented in our workspace, especially at Smart, where there is an almost equal number of men and women. Our gender ratio in 2020 was higher for men as more males than females were recruited in the technical department, with this ratio mirrored across all positions.

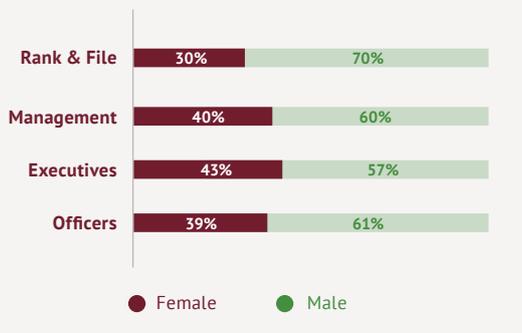
The non-discrimination policy, an important tool in the Company’s arsenal as an equal opportunity employer, also helps us welcome qualified applicants who may belong to a vulnerable sector, which includes the elderly, persons with disabilities, vulnerable women, refugees, migrants, internally displaced persons, people living with HIV and other diseases, solo parents, and the poor. Our demographics show that members of the vulnerable sector present in the organization are mostly solo parents. We therefore provide additional support to these employees through our Solo Parent Leave Policy, which provides an additional seven-day leave as defined in Republic Act 8972 or the Solo Parent Welfare Act.

**466**  
Number of employees from the vulnerable sector (single parents)

**Attrition Rate**  
**2%** Fixed  
**7%** Wireless



**Diversity across gender, age groups, and positions in the workforce**



Diversity	Rank & File	Number of Staff				Total
		Management	Executives	Officers		
Gender	Male	5,547	4,833	790	94	11,264
	Female	2,434	3,225	588	60	6,307
Age group	Under 30	5,114	1,431	22	-	6,567
	30-50	2,531	4,362	1,003	81	7,977
	Over 50	336	2,265	353	73	3,027

## 2020 Employee Diversity by Gender 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	3,812	777	4,589	3,694	2,229	5,923	390	274	664	56	31	87	7,952	3,311	11,263
	34%	7%	41%	33%	20%	53%	4%	2%	6%	0%	0%	0%	71%	29%	100%
ePLDT	229	120	349	62	28	90	63	31	94	4	3	7	358	182	540
	43%	22%	65%	12%	5%	17%	11%	6%	17%	1%	0%	1%	67%	33%	100%
SMART	1,506	1,537	3,043	1,077	968	2,045	337	283	620	34	26	60	2,954	2,814	5,768
	26%	27%	53%	18%	17%	35%	6%	5%	11%	1%	0%	1%	51%	49%	100%
TOTAL	5,547	2,434	7,981	4,833	3,225	8,058	790	588	1,378	94	60	154	11,264	6,307	17,571
	31%	14%	45%	28%	18%	46%	5%	3%	8%	1%	0%	1%	64%	36%	100%

## 2020 Employee Diversity by Age Group 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	3,086	1,213	290	4,589	1,216	2,572	2,135	5,923	18	419	227	664	-	45	42	87
	27%	11%	3%	41%	11%	23%	19%	53%	0%	4%	2%	6%	-	0%	0%	0%
ePLDT	199	139	11	349	19	68	3	90	-	78	16	94	-	4	3	7
	37%	26%	2%	65%	3%	13%	1%	17%	-	14%	3%	17%	-	1%	0%	1%
SMART	1,829	1,179	35	3,043	196	1,722	127	2,045	4	506	110	620	-	32	28	60
	32%	20%	1%	53%	3%	30%	2%	35%	0%	9%	2%	11%	-	1%	0%	1%
TOTAL	5,114	2,531	336	7,981	1,431	4,362	2,265	8,058	22	1,003	353	1,378	-	81	73	154
	29%	14%	2%	45%	8%	25%	13%	46%	0%	6%	2%	8%	-	1%	0%	1%

102-7, 102-8, 405-1

Group	Total			
	< 30 years	30-50 years	> 50 years	Total
PLDT	4,320	4,249	2,694	11,263
	38%	38%	24%	100%
ePLDT	218	289	33	540
	40%	54%	6%	100%
SMART	2,029	3,439	300	5,768
	35%	60%	5%	100%
TOTAL	6,567	7,977	3,027	17,571
	37%	46%	17%	100%

## Pay Ratios 202-1

Luzon	PLDT	ePLDT	SMART	Visayas	PLDT	ePLDT	SMART
Rank and File	0.95	0.89	0.93	Rank and File	1.03	0.71	0.82
Management	0.98	0.69	0.90	Management	1.04	N/A	0.78
Executives	0.92	0.87	0.94	Executives	0.89	N/A	1.07
Officers	0.89	0.91	1.04	Officers	N/A	N/A	N/A

Mindanao	PLDT	ePLDT	SMART	Total	PLDT	ePLDT	SMART
Rank and File	0.95	N/A	0.78	Rank and File	0.96	0.89	0.91
Management	0.93	N/A	0.87	Management	0.98	0.70	0.89
Executives	0.80	N/A	0.78	Executives	0.92	0.87	0.95
Officers	N/A	N/A	N/A	Officers	0.89	0.91	1.04

## New Hires by Gender 401-1

Group	2020			2019			2018		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
PLDT	632 6%	119 1%	751 7%	2,624 25%	587 5%	3,211 30%	1,450 17%	727 9%	2,177 26%
ePLDT	68 13%	40 7%	108 20%	113 22%	45 9%	158 31%	68 16%	39 9%	107 25%
SMART	142 3%	135 2%	277 5%	406 7%	393 7%	799 14%	569 9%	594 9%	1,163 18%
<b>TOTAL</b>	<b>842 5%</b>	<b>294 2%</b>	<b>1,136 7%</b>	<b>3,143 18%</b>	<b>1,025 6%</b>	<b>4,168 24%</b>	<b>2,087 14%</b>	<b>1,360 9%</b>	<b>3,447 23%</b>

## New Hires by Age Group

Group	2020				2019				2018			
	< 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	538 5%	194 2%	19 0%	751 7%	2,442 23%	724 7%	45 0%	3,211 30%	1,620 19%	556 7%	1 0%	2,177 26%
ePLDT	77 14%	30 6%	1 2%	108 20%	123 24%	34 7%	1 0%	158 31%	80 19%	27 6%	0 0%	107 25%
SMART	201 4%	74 1%	2 0%	277 5%	612 11%	182 3%	5 0%	799 14%	1,016 16%	139 2%	8 0%	1,163 18%
<b>TOTAL</b>	<b>816 5%</b>	<b>298 2%</b>	<b>22 0%</b>	<b>1,136 7%</b>	<b>3,177 19%</b>	<b>940 5%</b>	<b>51 0%</b>	<b>4,168 24%</b>	<b>2,716 18%</b>	<b>722 5%</b>	<b>9 0%</b>	<b>3,447 23%</b>

The PLDT group provides all mandatory employee benefits under the law. We also adhere to regulations of the law related to parental leaves, including maternity and paternity leaves. Across the group, 97 percent of those who availed of maternity leave returned, while 100 percent of those who took paternity leave returned to work.

#### Parental Leaves 401-3

Gender	Employees that returned to work after parental leave ended that were still employed 12 months after their return to work	Employees that returned to work in the reporting period after parental leave ended	Employees that took parental leave	Employees that were entitled to parental leave
Female	206	292	301	6,306
Male	279	360	360	5,596

#### Defined Benefit Obligation (in millions) 201-3

PLDT	2020	2019	2018
Defined benefit obligation	27,868	22,263	20,306
Fair value of assets	14,762	13,517	13,448
<b>Net defined benefit asset / (liability)</b>	<b>(13,106)</b>	<b>(8,746)</b>	<b>(6,858)</b>
Percentage of salary contributed by employee	none	none	none

ePLDT	2020	2019	2018
Defined benefit obligation	49	36	26
Fair value of assets	-	-	-
<b>Net defined benefit asset / (liability)</b>	<b>(49)</b>	<b>(36)</b>	<b>(26)</b>
Percentage of salary contributed by employee	none	none	none

SMART	2020	2019	2018
Defined benefit obligation	2,775	2,812	2,279
Fair value of assets	3,649	3,082	2,500
<b>Net defined benefit asset / (liability)</b>	<b>874</b>	<b>270</b>	<b>221</b>
Percentage of salary contributed by employee	5% to 10%	5% to 10%	5% to 10%

Pertains to 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. Please refer to the 2020 Annual Report pages 150 to 152 for a more detailed discussion.

**Benefits that are provided to majority of Employees**

401-2

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

## Employee and Talent Management 103-1, 103-2, 103-3, 404-1, 404-2

As part of its integrated strategy, the PLDT Group relentlessly pursues its agenda on succession management. While leaders work to ensure present talent requirements are met, creating a talent pipeline capable of growing in the ecosystem for the next horizon of products and services is also important. This includes the development and implementation of capability building initiatives, series of targeted hiring in local and global markets, and the revival of the Management Associate Program.

And with the new and emergent economy's highly digital environment prescribing an equally strong learning culture, PLDT and Smart ensures support through corporate university platforms, which provides all learning modalities for the best reach. The corporate university also enables an internal career opportunity marketplace that offers talent mobility for all employees.

As the whole organization shifted to a digital approach, we invested in the continuous learning and development of our people by rolling out a line-up of e-learning courses and webinars through PLDT and Smart University. Thousands of employees participated in a wide range of webinars and completed e-learning courses across employee development programs, business systems trainings, technical skills, leadership development programs, and on-boarding and career initiatives.

Learning & Development (L&D) programs aligned with our digital transformation program. The standard employee curriculum covers digital courses and the Company's business transformation. Trainings offered and provided to employees also complemented their specific job roles. Curricula are developed and targeted for specific groups and functions. These include:

- CX SDA Fundamentals and Advanced trainings for our telecoms technicians in the zones
- Customer Service Training Curriculum for staff in our stores and business offices
- Network Engineer Basic Training Program
- Leadership Development Curriculum for all leaders in the organization

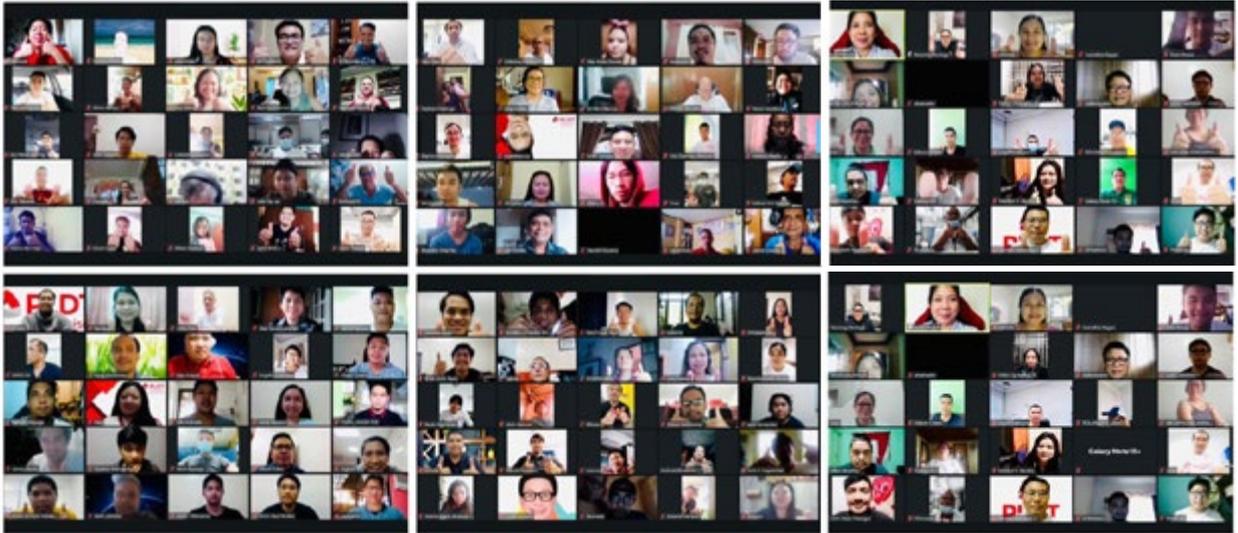
The Company also provided prescribed trainings that are important for all employees or segments of employees to ensure compliance with corporate thrusts, regulatory requirements, and the promotion of common grounding and understanding of essential principles and expected behaviors. These include:

- Corporate Governance and Code of Ethics
- Data Privacy
- Cyber and Information Security
- Business Continuity
- Core Values Based Trainings
- CX Ambassadorship Roadshow

In addition, trainings form part of change management interventions for major transformation projects. These include new technology acquisitions and roll outs, customer management systems modernization, support systems upgrades, and others.

Training programs were also tailor-fitted to the requirements of the new normal to orient employees on how to cope effectively with the COVID pandemic (safety protocols, return to work mindset setting) and train them on more effective ways of working and leading in a virtual environment (e.g. Building Virtual First Managers).

In 2020 alone, the training reach rate of unique employees who attended learning courses was at 97.7 percent — the highest ever compared to previous years. This shows that in today's new normal era, learning has become vital and highly accessible for our employees.



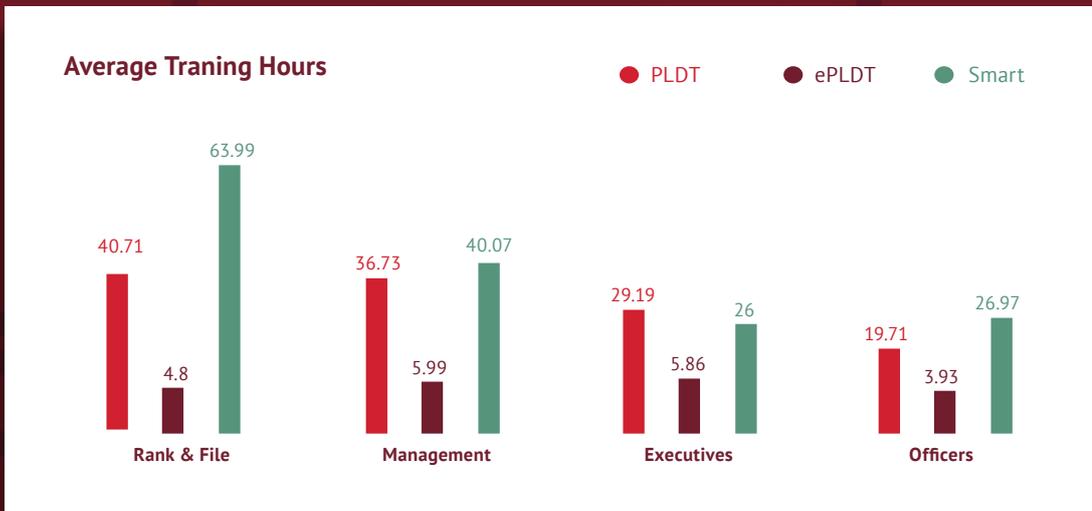
The total training hours for the Group reached 722,656, with an average of 41.1 training hours or about five work days of training per employee. Owing to the increased number of online training courses, this is a huge jump of 151 percent from 2019 figures, where total training hours amounted to 287,788, averaging 16.9 training hours or about two days of training per employee.



Training expenditure for the year was PHP 69.7 million. Nearly 100 percent of employees in PLDT and Smart received training designed to upgrade employee skills. The numbers were more variable for ePLDT, where 86 percent of officers and 26 percent of the rank and file received training.

Some of the year's digital learning highlights included the launch of new e-learning courses in collaboration with LinkedIn and the roll out of the #AllTogether Now Product Knowledge and Customer Experience training program, which aimed to keep employees informed on PLDT and Smart's roster of new and existing products and services. Employees were also taught how to better address the customer concerns of their family members and friends, especially with data becoming an increasingly vital service.

**To recognize noteworthy achievements despite a difficult year, the L&D Team organized a Training Resource Persons Awards event for co-trainers and partners from various departments. We also prepared 443 employees for retirement in 2020 through transition workshops and seminars so they could plan and make better choices amidst the pandemic.**



**654**  
e-learning courses  
equivalent to  
1,083 hours

**525,872**  
employee participants



**97.7%**  
training reach rate  
of unique employees

**722,656**  
total training hours

**41.1**  
average training hours  
per employee

#### Top 5 Upgrading Skills Topic with most number of attendees

Topic	Attendees
Health and Safety	50,748
Data Privacy	13,600
Business Continuity	10,393
Customer Service	8,713
Microsoft Excel	6,992

## Engaging our Workforce 103-1, 103-2, 103-3

Engaging and re-energizing the workforce was particularly challenging as COVID-19 upended peoples' lives. The Company crafted the **"Wellness Revolution: Digital Edition"** program to virtually engage employees with an exciting lineup of activities. The program generated 16,374 online engagements, including views, participation, and playbacks.

PLDT and Smart replaced the annual sports Olympics with "ONE E-Sports League" for gamers, which acquired a satisfaction rating of 4.86, the highest rated virtual sports event.

In addition to these fun initiatives, PLDT-Smart Foundation implemented an internal *Kapit Kapatid* Fundraising Program for employees who wanted to give back. A total of 3,553 employees from PLDT and Smart donated PHP 6,689,000 to the program.

The senior leaders of PLDT and Smart played a pivotal role in steering the Company towards the right direction, and assured the workforce that their well-being was a priority. Before the crisis, the PLDT & Smart Leadership Summit rallied 291 participating Assistant Vice Presidents and Officers to meet business targets. During the pandemic, top management talked to 1,400 officers and executives through three virtual town halls to discuss the crisis and address employee concerns. Around 90 percent of target participants joined the leadership town hall in December 2020, making it the highest real-time participation rate in comparison to previous sessions.

In November 2020, the Company celebrated 837 employees who provided 25, 30, and 40 years of service in our first ever Virtual Service Awards called *"Pamana."* The awards ceremony had an exclusive site where awardees watched the program live

from the comforts of their homes and offices, chatted with fellow recipients, and enjoyed the photo booth. The event also featured congratulatory speeches from senior leaders, stories from service award representatives, musical performances, and an exciting raffle draw. Trophies and cash incentives were also given to the awardees.

Capping off the year was done through an engagement activity with the employee community dubbed "Gratitude Night." It was attended by 1,271 live participants, and garnered 2,500 total views. The year-end celebration featured a Santa Spin Grand Raffle to boost the holiday spirit, entertainment through *Pasko Sessionistas*, and a Christmas Edition of *Tagisan ng Talino* (Quiz Night).



### Wellness Revolution: Digital Edition Initiatives

- Workout From Anywhere – facilitated weekly online fitness classes
- PLDT & Smart Plant Project – program for plant enthusiasts
- Kwentong ECQusina – employees shared recipes of home cooked meals
- KidsAtHeArt – showcased artwork by employees and their families on themes relevant to the pandemic
- #RTWOOTD – encouraged employees to pose in their “return to work attire” PPEs
- #WFHDeskGoals – showed do-it-yourself work spaces at home
- *Tagisan ng Talino* – online trivia games and “Quiz Night” for employees



### Recognizing Malasakit

The group-wide “*Pusong PLDT and Smart*” digital campaign put a spotlight on employee heroes and sought to uplift the spirit of the workforce during the pandemic. The campaign commended various personnel for going above and beyond the call of duty during the COVID-19 crisis and the natural calamities that took place in 2020.

Employees also celebrated colleagues for a job well done through “DigiPEP,” which is housed in the performance management system of PLDT and Smart. Since its launch, over 10,000 people sent colleagues recognition badges dedicated to our corporate values such as *malasakit*, awesome customer experience, agility, collaboration, and humility to listen and learn, among others. We also established performance-based incentive plans to reward employees for a productive and meaningful year despite the challenges of the pandemic.

## Employee Rights and Labor Relations 102-41, 103-1, 103-2, Principle 1, 2, 3, 4, & 5

Respect for labor rights is essential to protect workers and promote employee welfare. The PLDT Group firmly believes in the principle of human rights and thus strictly complies with labor standards under the law and adheres to internationally recognized principles on labor and human rights. The Company implement 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 (Protection against Child Abuse, Exploitation, Discrimination), and the General Labor Standards (GLS).

Meanwhile, the Human Resources Manual includes 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.

PLDT supports and recognizes the Collective Bargaining Agreements (CBAs) signed with the 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). Reporting and handling grievances related to CBA matters are handled by first couring through the concerned employee's Union, then escalating to our Management and the respective Union's Grievance Committee for due process.

## Ensuring Safety in the Workplace 103-2, 403-1, 403-2, 403-7

The Company adheres to strict standards to ensure a safe environment for our employees. Various EHS units address emerging issues in the workplace as well as track the Company's health and safety performance. An internal system is in place to protect the integrity and safety of the facilities and infrastructure and regular testing is conducted on products and structures to ensure compliance with safety standards.

Our EHS teams look at various hazard categories -- biological, chemical, physical, safety, ergonomic and psychosocial-- and determine via a quick risk assessment which ones cause the most damage in the workplace. During the pandemic, biological hazards were the most prominent. Once done with the risk assessment, our safety teams introduced controls to reduce or eliminate the identified hazards. In the case of COVID, we developed response plans that use the hierarchy of controls and other tools to protect workers who remain in, or will return to, their work areas. Detailed discussions of these are on pages 85-86 and 101-102.



Emerging technologies also raise questions of potential health risks. Developing innovations thus comes with the responsibility of ensuring the safety of new products and services, and providing the facts to assuage concerns among stakeholders. We strive to build trust in our products by conducting community discussions and workshops and publishing press releases and position papers.

The Property and Facilities Management and Energy Environment Safety and Health teams comprise our safety committees and regularly review relevant laws and policies on occupational health and safety (OSH). In 2020, we recorded 76 workplace accidents and zero fatalities, which equate to a Lost Time Injury Frequency Rate (LTIFR) of 0.47 and a Fatal-Injury Frequency Rate (FIFR) of 0. We had a total of 108,728 training hours of safety drills to prepare employees for emergency situations. Well-trained safety officers have also been appointed to care for fellow employees. For this report, all work-related discussions and datasets are just limited to those controlled by the organization.

Specific to COVID-19, the Company's resolve to ensure the safety, health, and wellness of employees grew significantly. At the onset of the pandemic, we immediately imposed a travel ban to countries with high cases of COVID-19. We also limited access to our corporate offices only to employees. Shortly after, a ban was imposed on all foreign travel.

The Company immediately transitioned to work-from-home arrangements to minimize the exposure of employees to the virus. These arrangements were complemented with the appropriate digital equipment, including internet connection, to minimize disruptions to our operations. Various measures were also implemented to safeguard employees who had to work on site, such as a requirement to wear personal protective equipment for specific staff.

403-9, 403-10

**Safe man-hours**

Fixed	<b>2,565,050</b> man-hours
Wireless	<b>11,819,656</b> man-hours
Workplace accidents	<b>76</b>
Work-related fatalities	<b>0</b>
Work-related ill health incidents	<b>0</b>
Safety drills	<b>21</b>

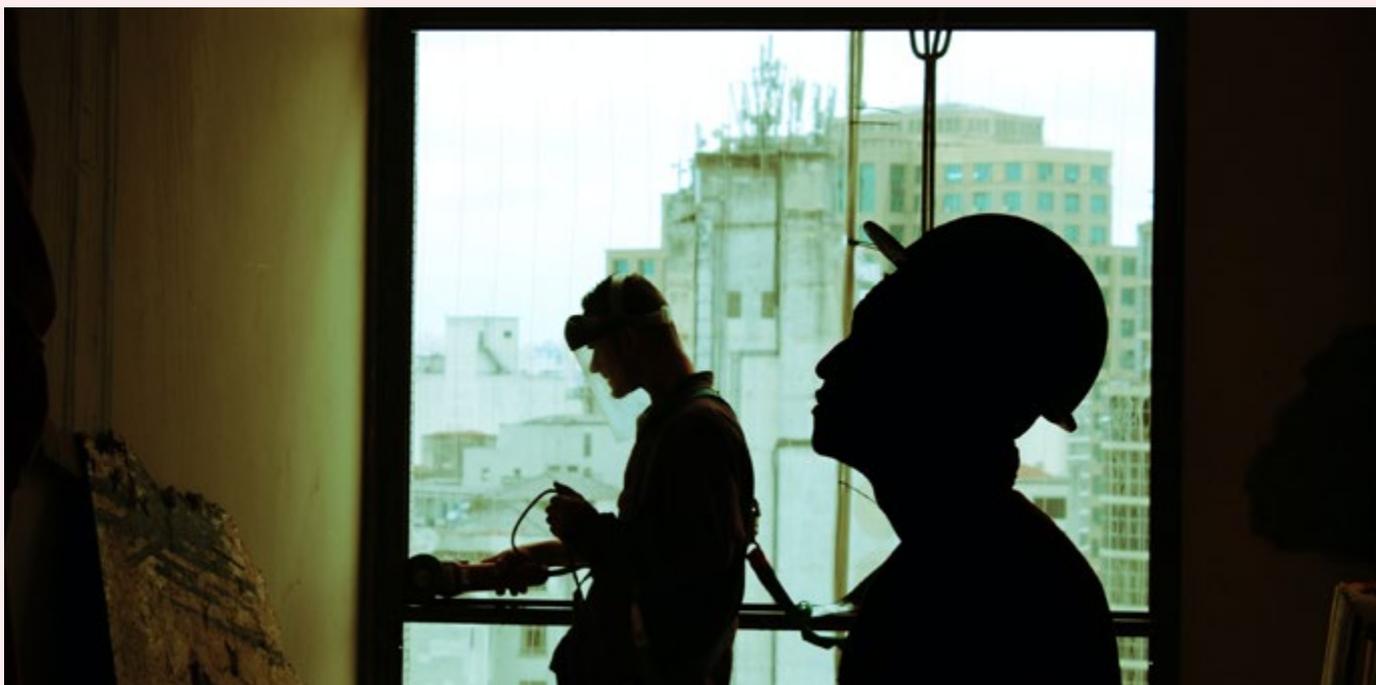
Return to work guidelines were developed and implemented when the government began to lift lockdown measures. Employees who are most at risk of contracting COVID-19 are required to obtain a medical certificate and strictly comply with health and safety protocols. Rapid tests were also done for employees, in partnership with Metro Pacific Hospital Holdings, Inc. and accredited clinics, to ensure highest levels of safety in the workplace. We have since included hybrid working arrangements in the return to work policy.

Meanwhile, a vaccination program is in place, being implemented through the combined efforts of the MVP Group's Vaccine Task Force, doctors from the Hospitals Group, and different companies under the MVP Group. The Company is set to inoculate 300,000 individuals comprising employees and their qualified dependents and household members. The Company will shoulder the cost of vaccinating employees and mechanics for the inoculation program are being drafted, pending the delivery of the vaccines.

## Health and Safety Trainings 103-2, 103-3, 403-5

Regular training is offered to employees aiming to ensure their safety and well-being. In 2020, the Company launched a mandatory OSH e-learning series for employees. The training modules covered the following topics: Introduction to OSH, R.A. 11098 (An Act Strengthening Compliance with Occupational Safety and Health Standards and Providing Penalties for Violations thereof) and its Implementing Rules and Regulations in D.O. 198-18, Accident Analysis, Hazard Identification, Emergency Preparedness, Fire Safety, Electrical Safety, Workplace Safekeeping, and Ergonomics and Materials Handling.

Occupational Health and Safety Trainings Conducted	Participants	Training Hours
BOSH Training	51	40
Mandatory 8-Hour OSH Training eLearning	12,326	8
COSH Training	126	40
SO1 Training with Train the Trainers	50	10
Ladder Safety Awareness	1	2
Working at Heights Webinar	20	8
Defensive Driving by A1 Driving Webinar	253	8
Fire Safety Training	133	2
Defensive Driving Orientation In-House	11	8



We also developed various tools to ensure safety in the workplace.

The **Accident Life threatening Emergency Reporting Tool (ALERT)** app strengthens Smart's safety management procedures by empowering personnel to report incidents (accident or near misses), health and safety-related observations, or good practices in real time. Users can report emergency information to management through mobile devices for a faster response and action. The data gathered will be used to formulate risk-based prevention and sustainability programs.

The PLDT EHS and Human Resources Department and Smart-EEHS developed the **Occupational Health and Safety Learning and Development Module** for the mandatory OSH Trainings and E-learning in compliance with requirements of the Department of Labor and Employment. It aims to enhance knowledge of health and safety protocols and programs, promote a secure working environment, and reduce work-related accidents.

The Company has initiated the process of adopting the **ISO 45001:2018 Occupational Health and Safety Management System** and aims to be certified in 2021. The certification will promote our health and safety programs, reduce overall cases, and decrease cost of damage and operational interruption due to incidents and accidents.

Nurture our talents in a safe and healthy workplace will always be a priority as we aim to provide maximum benefits to employees and our communities. As partners in business, our employees' health and well-being will always be a primary concern. Talented and motivated employees are key to our success and we will further strengthen our initiatives that promote diversity, equal opportunity, and inclusion.



# Positive Community Impact

103-1, 103-2, 103-3, 203-1, 203-2, 413-1

## Connecting partners and programs to enable inclusive progress and development

The abiding connection between business and the communities it serves was clearly demonstrated when a modern global pandemic came and changed the world in 2020. People soon realized that the only way that organizations, industries, and countries could hope to overcome the impact of widespread lockdowns was if everyone cooperated and worked together.

The PLDT Group recognizes that its role as the leading and most diversified telecommunications group in the Philippines gives it the opportunity to create an impact as a visible advocate for productive collaborations towards inclusive solutions and sustainable response to crises. In times like these, it is the vulnerable sectors who already struggle with the digital divide who are seen to suffer worse than the rest.

The Group therefore 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 percent of our operations in Luzon, Visayas, and Mindanao.

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.

**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 our wireless arm, implemented by Smart's 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. While PSF, PLDT ComRel, and Smart Communities implement separate programs, they also collaborate with each other on many initiatives.



## Quality Education

We believe in enabling inclusive, quality education through technology-enabled education initiatives that ensure that no learner gets left behind.

### Gabay Guro

*Gabay Guro* (Guiding Teachers) is an advocacy program for teachers that implements sub-projects such as Scholarships, Teachers’ Trainings, Classroom Donations, Livelihood Programs, Connectivity and Computerization, Tribute Events, and Digital Innovations.

As learning evolved during the COVID-19 pandemic, the 13-year-old program successfully pivoted to the digital landscape. Spearheaded by passionate volunteers from PLDT Home, alongside PSF and PLDT Managers Club, Inc., the team launched a ‘Learning Never Stops’ online training series to equip teachers with digital competencies and capabilities to adapt to distance learning.

Furthermore, the *Gabay Guro* App was released before the start of SY 2020-2021 and it aimed to help teachers with the integration of e-learning content and interactive resources. Available on all Android, iOS, and web devices, the app provides teachers with a vast library of digital resources and ready-to-use online platforms that are aligned with DepEd and Commission on Higher Education (CHED) curriculum. A PayMaya partnership also aimed to encourage teachers to go digital in paying for online and in-store purchases, sending money, paying bills, buying load, and paying government fees, among others. The *Gabay Guro* App will also offer badges that can be converted into MVP Rewards.

**In 2020, it gathered close to half a million teachers in 27 e-learning sessions on Facebook and generated over 100,000 Gabay Guro app downloads.**

**1,047**

total number of Gabay Guro graduates since 2007

**1,989**

total number of granted Gabay Guro scholars since 2007



### PLDT Infoteach Outreach Program

The PLDT Infoteach Outreach Program supports high school students, primary to secondary level teachers, and out-of-school youths nationwide through digital literacy trainings. Formed in 2004 Infoteach’s virtual trainings in partnership with the University of the Philippines Open University (UPOU) drew over 58,000 attendees and 288,800 Facebook views for its 2020 virtual activities alone.

The webinar series included topics on course preparation and engaging online learners for teachers and a discussion on preparing students to be online learners. There were also special sessions for LGUs and parents on how they can support online learning.

Complementing these efforts were donations of refurbished computers as well as school supplies to various public schools. We also provided educational



assistance for select students of Radio Veritas Asia employees affected by the pandemic, using PLDT funds from the Balik Baterya program.

**8**  
webinar sessions

**61,491**  
registered participants

**268,850**  
views

Open to over **29**  
DepEd Division participants

### School-in-a-Bag

School-in-a-Bag is a portable digital classroom that democratizes access to technology, connectivity, multimedia content, and pedagogy to support distance learning. Each water-resistant backpack carries a laptop and pocket WiFi for the teacher and up to 20 student tablets that are pre-loaded with educational content accessible even when offline.

On October 12, 2020, Smart presented the School-in-a-Bag program as an effective distance learning strategy in the new normal at the 2020 Mobile Learning Week of the United Nations Educational, Scientific and Cultural Organization (UNESCO).



**86**  
School-in-a-Bag packages donated  
**293** total to date

**86**  
teachers trained  
**2,587** total to date

**1,265**  
students reached  
**79,594** total to date

## Central Visayan Institute Foundation-Dynamic Learning Program

The Central Visayan Institute Foundation-Dynamic Learning Program (CVIF-DLP) is a pandemic-resilient, low-budget, flexible, and inclusive education strategy that has been backed by Smart and PSF Communities for over a decade.

In 2020, the DepEd recognized the program as a Flexible Learning Option and endorsed the content as a supplemental learning resource as it has proven to be effective in continuing the teaching and learning process despite the disruptions in education caused by the pandemic. Developed by Ramon Magsaysay laureates and world-renowned theoretical physicists Dr. Christopher Bernido and Dr. Ma. Victoria Carpio-Bernido, the tried-and-tested methodology develops students into independent learners who are able to adapt and thrive even in a distance learning environment.



Gathered close to **half a million views** in the 3-day “No Learner Left Behind” web forum on CVIF-DLP

**6,548**  
teachers and students trained in 2020

**1,304**  
CVIF-DLP Learning Activity Sheets produced and available on DepEd Commons

**783**  
Implementing schools

**5**  
Implementing Alternative Learning Systems (ALS) Divisions

## Smart Wireless Engineering Education Program

The Smart Wireless Engineering Education Program (SWEEP) is the longest running industry-academe linkage program that helps schools produce industry-ready Engineering and IT graduates and technopreneurs by providing access to equipment, training on the latest trends and technologies, and a platform to spur and nurture innovations.

In 2020, the program staged the first eBootcamp in partnership with AIM-Dado Banatao Incubator and launched the first Smart Prepaid Innovation Generation, aimed at harnessing the creativity of the youth to develop innovative, technology-enabled solutions to address pandemic-related challenges in their own communities.



**36 SWEEP**  
partner schools

**28**  
hired by **Technology Group** in 2020 from SWEEP schools

**eBootcamp:**

**84**  
participating teachers and students

**13**  
universities

**4**  
partners/  
sponsors

**Smart Prepaid Innovation Generation**

**49**  
entries from  
**22** partner  
schools

**16**  
shortlisted  
entries from **16**  
SWEEP partners

**25**  
mentoring  
sessions  
conducted

**7**  
partners  
engaged

### #Cybersmart Caravan

The highly interactive #Cybersmart Caravan on cybersecurity and online child safety ran for the whole month of September, which is also known as National Cyber Security and Awareness month. The internet consumer education initiative was organized in partnership with our Cyber Security Operations Group and Consumer Marketing Department, in tandem with the National Privacy Commission, UNICEF, and DepEd. It aimed to increase awareness on data privacy and security, internet safety, responsible social media use, combating fake news, and computer and mobile protection.



**28,000++**

teachers and students trained

**1,336**

schools reached

**13**

partners engaged

### #LearnSmart eLearning Sessions

The #LearnSmart eLearning Sessions ensured continued learning during quarantine through the Smart Communities e-learning Sessions. Storytelling sessions allowed families to bond and encourage a love of reading and learning in children. Smart has since repackaged these sessions into inclusive and offline content to benefit people in remote areas as well as people with hearing disabilities.



**31**

episodes

**22**

partners engaged

**73,784**

total engagements

**159,607**

total views

With initiatives across our various business units, our Company supported the Department of Education and various schools with a package of digital services in their transition to online learning. We provided the DepEd with a package of digital services to help support the academic sector offer

continuous learning amid the pandemic. The Enterprise unit facilitated free access to DepEd Commons (<https://commons.deped.gov.ph>), the agency's online education delivery platform designed as an alternative mode for teaching-learning process during class suspensions and

In July 2020, the Company offered free pocket WiFi to students of the University of Sto. Tomas. PLDT Enterprise also provided the Sacred Heart School - Ateneo de Cebu (SHS-ADC) with Microsoft Education Suite, an e-Learning solution with educational tools to facilitate remote learning while allowing teachers to connect with their students both inside and outside school walls. PLDT Enterprise also enabled e-Learning for 80,000 students of STI, who were provided with the Smart GIGA Study data plan to ensure their connectivity. We also worked with De La Salle Philippines to launch the Animo Smart Online Store to better support the digital learning needs of their students and teachers. The e-commerce site gives its students and faculty an opportunity to buy and avail of exclusive Smart data and connectivity plans and products.



Meanwhile, the Catholic Educational Association of the Philippines (CEAP) also tapped our services to augment their eLearning programs with enterprise-grade online applications and connectivity solutions for their members.

These applications were provided to teachers and school superintendents through the Online Learning Management System bundled with Microsoft 365 web-based collaborations tools. PLDT Enterprise also provided e-learning tools to 196 members of the Philippine Association of Colleges and Universities (PACU) to support their transition to e-Learning. PLDT Enterprise provided Smart GIGA Study plans and curated services for e-Learning that can be customized for each learning institution and updated to keep pace with schools' evolving needs.

### PNP Educational Grant and MVP Academic Excellence Awards

The Philippine National Police (PNP) Educational Grant benefits children of PNP officers who were killed or injured during service. This long-term program uses donations to make a difference in the lives of beneficiaries, and helps raise the morale of PNP personnel.

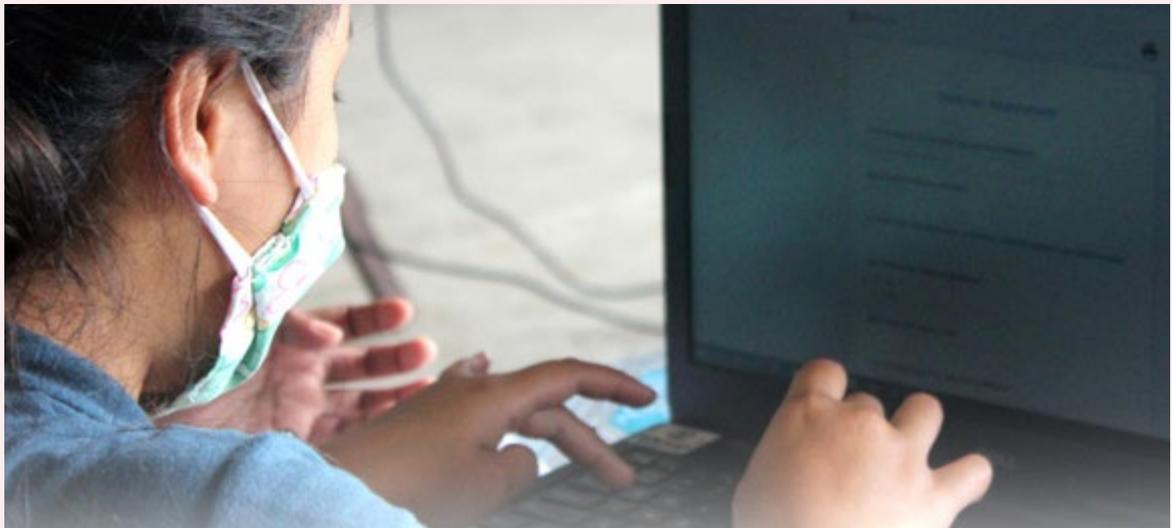
The MVP Academic Excellence Awards grants scholarships to selected dependents of PLDT Group employees. In 2020, PSF awarded scholarship to 76 PLDT dependents and 103 Smart dependents.



PNP Educational Grant

**PHP500,000**  
yearly donation for scholars

**639**  
total scholars



In celebration of **Teachers Month**, we donated school materials for blended learning to Arakan teachers, and other teachers in *Balik Baterya* schools and PLDT Educational Programs.

In addition, the Company provided computer equipment to schools, including over 20 refurbished PCs to the newly constructed PLDT Computer Laboratory at the Butig National High School, Lanao Del Sur, in partnership with PBSP. We also turned over eight units of refurbished PCs to DepEd San Isidro, Nueva Ecija.

## Improving Livelihood

Through technology-based strategies, the Company helps smallholder farmers and fisherfolk increase their livelihood by supporting their entry into the digital economy.

### Digital Farmers Program

The Digital Farmers Program enables farmers to adapt to the digital shift and encourages the youth to participate in agriculture. Smart works with the Department of Agriculture – Agricultural Training Institute (DA-ATI) to train smallholder farmers on digital basics, agricultural apps, and social media use and marketing. The project expanded to cooperatives who are offered bundled Smart solutions that include low-cost smartphones, SIMs, retailer package, Infocast, PayMaya, and the Digital Farmers program.



<b>15</b> provinces reached	<b>31</b> trainings conducted <b>43</b> total to date	<b>16</b> self-placed microlearning videos on basic ICT skills for farmers	<b>52</b> officers from 15 DA-ATI trained produced from the microlearning videos
<b>50+</b> Agritalk episodes supported to help promote agri as a viable business		<b>1</b> online campaign launched to engage the youth	

### Buy Local Buy Smart Campaign

The Buy Local Buy Smart Program enjoins the Group's employees to help increase income of Filipino smallholder farmers by buying rice directly from them. The program also helps provide the farming communities access to affordable capital through the Buy Local sustainability fund.

Through the program's Buy One Give One Campaign conducted during the holiday season, Smart donated 300 sacks of rice to Dumagat families in Antipolo, Rizal who were affected by the typhoons.



<b>90</b> farmer beneficiaries	<b>4,410</b> kilos of rice ordered	<b>PHP257,080++</b> gross sales generated
<b>PHP110,000++</b> sustainability funds raised		<b>300</b> sacks of rice donated

### Solidarity for Orphans and Widows (SOW) Payatas

The *Balik Baterya* funds of PLDT have supported the company's various livelihood activities. It helped fund the **Solidarity for Orphans and Widows (SOW) Payatas**, which is one of the groups engaged in sewing washable face masks for Mask4AllPH. We used some of the products from this livelihood program for the 2,000 hygiene kits that we distributed to some teacher beneficiaries of PLDT adopted schools and some communities.



**2,000**

PLDT hygiene kits produced and distributed

**4,000**

washable face masks produced

We partnered with PBSP and turned over **156 boat engines** to fishermen in Barangay Bagasbas in Daet, Camarines Norte where the PLDT Daet Cable Landing Station is situated. The donation was facilitated through the PLDT *Balik Baterya* Funds.

### Coping with the "new normal"

In partnership with the Philippine Eagle Foundation, PLDT initiated the digital training on **"Coping with the "new normal": Ending the digital exclusion of upland women and girls in Arakan, North Cotabato."** This aimed to provide access to and enhance the digital skills of the women and girls of the upland communities as well as strengthen their access to information and skills fine-tuning via on-site digital webinars. We also assisted 60 women parents in the upland communities as they facilitate home-based, modular learning of their children during the pandemic. To further support the partnership, we donated 12 refurbished computers to the indigenous peoples' communities.



**90**

women beneficiaries

**3**

IP communities

**3**

barangays

## Disaster Resilience

The Company ensures communities are safe by instilling a culture of preparedness, providing communications as aid in times of disasters, and aiding in recovery.

### Taal Volcano eruption

In early 2020 as communities surrounding Taal Volcano were evacuated due to the volcanic eruption, PSF supported victims by donating hygiene kits and food packs.

**2,600**  
hygiene kits  
distributed

**1,200**  
hot meals served

**300**  
relief packs  
distributed



### #SafeAndSmart

Under its #SafeAndSmart advocacy, Smart provided digital connectivity products and services to LGUs, command centers, and critical areas nationwide to provide communications support to frontliners.

Recognizing the urgent need for communications in times of calamities, Smart pre-positioned 33 emergency communications kits that facilitated the quick set up of Libreng Tawag, Libreng Charging, and Libreng Wifi stations in areas affected by Typhoons Rolly and Ulysses. PLDT and Smart also provided immediate relief to the communities through goods delivered in partnership with PSF, PBSP and Alagang Kapatid Foundation.



### Cash-for-Work-Program

Beyond delivering disaster relief goods, Smart implemented a Cash-for-Work-Program to provide families affected by Typhoons Rolly and Ulysses with cash wages and repair materials in exchange for rehabilitating their own homes. The Program helped stimulate the local economy post-disaster and allowed households to earn much-needed cash to cover their immediate needs.



**6,600**  
relief packs distributed

**1,550**  
snack packs distributed

**945**  
household heads or

**7**  
communities benefited in Batangas, Marikina, Rodriguez Rizal, Tuguegarao, Pili and Garchitorena in Camarines Sur, and Ilagan in Isabela

**4,725**  
families supported

### #WeHealAsOne: LGU Engagement Program

Embodying the thrust of the group to help rebuild people's lives, Smart staged the #WeHealAsOne webinar with LGUs from Luzon to help them implement innovative solutions that can help them address challenges posed by the health crisis. The forum presented working models in education, livelihood, and agriculture to help communities adapt to the new normal.



**434**  
participants

**32**  
provinces in Luzon

**11**  
LGUs requested for follow through engagements

## Kalye Mabunga

Through the program *Kalye Mabunga*, the Company also supported the Department of Agriculture's Plant Plant Plant Program. This was an online information and awareness campaign to guide households and communities in growing their own food. Smart produced this online magazine show to help families and communities solve for food security, gain additional or alternative income by selling their produce, and protect their health and boost immunity with safe and healthy food.

**10**

episodes

**15**

partners and speakers

**33,630**

average video views



## Tuloy Pa Rin ang Pasko Movement

Through the gift-giving program *Tuloy Pa Rin ang Pasko* Movement of the MVP Group, the company gave food packs to people affected by Typhoons Rolly and Ulysses in Bicol, including 250 individuals in Brgy. Anahaw, Labo, Camarines Norte and 250 individuals in Brgy. San Vicente, Ogbon, Camarines Sur. The project also successfully funded 20,000 food packs for the New Year's Eve project of the Makati Medical Center Foundation.

The PLDT Group supports the Philippine Disaster Resilience Foundation (PDRF), the country's major private sector vehicle and coordinator for disaster management that is co-chaired by our Chairman Manuel V. Pangilinan. PLDT supported the PDRF through the Kaagapay: Protect our Healthcare Heroes and Project Ugnayan. A total of Php 1.2B was raised from member companies for these initiatives which provided help to communities and life-saving medical equipment like PPEs, test kits and ventilators for the healthcare sector.



At the onset of the pandemic early last year, we donated personal protective equipment, face masks, and alcohols. Smart also joined PDRF's Sari-Sari Store Program in October 2020, aimed at helping 400 micro-retailers in the Greater Manila Area jumpstart their recovery.



### Inspiring Filipinos to live Smarter for a Better World

At the core of Smart's corporate social responsibility programs is the unflinching belief that every individual can make a positive change in the world. However small it may seem, every purposeful action can ripple through society and make a valuable impact in the lives of others.

This is why Smart inspires and encourages stakeholders to take part in Smart Communities, providing them with a venue to contribute their time, energy, and resources in uplifting others.

For example, through the School-in-a-Bag program, Smart teams up with individuals

and organizations who share our vision of inclusive education to provide a portable digital classroom to needy and deserving communities. On the other hand, through the Buy Local Buy Smart Program, Smart provides a platform for our employees to buy rice directly from smallholder farmers.

Across all other initiatives – from the Central Visayan Institute Foundation-Dynamic Learning Program and the #LearnSmart eLearning Sessions to the Smart Wireless Engineering Education Program and CyberSmart – Smart underscores the significance of everyday actions and smart choices in building a better world.

### Tourism

For close to a decade now, PLDT and Smart have been promoting Digital Tourism, an initiative that taps mobile technology to provide travelers with timely, relevant, and accurate tourism, cultural and historical information. The program includes the production of free mobile applications that serve as travel guides to a particular destination; and the deployment of interactive tourism markers that use Quick Response (QR) codes and Near Field Communication (NFC) technology to deliver information about a site or structure.

## #TravelSmart

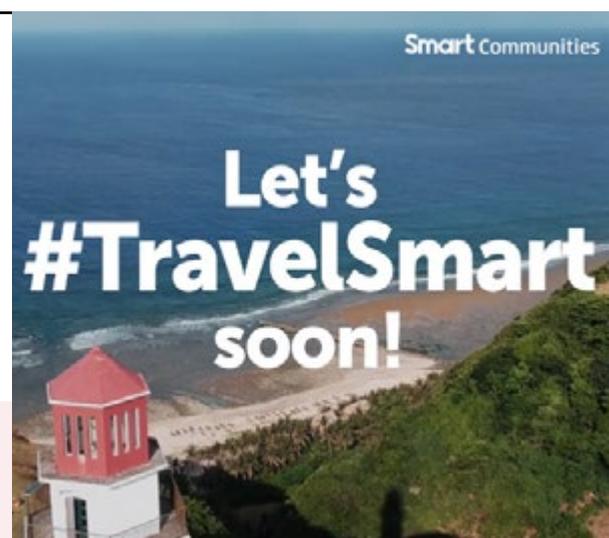
In 2020, we rolled out multi-leg capacity building sessions for the benefit of tourism stakeholders amid the pandemic. The series of training sessions was kicked off by the #TravelSmart web forum, which was mounted in partnership with the Department of Tourism, Grassroots Travel and Innopub Media. It was designed to empower communities with innovations that can help them pivot despite and beyond the challenges of the pandemic.

**300**

stakeholders from NCR, regional and provincial tourism offices, and media

**40**

church heritage sites with interactive tourism markers



## Digital Catechism

In September 2020, the Archdiocese of Cebu formalized its partnership with PLDT and Smart to celebrate and mark the 500 Years of Christianity in the Philippines. The celebration, spanning a period of two years, will feature a series of online and on-ground activities, mostly in Cebu—recognized as the cradle of Christianity in the Philippines. Also unveiled during the partnership launch were the *Panaw sa Pagtuo (Journey of Faith)* Mobile Exhibit App. The initiative included *Gasa: 21 Historical Snippets to 2021*, a 21-part series that showcased religious arts, signs, and symbols from different heritage and religious historical sites.



As a component of PLDT and Smart's Digital Tourism program, Digital Catechism provides the faithful with opportunities to maintain their faith, virtually attend services, and gain historical, cultural, and religious information.

**185,416**

total reach

**107,180**

total views

**3,661**

total engagements

**980**

total shares

**We develop community interventions to uplift lives, survive disasters, and sustain communities. We will always use our technology to assist vulnerable communities, particularly in times of crisis.**



# Good Governance and Ethical Business Practices

We subscribe to the highest standards of business ethics, comply with law and regulations, and implement Company policies for the integrity of our operations.



In PLDT's Annual Stockholders' Meeting on June 9, 2020 (L-R): Public Affairs Head, Mr. Ramon I. Isberto; Chief Revenue Officer, Mr. Alfredo S. Panlilio; Chairman and Chief Executive Officer, Mr. Manuel V. Pangilinan; Chief Financial Officer and Chief Risk Management Officer, Ms. Annabelle L. Chua; and Chief Legal Counsel, Atty. Marilyn A. Victorio-Aquino.

102-18, 102-23, 102-29

Good governance and ethical business practices are cornerstones of the PLDT Group strategy. PLDT follows the corporate governance and sustainability standards prescribed by Philippine law or recommended under rules and regulations of the Philippine Securities and Exchange Commission (SEC) and the Philippine Stock Exchange (PSE). As a foreign private issuer with American Depositary Shares listed and traded in the New York Stock Exchange (NYSE), PLDT also complies with governance standards laid out in the relevant laws of the US and rules and regulations of the US SEC and NYSE. Being an associated

company of First Pacific Company Ltd., a company listed in the Hong Kong Stock Exchange, PLDT also benchmarks with the governance standards of Hong Kong. For a comprehensive report on the Company's framework, structure, policies and processes, please refer to the 2020 Annual Report, pages 32-57, under the heading PLDT Group Corporate Governance Report.

A copy of the Annual Report is available online at [http://www.pldt.com/docs/default-source/annual-reports/2020/main\\_pldt-2020-ar.pdf](http://www.pldt.com/docs/default-source/annual-reports/2020/main_pldt-2020-ar.pdf).



In the preceding year 2020, the PLDT Board exercised Management oversight amid changed circumstances brought about by the COVID-19 pandemic.

While faced with challenges to meet the safety and wellness needs of employees, the new remote business and work environment increased customers' demand for connectivity and saw the need for business leaders and corporations to collaborate closely with the government in order to address the needs of the nation. In response, under the leadership of PLDT Chairman, President and CEO, Mr. Manuel V. Pangilinan, the Company focused on three most important constituents: First, the health and financial well-being of employees; second, continuing connectivity and service excellence to customers; and third, assistance to the government and its agencies in addressing the needs of Filipinos.<sup>1</sup> Amid this landscape, the Board recorded the following governance highlights:

The creation of the Data Privacy and Information Security Committee (DPISC), the first Board Committee of its kind among publicly-listed companies in the Philippines and in the telecommunications industry in Southeast Asia. The DPISC assists the Board in overseeing and providing strategic direction to governance functions relating to data privacy and information security.

The Board's Governance and Nomination Committee was renamed Governance, Nomination and Sustainability Committee (GNSC) and its Charter was revised to expand the functions of the GNSC to include assistance to the Board for its

oversight on the implementation of the Company's sustainability strategy, framework, program, and policies, and the Company's social investments and commitments to making meaningful impact to communities. The revised charter of the GNSC likewise expanded its composition to include the Chief Sustainability Officer as a non-voting member.

On February 19 and 20, 2020, PLDT and Smart, through their respective Presidents and CEOs, expressed commitment to the United Nations Global Compact by signing and participating in the Statement from Business Leaders for Renewed Global Cooperation. The Statement is an expression of the Companies' obligation to demonstrate ethical leadership and good governance; invest in addressing systemic inequalities and injustices through inclusive, participatory, and representative decision-making; and partner with the UN, government, and civil society to strengthen access to justice, ensure accountability and transparency, provide legal certainty, promote equality, and respect human rights.<sup>2</sup>

On June 9, 2020, the Company held its Annual Stockholders' Meeting (ASM) in virtual format with holders of 92.86 percent of the total outstanding shares of Common, Voting Preferred, and Non-voting Serial Preferred stocks as of the record date April 13, 2020 present or represented by proxy in the meeting. In the organizational meeting that

<sup>1</sup> Excerpt from the President's Report to stockholders and other stakeholders in the PLDT Annual Stockholders' Meeting on June 9, 2020.

<sup>2</sup> United in the Business of a Better World: A Statement from Business Leaders for Renewed Global Cooperation available at: [https://ungc-communications-assets.s3.amazonaws.com/docs/publications/UN75\\_UnitingBusinessStatement.pdf](https://ungc-communications-assets.s3.amazonaws.com/docs/publications/UN75_UnitingBusinessStatement.pdf) last accessed May 9, 2021.

followed the ASM, Retired Supreme Court Chief Justice Artemio V. Panganiban was re-appointed Lead Director from among the Independent Directors of the Company in compliance with the recommendation in the Code of Corporate Governance for Publicly-listed Companies (the “Code”) for the appointment of a Lead Independent Director, if the Chairman of the Board and Chief Executive Officer are held by one person.

On September 25, 2020, the Board, acting through its GNSC, organized its Annual Corporate Governance Enhancement Session (ACGES) in compliance with the Company’s Manual on Corporate Governance (CG Manual), Board Charter and the Code’s recommendation for the annual governance training of directors and key officers. ACGES topics and speakers are selected and approved by the GNSC each year to ensure that these topics are compliant with SEC regulations and guidelines, and are appropriate and relevant to the Company and its operations. In 2020, the ACGES focused on the topics: “How to Lead Courageously During a Crisis” by Harvard Business School historian and leadership expert, Dr. Nancy F. Koehn, and “Lessons from a Pandemic: The MPIC Hospital Group Covid-19 Experience and Best Practices” by Makati Medical Center Medical Director, Dr. Saturnino P. Javier. It was attended by all Directors<sup>3</sup> and Advisory Board/Committee members of PLDT, as well as 75 of the Company’s Officers.<sup>4</sup> The ACGES was likewise attended by Directors and Officers of other Philippine-based affiliate companies of First Pacific Company Ltd.

In line with PLDT’s anti-corruption program articulated in the Company’s Code of Business Conduct and Ethics (Code of Ethics) and the Gift Giving Policy, communication on corporate compliance and good governance, including updates on international anti-corruption enforcement actions were sent to all members of the Board on February 20 and 26, 2020.

As part of the periodic review of governance policies, the Board, acting through its GNSC, reviewed the Company’s Code Ethics and Conflict of Interest Policy and determined that these remain compliant with applicable law, regulations, and best practices, and are appropriate for the Company. All Corporate Governance (CG) policies are reviewed at least once every two years to ensure that they are appropriate for PLDT, benchmarked with global best practices, and compliant with applicable law and regulations.

The PLDT Board held a total of 12 meetings and 30 Board Committee meetings in the preceding year. These meetings focused on strategy and management oversight, financial reporting, internal controls and audit, independent audit, and corporate governance.

The Board likewise approved the PLDT Group’s Top Risks as identified by the Top Management Team from a review of the result of the rapid risk assessment performed by Management on the effects of COVID-19 on the PLDT Group; and the results of discussions on the risk profiles of business and support groups with their respective Group Heads and relevant Officers.

Amid the challenges of the pandemic and a system migration, Finance, Internal Audit, and the external auditors have found that the Company’s internal control environment and compliance structure are fundamentally strong. Digitalization has been fast-tracked and the Control Owners were flexible in redesigning their processes and controls to adapt to the new normal. The transition to an automated tool for the Sarbanes Oxley Act Sec. 404 (SOX 404) Controls Self-Assessment and Sub-Certification has also helped hurdle the challenges brought by the pandemic.

<sup>3</sup> Mr. James L. Go has been granted by the SEC permanent exemption from its corporate governance training requirement.

All our directors are based in Luzon

<sup>4</sup> A copy of the Company’s report to the SEC and PSE are posted on its website at: <http://www.pldt.com/docs/default-source/corporate-governance-files/acges/acges-2020.pdf>.

## The Board of Directors 102-22

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 purpose. 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: (i) has an effective investor relations program to keep stockholders and investors informed of important developments in the Company; (ii) respects and promotes the rights of stockholders; and (iii) identifies its stakeholders in the community in which it operates or those who are directly affected by its operations; and that (iv) the Company has a stakeholder engagement policy or program to promote communication and cooperation with stakeholders.

2020 PLDT Board of Directors	
Director	Designation
Manuel V. Pangilinan	Chairman / Executive Director
Ma. Lourdes C. Rausa-Chan	Executive Director
Bernido H. Liu	Independent Director
Artemio V. Panganiban	Independent Director
Pedro E. Roxas	Independent Director
Manuel L. Argel, Jr.	Non-executive Director
Helen Y. Dee	Non-executive Director
Ray C. Espinosa	Non-executive Director
James L. Go	Non-executive Director
Shigeki Hayashi	Non-executive Director
Junichi Igarashi	Non-executive Director
Albert F. del Rosario	Non-executive Director
Marife B. Zamora	Non-executive Director

**Board Diversity** 102-22, 102-24, 202-2

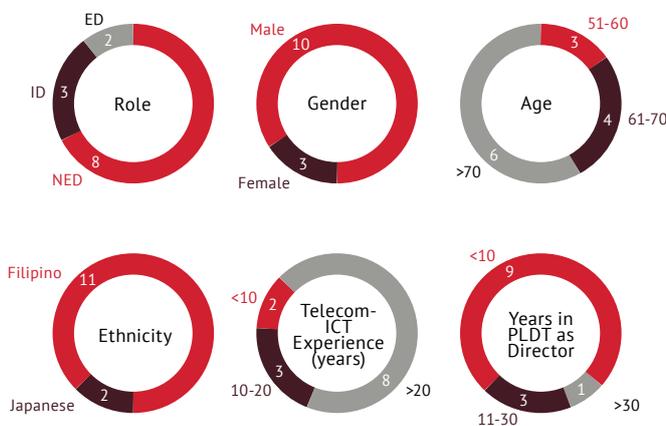
PLDT considers having an optimally performing diverse Board an essential element to attaining the Company’s strategic objectives and its sustainable development. PLDT’s Board Diversity Policy articulates the Company’s recognition of the enhanced quality of performance and decision making capability of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

Our Board is composed of 13 members, with three independent directors, eight other non-executive directors, and two executive directors. Three directors are female and two are Japanese citizens. All the members of our Board are qualified and competent directors with diverse and complementing skills, expertise, experience, and knowledge, which enrich the collective processes and practices of our Board. Our directors have extensive experience in their respective fields or industries, such as telecommunications, Information and Communication Technology, business processing, infrastructure, power, insurance, real property development, retail and agriculture businesses, law and public administration. At least three of our non-executive directors have extensive experience in the telecommunications industry.

**Board Diversity**



**Professional Background**

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

**77% Business**  
10 Board Members

**31% Legal**  
4 Board Members

**31% Engineering-ICT**  
4 Board Members

**23% Public Admin**  
3 Board Members

## Board Committees 102-22, 102-24, 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.

### Board

#### Advisory Board or Committee

Oscar S. Reyes  
Roberto R. Romulo  
Benny S. Santoso

Orlando B. Veja  
Christopher H. Young

#### Audit Committee (AC)

Pedro E. Roxas (C)  
Bernido H. Liu  
Artemio V. Panganiban

#### Advisors:

Corazon S. de la Paz-Bernardo  
James L. Go  
Junichi Igarashi  
Roberto R. Romulo

#### Governance, Nomination and Sustainability Committee (GNSC)

Manuel V. Pangilinan (C)  
Bernido H. Liu  
Artemio V. Panganiban  
Pedro E. Roxas  
Junichi Igarashi  
Ma. Lourdes C. Rausa-Chan (non-voting)  
Gina Marina P. Ordoñez (non-voting)

#### Executive Compensation Committee (ECC)

Manuel V. Pangilinan (C)  
Bernido H. Liu  
Artemio V. Panganiban  
Pedro E. Roxas  
Junichi Igarashi  
Gina Marina P. Ordoñez (non-voting)

#### Risk Committee (RC)

Artemio V. Panganiban (C)  
Bernido H. Liu  
Pedro E. Roxas  
James L. Go  
Junichi Igarashi

#### Technology Strategy Committee (TSC)

Manuel V. Pangilinan (C)  
Albert F. del Rosario  
Ray C. Espinosa  
James L. Go  
Junichi Igarashi  
Oscar S. Reyes (non-voting)  
Orlando B. Veja (non-voting)

#### Data Privacy and Information Security Committee (DPISC)

Manuel V. Pangilinan (C)  
Ray C. Espinosa  
Junichi Igarashi  
Bernido H. Liu  
**Advisor:**  
Alfredo S. Panlilio

### **Advisory Board Committee**

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

### **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.

### **Governance, Nomination, and Sustainability Committee (GNSC)**

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.

### **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 of PLDT; (ii) fulfill its oversight responsibilities for PLDT's effective execution of its technology-related strategies; and (iii) ensure the optimized use and contribution of technology to PLDT's business and strategic objectives and growth targets.

### **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.

### **Data Privacy and Information Security Committee (DPISC)**

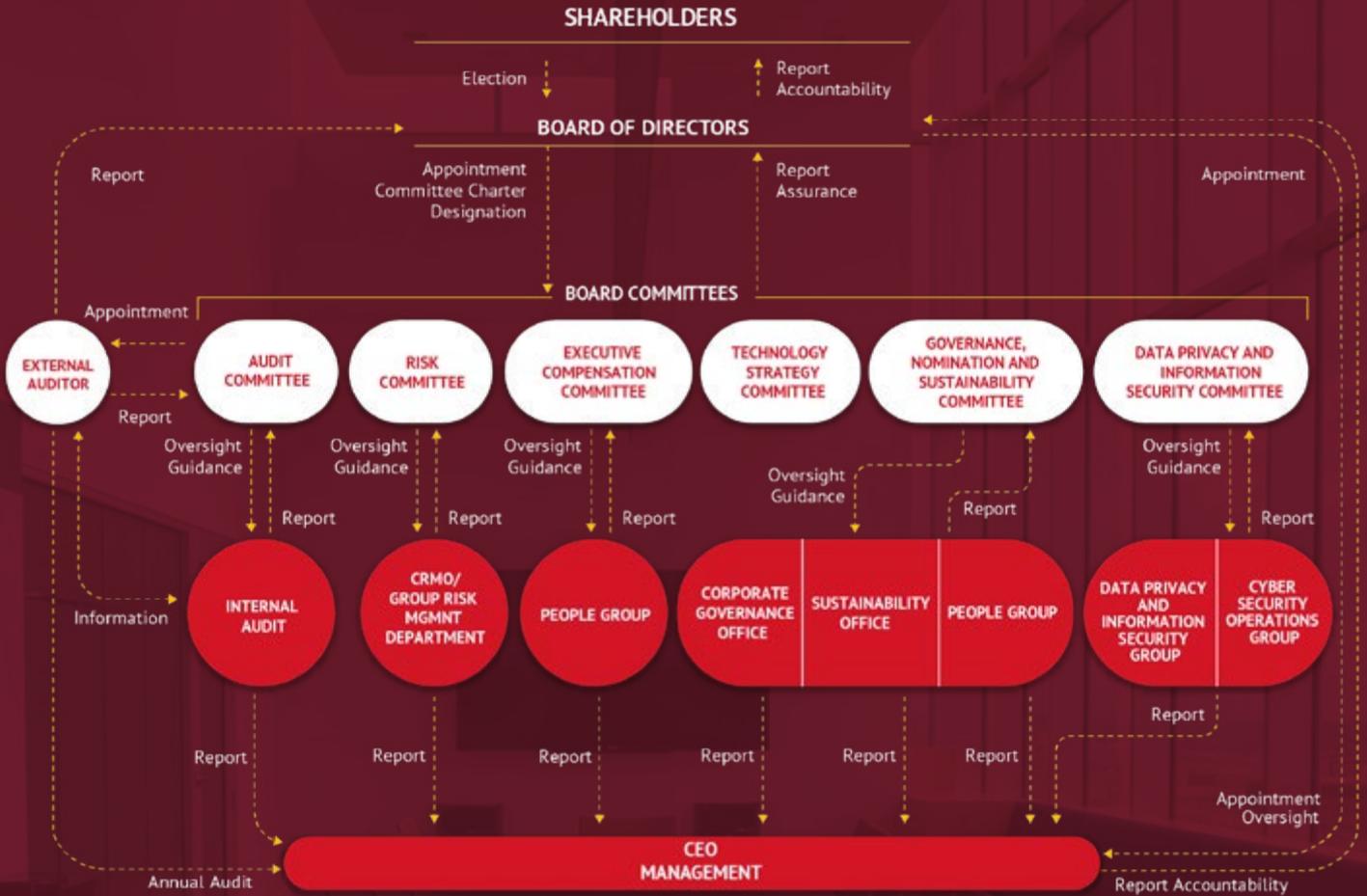
The DPISC assists the Board in the performance of its functions to (i) promote and foster a culture of data privacy and information security governance; (ii) review and approve the Company's strategic plans on data privacy and information security; (iii) ensure accountability for compliance with regulatory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

### **Risk Committee (RC)**

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.

**Governance Structure** 102-18

The Board exercises oversight on Management in accordance with the standards set forth in the PLDT CG Manual. The Corporate Governance and Compliance System that the Company practises is shown in the following figure:



PLDT’s corporate governance framework is embodied in the integrated system of governance structures, policies, and processes set forth in PLDT’s Articles of Incorporation, By-Laws, CG Manual, Code of Ethics, and Corporate Social Responsibility Statement. Our business principles are thrashed out in implementing policies including the Supplier/ Contractor Relations Policy, Conflict of Interest Policy, Expanded Whistleblowing Policy, Policy on Gift-Giving Activities, Policy on Gifts, Entertainment and Sponsored Travel, Material Related Party Transactions Policy, Guidelines on Related Party Transactions, and Disclosure

Rules, among others. The Company promotes a culture of good corporate governance through the implementation of these corporate governance (CG) policies, including the CG Manual, Code of Ethics and related policies. PLDT’s key subsidiaries have adopted corporate governance rules and policies similar in substance and form to the foregoing corporate governance policies and suited to their particular business environments and contexts, and appointed their respective corporate governance or compliance officers.

### Corporate Governance Manual (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)

Policies of the PLDT Group are anchored on the shared principles of integrity, accountability, fairness, and transparency, which are defined in PLDT's Code of Ethics. The Code of Ethics sets the governance and ethical standards that shall govern and guide all business relationships of the Company, its directors, officers, and employees, including (i) compliance with applicable laws, rules, and regulations such as prohibitions on insider trading and bribery and corruption; (ii) dealing fairly with the Company's customers, service providers, suppliers, competitors, and employees; (iii) maintaining and safeguarding the confidentiality of information; (iv) avoiding actual or apparent conflicts of interest; (v) compliance with the Company's disclosure controls and procedures, and internal controls; (vi) assessment and management of risks in business activities;

and (vii) adopting strategies, actions, and decisions based on increasing shareholder value, aligned with international best practices on good corporate governance in business. 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.

### Conflict of Interest Policy 102-18

This policy enjoins PLDT's directors, employees, and consultants to promptly disclose conflict of interest (COI) situations to the relevant authorities. If warranted, the person concerned should obtain appropriate approvals and inhibit from any action, transaction or decision involving an existing or potential COI. The Company has

established an online COI disclosure system to facilitate the immediate disclosure of conflicts of interest. The policy also prohibits the Company from granting personal loans to directors or officers, unless allowed by applicable laws and regulations.

## Policy on Gifts, Entertainment, and Sponsored Travel (Gifts Policy) and Policy on PLDT's Gift-Giving Activities

The Gifts Policy provides safeguards in the receipt and acceptance of gifts given by third parties to ensure that such gifts would 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.

### Anti-Corruption Program 103-1, 103-2, 103-3, 205-1, Principle 10

The Company's anti-corruption policy, as embodied in its 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.

Effective implementation of the Company's anti-corruption policy involves the following: (i) provision of specific policy guidance, procedural safeguards, and internal controls pertaining to the offering or giving of gifts, which are prohibited or regulated by law; (ii) policy 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 (iii) appropriate monitoring and preventive measures that include internal controls, training and communication programs, whistleblowing facilities, third party due diligence, and enforcement mechanisms.

The Company has established internal control measures aimed at ensuring compliance with applicable anti-corruption laws and conducts education and

communication initiatives on Company policies, including on anti-corruption. The Company's internal control measures include SOX 404 Internal Controls, Accounting and Auditing Controls, Guidelines in Handling Requests for Donation that provides the review and approval process for donations to ensure compliance and transparency, Gifts Policy and Policy on PLDT Group's Gift-Giving Activities, and Third Party Due Diligence, including vendor management, accreditation, and performance review; Corporate Governance Guidelines for Suppliers, anti-corruption and corporate governance provisions in procurement contracts, and suppliers' briefings on relevant Company policies.

To reinforce these policies amid the pandemic, a risk-based approach to training was employed in 2020, where 98.86 percent (2,174 out of 2,199) of PLDT new employees, newly-promoted management employees, employees who have not completed the 2019 eLearning Refresher Course and Network Field Services employees and 95.14 percent (802 out of 843) of Smart new employees and Network Field Services employees who were required to take the Corporate Governance Onboarding/Orientation Course, Online Refresher Course, Corporate Governance

Module forming part of the Seminar on Administrative Policies and Procedures Course, or Network Field Services Corporate Governance Refresher Course, completed the same. These training courses included topics on the Code of Ethics, Gifts Policy, Policy on Gift-Giving Activities, and Conflict of Interest Policy, among others. For heightened awareness and understanding of the Policy on Gift-Giving Activities which, in conjunction with the Code of Ethics, embodies the Company's anti-corruption policy, PLDT sent a Gift-Giving Advisory to 99.96 percent of all employees on November 20, 2020; while Smart sent a Gift-Receiving Advisory to 90.17 percent of employees on December 14, 2020.

### Training on Anti-Corruption Policies and Procedures 205-2



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

**98.86%**  
PLDT

**95.14%**  
Smart



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

**99.96%**  
PLDT

**90.17%**  
Smart

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

Please see annex for the percentage over total employee as of December 2020

### Supplier/Contractor Relations Policy

The relationship between the PLDT Group and its suppliers is an important component to achieve business performance while ensuring ethical business practices. The Supplier/Contractor 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.

## Internal Disclosure Controls and Procedures

PLDT's Internal Disclosure Controls and Procedures serve to ensure that all information required to be disclosed in reports to the SEC, PSE, US SEC, and NYSE are prepared, reviewed, approved, and submitted in accordance with the applicable disclosure and reporting rules. These include the Company's annual reports, quarterly reports, disclosures of material information, events, and transactions, which could affect the market price and trading of PLDT shares, press

releases, and materials for stockholders' meetings. In accordance with Company policy, major announcements are reviewed and approved by the Disclosure Committee, composed of members of Senior Management, and by the Board of Directors or the Audit Committee, as applicable.

## Blackout Period/Restriction on Trading of Company Shares

The Policy on Blackout Period/Restriction on Trading of Company Shares ensures that PLDT Group directors, officers, executives, and employees who possess unpublished price-sensitive information about PLDT and PLDT's shares and other information about the Company, not generally available to the public, comply with relevant laws and rules against Insider Trading, including proscriptions contained in the Securities Regulation Code and the PSE Revised Disclosure Rules.

The Policy specifically prohibits such persons from directly or indirectly buying or selling PLDT shares during the applicable Blackout Period as follows: (a) the period within which a material non-public information is obtained and up to two full trading days after such information is

disclosed by the Company; (b) 15 days prior to, including the day of, plus two full trading days after the release of the Company's quarterly or half-yearly financial and operating results; or (c) 30 days prior to, and including the day of, plus two full trading days after, the release of the full year results.

Directors and officers are enjoined to report to the Company their dealings in the Company's shares, whether or not such dealings were effected during or outside the blackout periods, within three trading days from the date of the transaction, to enable the timely filing of the required disclosures to the SEC and the PSE.

### Restrictions on Buying/Selling PLDT Shares

PLDT 2020 Results/Reports	2020 Results/Reports Release Date	2020 Blackout Period
Q1	May 7	April 22 - May 11
Q2	August 6	July 22 - August 10
Q3	November 5	October 21 - November 9
Full Year	March 4, 2021	February 2 - March 8, 2021

### 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. 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

Hotline 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 in order to ensure the integrity of the process and protect the parties, employees or officers who are allegedly involved therein.

PLDT did not receive any report of a confirmed incident of corruption in 2020.

### Policies on Anti-Competitive and Anti-Trust Behavior 103-1, 103-2, 103-3, 206-1

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) that 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 Court of Appeals (CA) a petition for certiorari and prohibition (with urgent application for a temporary restraining order and/or writ of preliminary injunction) which seeks to enjoin the PCC from proceeding with the review of the acquisition by PLDT and Globe Telecom, Inc. of equity interest, including outstanding advances and assumed liabilities, in Vega Telecom Inc., Bow Arken Holdings Company and Brightshare Holdings, Inc. (collectively, the "SMC Transactions"), and performing any act which challenges or assails the "deemed approved" status of the said transactions. In August 2016, the CA issued a writ of preliminary injunction

enjoining the PCC to cease and desist from conducting further proceedings for the pre-acquisition review and/or investigation of the SMC Transactions. Although the CA, among other things, compelled the PCC to recognize the SMC Transactions as deemed approved by operation of law, the CA did clarify that the deemed approved status of the SMC Transactions does not, however, remove the power of the PCC to conduct post-acquisition review to ensure that no anti-competitive conduct was committed by the parties. The CA's decision is on appeal with the Supreme Court and is not final and executory. The case remains pending with the Supreme Court.

## Practicing Ethical Procurement for Sustainability

103-1, 103-2, 103-3

Stakeholders fully recognize the importance of having an ethical procurement process that will protect the interests of the company and its future. Moreso, the global pandemic underscored the significance of Supply Chain in keeping economies resilient in the face of unprecedented crisis.

Our Procurement Policy and Processes adhere to the Group's overarching sustainability strategy. This includes our aspiration to integrate environmental responsibility into our business operations and corporate culture, starting with the selection of our suppliers.

The Supply Chain Performance Risk and Management, through the Procurement Policies and Performance Management, ensures that the Procurement Policy is properly implemented by issuing Standard Operating Procedures, Guidelines, and Process Advisories.

We also maintain a Supplier/Contractor Relations Policy that outlines our commitment to equal opportunity and honest treatment of suppliers in all business transactions, as well as directs company personnel to disclose any irregular and unethical conduct of suppliers. Augmenting this policy are the rules on anti-corruption and the overarching Code of Ethics, which help create a culture of good governance throughout the relationship. In 2020, 100 percent of our accredited business partners have received communication on PLDT's anti-corruption policy either through email or the signed vendor's conforme. (See *appendix for the details*)

Our active partnership with suppliers and contractors allows us to influence their compliance with environmental policies and guidelines. SCM spearheads proactive strategies to manage end-to-end procurement activities, works to strengthen transparency for internal and external stakeholders, and reinforces the implementation of performance management frameworks based on best practices.

Moreover, our Procurement Management has the full support of the Commercial Contracts Management and Governance team under the Office of the Chief Procurement Officer. The support team helps ensure that contracting strategies and contract terms and conditions are aligned with the overall objectives of our Company and are compliant with policies, guidelines, and general principles of good governance.

PLDT manages the development and implementation of strategies involving supply chain planning and procurement management and logistics, with the following key functions:

1. Developing and communicating sourcing strategies and directions to create synergies that would enhance efficiencies and maximize total cost of ownership savings in the delivery of supply chain and procurement services resulting in value realization.
2. Collaborating with our business units to identify requirements, specifications, and forecast, participating in the annual budgeting process, and providing inputs from a supply chain category perspective based on planned sourcing initiatives.
3. Ensuring implementation of supply chain solutions and strategies within the area of procurement operations, supply chain planning, and supply chain performance and risk management.
4. Collaborating with suppliers and managing supplier relationships to acquire resources that best fit the business requirements at the most reasonable price.

As a sustainability advocate, the Group also helps suppliers comply with our ESG standards with the expectation that suppliers, in turn, apply these standards to their own sub-contractors. Suppliers are also required to adhere to the same data privacy laws as well as required to ensure security of PLDT Group data against unauthorized access or use.

Furthermore, the PLDT Group asks suppliers to value diversity and ensure an inclusive environment where people are treated with respect and dignity. Hence, they are expected to comply with all applicable wage and labor laws and be responsibly committed to the health and safety of their people.

Through the Sustainability Office, we help encourage suppliers to also monitor and manage their impact on environment, social, and governance aspects. Advocating for the value of sustainability for suppliers' operations can bring opportunities to reduce waste and cost, improve product and service quality, spur innovation growth, and tap consumer interest in sustainable products. We started to introduce the concept of sustainability to the fundamental supply chain requirements of competitive quality, cost, service, and delivery by incorporating the Sustainability Guidelines in the Vendor with Supplier's Conforme Sheet. These guidelines follow the Ten Principles of the UN Global Compact, to which PLDT and Smart are Participant signatories. These principles state the fundamental responsibilities of businesses in the areas of Human Rights, Labor, Environment and Anti-Corruption.

# Performance Indicators

## Energy and GHG Emissions 302-1, 302-3, 305-1, 305-2

Electricity	2020		2019		2018	
	kWh	Gj	kWh	Gj	kWh	Gj
<b>Fixed</b>	242,679,241	873,645	245,120,055	882,432	239,893,349	863,616
<b>Wireless</b>	492,732,218	1,773,836	463,647,322	1,669,130	475,112,949	1,710,407
<b>Total</b>	<b>735,411,459</b>	<b>2,647,481</b>	<b>708,767,377</b>	<b>2,551,562</b>	<b>715,006,298</b>	<b>2,574,023</b>

GHG Emissions (metric tons CO <sub>2</sub> e)	2020			2019			2018		
	Scope 1	Scope 2	Total	Scope 1	Scope 2	Total	Scope 1	Scope 2	Total
<b>Fixed</b>	15,759	145,098	160,857	12,475	146,557	159,032	9,211	143,432	152,643
<b>Wireless</b>	27,489	294,605	322,094	27,616	277,215	304,831	26,820	284,070	310,890
<b>Total</b>	<b>43,248</b>	<b>439,703</b>	<b>482,951</b>	<b>40,091</b>	<b>423,772</b>	<b>463,863</b>	<b>36,031</b>	<b>427,502</b>	<b>463,533</b>

Energy Intensity (GJ per employee)	2020			2019			2018		
	Scope 1	Scope 2	Total	Scope 1	Scope 2	Total	Scope 1	Scope 2	Total
<b>Fixed</b>	19.41	74.02	93.43	16.18	79.16	95.34	14.97	97.76	112.73
<b>Wireless</b>	67.90	307.53	375.43	66.93	283.62	350.55	60.74	271.54	332.28
<b>Total</b>	<b>35.33</b>	<b>150.67</b>	<b>186.00</b>	<b>33.71</b>	<b>149.81</b>	<b>183.52</b>	<b>34.02</b>	<b>170.09</b>	<b>204.11</b>

### Emission Factors

Total	Description of Source	Emission / Conversion Factor	Unit
<b>GHG Emissions</b>	On-Road Diesel Fuel <sup>1</sup>	0.0026763	tonnes CO <sub>2</sub> per Liter
	Gasoline/Petrol <sup>1</sup>	0.0022715	tonnes CO <sub>2</sub> per Liter
	GenSet Diesel Fuel		
	CO <sub>2</sub> <sup>1</sup>	2.676492	kg CO <sub>2</sub> per Liter
	CH <sub>4</sub> -CO <sub>2</sub> equivalent <sup>5</sup>	0.0101136	kg CO <sub>2</sub> per Liter
	NO <sub>2</sub> - CO <sub>2</sub> equivalent <sup>5</sup>	0.00574308	kg CO <sub>2</sub> e per Liter
<b>Energy</b>	Electrical Grid <sup>2</sup>	0.5979	kg CO <sub>2</sub> e per kilowatt-hour
	Diesel <sup>3</sup>	0.03829	GJ per Liter
	Gasoline <sup>3</sup>	0.03354	GJ per Liter
	Electrical Grid <sup>4</sup>	0.0036	GJ/kWh

GHG emissions comes from the purchased electricity and fuel consumption of our service vehicles and generator sets consolidated applying the control approach using the operational criteria. Method used to calculate the GHG emissions is the direct measurement of energy source and conversion to carbon dioxide (CO<sub>2</sub>) and CO<sub>2</sub> equivalents. Source of the emission factors and global warming potential (GWP) was the GHG protocol for fuel and National Grid Emission Factor, Department of Energy, for electricity.

#### Reference Data:

<sup>1</sup> Greenhouse Gas Protocol. 2017. Emission Factors from Cross-Sector Tools (March 2017).

Available at [https://ghgprotocol.org/sites/default/files/Emission\\_Factors\\_from\\_Cross\\_Sector\\_Tools\\_March\\_2017.xlsx](https://ghgprotocol.org/sites/default/files/Emission_Factors_from_Cross_Sector_Tools_March_2017.xlsx)

<sup>2</sup> Department of Energy (Philippines). 2017. 2015-2017 National Grid Emission Factor (NGEF).

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

<sup>3</sup> Units and calculators explained: energy conversion factors. 2019.

Available at: <https://www.eia.gov/energyexplained/units-and-calculators/energy-conversioncalculators.php>

<sup>4</sup> Kilowatt hours to Megajoules Conversion Table. 2020.

Available at: <http://extraconversion.com/energy-conversion-table/kilowatt-hours-to-megajoules.html>

<sup>5</sup> Global Warming Potential (GWP) source:

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

## Economic Performance 102-7, 201-1, 207-4

Tax	in million PhP
Tax Jurisdiction	Philippines
Total Employees	17,571
Employee Wages & Benefits	26,833
Taxes withheld and paid on behalf of employees <sup>1</sup>	3,833
Taxes collected from customers on behalf of a tax authority <sup>2</sup>	11,310
Industry-related and other taxes or payments to governments	
Real Property Tax	240
Documentary Stamp Tax	309
Significant uncertain tax positions	N/A
Balance of intra-company debt held by entities in the tax jurisdiction <sup>3</sup>	24,347
Revenues from third-party sales	N/A
Revenues from intra-group transactions with other tax jurisdictions <sup>4</sup>	8,723
Profit/loss before tax	33,021
Tangible assets other than cash and cash equivalents	470,280
Corporate income tax paid on a cash basis	2,248
Corporate income tax accrued on profit/loss	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 185 of the [2020 Annual Report](#)

**Note:**

All figures above are the consolidated numbers of PLDT group.

<sup>1</sup> Withholding tax on wages plus fringe benefit tax

<sup>2</sup> Expanded withholding tax plus final withholding tax plus withholding VAT plus VAT and Overseas communication tax

<sup>3</sup> Advances by Digitel Telecommunications Phils.

<sup>4</sup> Intercompany revenue by PLDT Global Corporation

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

2020

Group	Rank and File				Management			
	< 30 years	30-50 years	> 50 years	Total	< 30 years	30-50 years	> 50 years	Total
PLDT	3,086 27%	1,213 11%	290 3%	4,589 41%	1,216 11%	2,572 23%	2,135 19%	5,923 53%
ePLDT	199 37%	139 26%	11 2%	349 65%	19 3%	68 13%	3 1%	90 17%
SMART	1,829 32%	1,179 20%	35 1%	3,043 53%	196 3%	1,722 30%	127 2%	2,045 35%
<b>TOTAL</b>	<b>5,114</b> 29%	<b>2,531</b> 14%	<b>336</b> 2%	<b>7,981</b> 45%	<b>1,431</b> 8%	<b>4,362</b> 25%	<b>2,265</b> 13%	<b>8,058</b> 46%

2019

Group	Rank and File				Management			
	< 30 years	30-50 years	> 50 years	Total	< 30 years	30-50 years	> 50 years	Total
PLDT	2,990* 28%	978 9%	274 3%	4,242 40%	1,297 12%	2,495 23%	1,936 18%	5,728 53%
ePLDT	201 40%	117 23%	11 2%	329 65%	14 3%	68 13%	3 1%	85 17%
SMART	2,085 35%	1,285 22%	33 1%	3,403 58%	172 3%	1,576 27%	103 2%	1,851 32%
<b>TOTAL</b>	<b>5,276</b> 31%	<b>2,380</b> 14%	<b>318</b> 2%	<b>7,974</b> 47%	<b>1,483</b> 9%	<b>4,139</b> 24%	<b>2,042</b> 12%	<b>7,664</b> 45%

2018

Group	Rank and File				Management			
	< 30 years	30-50 years	> 50 years	Total	< 30 years	30-50 years	> 50 years	Total
PLDT	847 10%	475 6%	377 5%	1,699 21%	1,385 16%	2,507 30%	2,185 26%	6,077 72%
ePLDT	153 35%	120 28%	8 2%	281 65%	11 2%	65 15%	3 1%	79 18%
SMART	2,177 35%	1,458 23%	32 0%	3,667 58%	152 3%	1,771 28%	90 1%	2,013 32%
<b>TOTAL</b>	<b>3,177</b> 21%	<b>2,053</b> 14%	<b>417</b> 3%	<b>5,647</b> 38%	<b>1,548</b> 10%	<b>4,343</b> 29%	<b>2,278</b> 15%	<b>8,169</b> 54%

\* - restated figures

Executives				Officers				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
18	419	227	664	-	45	42	87	4,320	4,249	2,694	11,263
0%	4%	2%	6%	-	0%	0%	0%	38%	38%	24%	100%
-	78	16	94	-	4	3	7	218	289	33	540
-	14%	3%	17%	-	1%	0%	1%	40%	54%	6%	100%
4	506	110	620	-	32	28	60	2,029	3,439	300	5,768
0%	9%	2%	11%	-	1%	0%	1%	35%	60%	5%	100%
22	1,003	353	1,378	-	81	73	154	6,567	7,977	3,027	17,571
0%	6%	2%	8%	-	1%	0%	1%	37%	46%	17%	100%

Executives				Officers				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
9	394	192	595	-	38	41	79	4,296	3,905	2,443	10,644
0%	4%	2%	6%	-	1%	0%	1%	40%	37%	23%	100%
1	63	17	81	-	4	4	8	216	252	35	503
0%	13%	3%	16%	-	1%	1%	2%	43%	50%	7%	100%
3	491	87	581	-	24	26	50	2,260	3,376	249	5,885
0%	8%	2%	10%	-	0%	0%	0%	38%	57%	5%	100%
13	948	296	1,257	-	66	71	137	6,772	7,533	2,727	17,032
0%	5%	2%	7%	-	0%	1%	1%	40%	43%	17%	100%

Executives				Officers				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
12	348	195	555	-	35	35	70	2,244	3,365	2,792	8,401
0%	5%	2%	7%	-	0%	0%	0%	26%	41%	33%	100%
2	55	8	65	-	4	4	8	166	244	23	433
0%	13%	2%	15%	-	1%	1%	2%	37%	57%	6%	100%
6	486	80	572	-	27	20	47	2,335	3,742	222	6,299
0%	8%	1%	9%	-	1%	0%	1%	38%	60%	2%	100%
20	889	283	1,192	-	66	59	125	4,745	7,351	3,037	15,133
0%	5%	2%	7%	-	1%	0%	1%	31%	49%	20%	100%

## Employee Diversity by Gender 102-7, 102-8, 405-1

2020

Group	Rank and File			Management			Executives			Officers			Total		
	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
PLDT	3,812	777	4,589	3,694	2,229	5,923	390	274	664	56	31	87	7,952	3,311	11,263
	34%	7%	41%	33%	20%	53%	4%	2%	6%	0%	0%	0%	71%	29%	100%
ePLDT	229	120	349	62	28	90	63	31	94	4	3	7	358	182	540
	43%	22%	65%	12%	5%	17%	11%	6%	17%	1%	0%	1%	67%	33%	100%
SMART	1,506	1,537	3,043	1,077	968	2,045	337	283	620	34	26	60	2,954	2,814	5,768
	26%	27%	53%	18%	17%	35%	6%	5%	11%	1%	0%	1%	51%	49%	100%
TOTAL	5,547	2,434	7,981	4,833	3,225	8,058	790	588	1,378	94	60	154	11,264	6,307	17,571
	31%	14%	45%	28%	18%	46%	5%	3%	8%	1%	0%	1%	64%	36%	100%

2019

Group	Rank and File			Management			Executives			Officers			Total		
	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
PLDT	3,453*	789*	4,242*	3,549*	2,179*	5,728	356	239	595	51	28	79	7,409*	3,235*	10,644*
	33%	7%	40%	33%	20%	53%	4%	2%	6%	1%	0%	1%	71%	29%	100%
ePLDT	213	116	329	59	26	85	57	24	81	5	3	8	334	169	503
	42%	23%	65%	12%	5%	17%	11%	5%	16%	1%	1%	2%	66%	34%	100%
SMART	1,702	1,701	3,403	948	903	1,851	319*	262*	581	28	22	50	2,997*	2,888*	5,885
	29%	29%	58%	16%	16%	32%	5%	5%	10%	0%	0%	0%	50%	50%	100%
TOTAL	5,368	2,606	7,974	4,556	3,108	7,664	732	525	1,257	84	53	137	10,740	6,292	17,032
	32%	15%	47%	27%	18%	45%	4%	3%	7%	1%	0%	1%	64%	36%	100%

2018

Group	Rank and File			Management			Executives			Officers			Total		
	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
PLDT	1,207	492	1,699	3,869	2,208	6,077	335	220	555	48	22	70	5,459	2,942	8,401
	14%	7%	21%	46%	26%	72%	4%	3%	7%	0%	0%	0%	64%	36%	100%
ePLDT	178	103	281	54	25	79	45	20	65	4	4	8	281	152	433
	41%	24%	65%	12%	6%	18%	10%	5%	15%	1%	1%	2%	64%	36%	100%
SMART	1,788	1,879	3,667	1,041	972	2,013	314	258	572	27	20	47	3,170	3,129	6,299
	28%	30%	58%	16%	16%	32%	5%	4%	9%	1%	0%	1%	50%	50%	100%
TOTAL	3,173	2,474	5,647	4,964	3,205	8,169	694	498	1,192	79	46	125	8,910	6,223	15,133
	21%	17%	38%	33%	21%	54%	4%	3%	7%	1%	0%	1%	59%	41%	100%

\* - restated figures

## Employee New Hires by Region 401-1

Group	2020				2019				2018			
	Luzon	Visayas	Mindanao	Total	Luzon	Visayas	Mindanao	Total	Luzon	Visayas	Mindanao	Total
PLDT	527	80	144	751	2,410	380	421	3,211	1,940	155	82	2,177
	5%	1%	1%	7%	23%	3%	4%	30%	23%	2%	1%	26%
ePLDT	108	-	-	108	141	12	5	158	99	7	1	107
	20%	-	-	20%	28%	2%	1%	31%	23%	2%	0%	25%
SMART	258	8	11	277	687	62	50	799	1,051	72	40	1,163
	4%	0%	0%	4%	12%	1%	1%	14%	17%	1%	0%	18%
TOTAL	893	88	155	1,136	3,238	454	476	4,168	3,090	234	123	3,447
	5%	1%	1%	7%	19%	2%	3%	24%	20%	2%	1%	23%

## Employee Turnover by Age Group

Group	2020				2019				2018			
	< 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	54	53	26	133	155*	113	700	968*	55	99	122	276
	1%	0%	0%	1%	1%	1%	7%	9%	1%	1%	1%	3%
ePLDT	55	14	2	71	59	27	2	88	27	27	1	55
	10%	3%	0%	13%	12%	5%	0%	17%	6%	6%	0%	12%
SMART	187	194	13	394	444	724	45	1,213	745	366	14	1,125
	3%	4%	0%	7%	8%	12%	1%	21%	12%	6%	0%	18%
TOTAL	296	261	41	598	658*	864	747	2,269*	827	492	137	1,456
	2%	1%	0%	3%	4%	5%	4%	13%	5%	3%	1%	9%

## Employee Turnover by Gender 401-1

Group	2020			2019			2018		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
PLDT	90 1%	43 0%	133 1%	667* 6%	301 3%	968* 9%	171 2%	105 1%	276 3%
ePLDT	44 8%	27 5%	71 13%	60 12%	28 5%	88 17%	35 8%	20 4%	55 12%
SMART	185 3%	209 4%	394 7%	578 10%	635 11%	1,213 21%	617 10%	508 8%	1,125 18%
<b>TOTAL</b>	<b>319</b> 2%	<b>279</b> 1%	<b>598</b> 3%	<b>1,305*</b> 8%	<b>964</b> 5%	<b>2,269*</b> 13%	<b>823</b> 5%	<b>633</b> 4%	<b>1,456</b> 9%

\* - restated figures

## Employee Turnover by Region

Group	2020				2019				2018			
	Luzon	Visayas	Mindanao	Total	Luzon	Visayas	Mindanao	Total	Luzon	Visayas	Mindanao	Total
PLDT	118 1%	4 0%	11 0%	133 1%	863* 8%	55 1%	50 0%	968 9%	250 3%	17 0%	9 0%	276 3%
ePLDT	71 13%	- -	- -	71 13%	86 17%	1 0%	1 0%	88 17%	52 12%	3 0%	- -	55 12%
SMART	357 6%	14 0%	23 1%	394 7%	1,063 18%	83 2%	67 1%	1,213 21%	1,046 17%	53 1%	26 0%	1,125 18%
<b>TOTAL</b>	<b>546</b> 3%	<b>18</b> 0%	<b>34</b> 0%	<b>598</b> 3%	<b>2,012</b> 12%	<b>139</b> 1%	<b>118</b> 0%	<b>2,269</b> 13%	<b>1,348</b> 9%	<b>73</b> 0%	<b>35</b> 0%	<b>1,456</b> 9%

## Parental Leaves 401-3

### PLDT

Parental Leaves	2020			2019			2018		
	Paternity	Maternity	Total	Paternity	Maternity	Total	Paternity	Maternity	Total
Total number of employees that were entitled to parental leave as of reporting period	3,847	3,310	7,157	3,597	3,228	6,825	3,490	2,942	6,432
Total number of employees that took parental leave	267	143	410	175	84	259	95	56	151
Total number of employees that returned to work after parental leave ended (reporting period)	267	143	410	175	84	259	95	56	151
<b>Return to work rate</b>	<b>100%</b>								
Total number of employees who returned to work after parental leave ended (previous period)	175	84	259	95	56	151	105	45	150
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)	173	80	253	93	50	143	102	43	145
<b>Retention rate</b>	<b>99%</b>	<b>95%</b>	<b>98%</b>	<b>98%</b>	<b>89%</b>	<b>95%</b>	<b>97%</b>	<b>96%</b>	<b>97%</b>

### ePLDT

Parental Leaves	2020			2019			2018		
	Paternity	Maternity	Total	Paternity	Maternity	Total	Paternity	Maternity	Total
Total number of employees that were entitled to parental leave as of reporting period	358	182	540	157	169	326	133	152	285
Total number of employees that took parental leave	1	9	10	9	2	11	9	8	17
Total number of employees that returned to work after parental leave ended (reporting period)	1	7	8	9	2	11	9	8	17
<b>Return to work rate</b>	<b>100%</b>	<b>78%</b>	<b>80%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
Total number of employees who returned to work after parental leave ended (previous period)	9	2	11	9	8	17	11	4	15
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)	8	1	9	8	7	15	11	3	14
<b>Retention rate</b>	<b>89%</b>	<b>50%</b>	<b>82%</b>	<b>89%</b>	<b>88%</b>	<b>88%</b>	<b>100%</b>	<b>75%</b>	<b>93%</b>

## Smart

Parental Leaves	2020			2019			2018		
	Paternity	Maternity	Total	Paternity	Maternity	Total	Paternity	Maternity	Total
Total number of employees that were entitled to parental leave as of reporting period	1,391	2,814	4,205	1,382	2,887	4,269	1,490	3,130	4,620
Total number of employees that took parental leave	92	149	241	120	142*	262	143	152	295
Total number of employees that returned to work after parental leave ended (reporting period)	92	142	234	116*	136*	252	138	148	286
<b>Return to work rate</b>	<b>100%</b>	<b>95%</b>	<b>97%</b>	<b>97%</b>	<b>96%</b>	<b>96%</b>	<b>97%</b>	<b>97%</b>	<b>97%</b>
Total number of employees who returned to work after parental leave ended (previous period)	116	136	252	138	148	286	134	162	296
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)	98	125	223	122	119	241	117	141	258
<b>Retention rate</b>	<b>84%</b>	<b>92%</b>	<b>88%</b>	<b>88%</b>	<b>80%</b>	<b>84%</b>	<b>87%</b>	<b>87%</b>	<b>87%</b>

\* - restated figures

## Training and Education 404-1

### PLDT Employee Training Details

Gender	2020 Trainings			2019 Trainings			2018 Trainings		
	Employee <sup>1</sup>	Training Hours	Ave. Training Hours	Employee <sup>2</sup>	Training Hours	Ave. Training Hours	Employee <sup>3</sup>	Training Hours	Ave. Training Hours
Male	7,952	266,545	33.52	7,410*	186,763	25.20*	5,459	68,504	12.55
Female	3,311	158,933	48.00	3,234*	31,949	9.88*	2,942	26,120	8.88
<b>Total</b>	<b>11,263</b>	<b>425,478</b>	<b>37.78</b>	<b>10,644*</b>	<b>218,712</b>	<b>20.55</b>	<b>8,401</b>	<b>94,624</b>	<b>11.26</b>

Rank	2020 Trainings			2019 Trainings			2018 Trainings		
	Employee <sup>1</sup>	Training Hours	Ave. Training Hours	Employee <sup>2</sup>	Training Hours	Ave. Training Hours	Employee <sup>3</sup>	Training Hours	Ave. Training Hours
Rank & File	4,589	186,810	40.71	4,242*	165,844	39.10*	1,699	21,800	12.83
Management	5,923	217,572	36.73	5,728	49,952	8.72	6,077	69,144	11.38
Executives	664	19,381	29.19	595	2,352	3.95	555	3,544	6.39
Officers	87	1,715	19.71	79	564*	7.14	70	136	1.94
<b>Total</b>	<b>11,263</b>	<b>425,478</b>	<b>37.78</b>	<b>10,644</b>	<b>218,712</b>	<b>20.55</b>	<b>8,401</b>	<b>94,624</b>	<b>11.26</b>

## ePLDT Employee Training Details

Gender	2020 Trainings			2019 Trainings			2018 Trainings		
	Employee <sup>1</sup>	Training Hours	Ave. Training Hours	Employee <sup>2</sup>	Training Hours	Ave. Training Hours	Employee <sup>3</sup>	Training Hours	Ave. Training Hours
Male	358	1,560	4.36	334	2,582	7.73	281	1,661	5.91
Female	182	1,232	6.77	169	829	4.91	152	712	4.68
<b>Total</b>	<b>540</b>	<b>2,792</b>	<b>5.17</b>	<b>503</b>	<b>3,411</b>	<b>6.78</b>	<b>433</b>	<b>2,373</b>	<b>5.48</b>
Rank	2020 Trainings			2019 Trainings			2018 Trainings		
	Employee <sup>1</sup>	Training Hours	Ave. Training Hours	Employee <sup>2</sup>	Training Hours	Ave. Training Hours	Employee <sup>3</sup>	Training Hours	Ave. Training Hours
Rank & File	349	1,674	4.80	329	2,253	6.85	281	1,724	6.14
Management	90	539	5.99	85	372	4.37	79	483	6.11
Executives	94	551	5.86	81	698	8.62	65	166	2.55
Officers	7	28	4.00	8	88	11.00	8	-	-
<b>Total</b>	<b>540</b>	<b>2,792</b>	<b>5.17</b>	<b>503</b>	<b>3,411</b>	<b>6.78</b>	<b>433</b>	<b>2,373</b>	<b>5.48</b>

\* - restated figures

<sup>1</sup> - active employees as of December 31, 2020<sup>2</sup> - active employees as of December 31, 2019<sup>3</sup> - active employees as of December 31, 2018

## Smart Employee Training Details

Gender	2020 Trainings			2019 Trainings			2018 Trainings		
	Employee <sup>1</sup>	Training Hours	Ave. Training Hours	Employee <sup>2</sup>	Training Hours	Ave. Training Hours	Employee <sup>3</sup>	Training Hours	Ave. Training Hours
Male	2,954	124,384	42.11	2,997*	41,726	13.92	3,170	49,727	15.69
Female	2,814	170,003	60.41	2,888*	23,939	8.29	3,129	37,708	12.05
<b>Total</b>	<b>5,768</b>	<b>294,387</b>	<b>51.04</b>	<b>5,885</b>	<b>65,665</b>	<b>11.16</b>	<b>6,299</b>	<b>87,435</b>	<b>13.88</b>
Rank	2020 Trainings			2019 Trainings			2018 Trainings		
	Employee <sup>1</sup>	Training Hours	Ave. Training Hours	Employee <sup>2</sup>	Training Hours	Ave. Training Hours	Employee <sup>3</sup>	Training Hours	Ave. Training Hours
Rank & File	3,043	194,707	63.99	3,403	35,709	10.49	3,667	55,090	15.02
Management	2,045	81,941	40.07	1,851	22,316	12.06	2,013	25,386	12.61
Executives	620	16,121	26.00	581	6,984	12.02	572	6,503	11.37
Officers	60	1,618	26.97	50	656	13.12	47	456	9.7
<b>Total</b>	<b>5,768</b>	<b>294,387</b>	<b>51.04</b>	<b>5,885</b>	<b>65,665</b>	<b>11.16</b>	<b>6,299</b>	<b>87,435</b>	<b>13.88</b>

\* - restated figures

<sup>1</sup> - active employees as of December 31, 2020<sup>2</sup> - active employees as of December 31, 2019<sup>3</sup> - active employees as of December 31, 2018

## Health and Safety

403-9

PLDT - Smart Safe Man-Hours	2020	2019
<b>Number of Employees</b>	11,263	10,648
<b>Total Hours of Employee Exposure</b>	21,236,285	18,860,813
<b>Number of Lost Time Accidents</b>	10	3
Male	10	3
Female	-	-
Luzon	7	1
Visayas	2	2
Mindanao	1	-
<b>Number of Non-Disabling Injuries</b>	66	75
<b>Days lost due to lost time accidents</b>	153	22
Male	153	2
Female	-	-
Luzon	147	16
Visayas	2	6
Mindanao	4	-
<b>Total man-hours work without LTA</b>	2,565,050	3,159,239
<b>Frequency rate</b>	0.47	0.16
<b>Severity rate</b>	7.20	1.17
<b>Total Hours of Employee Exposure</b>	21,236,285	18,860,813
Male	15,133,870	13,577,580
Female	6,102,415	5,283,233
Luzon	17,697,546	15,938,569
Visayas	1,877,837	1,751,617
Mindanao	1,660,902	1,170,627
<b>Frequency Rate</b>	0.47	0.16
Luzon	0.40	0.06
Visayas	1.07	1.14
Mindanao	0.60	-
Male	0.66	0.22
Female	-	-
<b>Severity Rate</b>	7.20	1.17
Luzon	8.31	1.00
Visayas	1.07	3.43
Mindanao	2.41	-
Male	10.11	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

## Types of Injury by Gender 403-9

Injury	2020				2019				2018			
	Male	%	Female	%	Male	%	Female	%	Male	%	Female	%
Abrasions	5	24%	1	5%	9	48%	3	16%	4	23%	1	6%
Avulsion	2	9%	-	-	-	-	-	-	1	6%	-	-
Contusion, bruises, hematoma	2*	9%	-	-	4	21%	1	5%	2	11%	-	-
Cuts, lacerations, punctures	13	61%	-	-	19	101%	4	21%	1	6%	-	-
Dislocation, fractures	1*	5%	-	-	3*	16%	1	5%	4	23%	1	6%
Dog bites	19	89%	-	-	11*	58%	-	-	3	17%	-	-
Electrocution & Burns	3*	14%	-	-	1	5%	-	-	-	-	2	11%
Fall, trip, slip	16****	75%	1	5%	2	11%	2	11%	-	-	2	11%
Foreign body	-	-	-	-	1	5%	-	-	-	-	-	-
Incise Wounds	5	24%	-	-	4	21%	-	-	-	-	-	-
Soft tissue injury	-	-	-	-	1	5%	1	5%	-	-	-	-
Sprains	1	5%	-	-	5	27%	-	-	3	17%	1	6%
Strains	-	-	-	-	-	-	1	5%	-	-	-	-
Trauma	2	9%	-	-	4	21%	-	-	-	-	-	-
Vehicular accident	5**	24%	-	-	1*	5%	-	-	-	-	-	-
<b>TOTAL</b>	<b>74</b>		<b>2</b>		<b>65</b>		<b>13</b>		<b>18</b>		<b>7</b>	

## Types of Injury by Region 403-9

Injury	2020					2019					2018				
	Luzon	%	Visayas	%	Mindanao	%	Luzon	%	Visayas	%	Luzon	%	Visayas	%	
Abrasions	5	24%	1	5%	-	5%	11	58%	1	5%	5	29%	-	6%	
Avulsion	-	-	2	9%	-	-	-	-	-	-	1	6%	-	-	
Contusion, bruises, hematoma	-	-	2*	9%	-	-	4	21%	1	5%	2	11%	-	-	
Cuts, lacerations, punctures	9	42%	4	19%	-	-	13	69%	10	53%	1	6%	-	-	
Dislocation, fractures	1*	5%	-	-	-	-	4*	21%	-	-	4	23%	1	6%	
Dog bites	15	71%	4	19%	-	-	7	37%	4*	21%	3	17%	-	-	
Electrocution & Burns	1*	5%	2*	9%	-	-	-	-	1	5%	2	11%	-	-	
Fall, trip, slip	12****	57%	4	19%	1*	5%	4	21%	-	-	2	11%	-	-	
Foreign body	-	-	-	-	-	-	-	-	1	5%	-	-	-	-	
Incise Wounds	5	24%	-	-	-	-	4	21%	-	-	-	-	-	-	
Soft tissue injury	-	-	-	-	-	-	-	-	2	11%	-	-	-	-	
Sprains	-	5%	1	5%	-	-	3	16%	2	11%	4	23%	-	-	
Strains	-	-	-	-	-	-	1	5%	-	-	-	-	-	-	
Trauma	-	-	2	9%	-	-	4	21%	-	-	-	-	-	-	
Vehicular accident	4**	19%	1	5%	-	-	-	-	1*	5%	-	-	-	-	
<b>TOTAL</b>	<b>52</b>		<b>23</b>		<b>1</b>		<b>55</b>		<b>23</b>		<b>24</b>		<b>1</b>		

\* 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 2019 and 2018

## Anti-Corruption Communication and Training 205-2

### Employee per Rank

Group	PLDT			Smart		
	Active Employees <sup>1</sup>	Received Communication	Percentage	Active Employees <sup>2</sup>	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%
<b>Total</b>	<b>11,196</b>	<b>11,191</b>	<b>99.96%</b>	<b>5,778</b>	<b>5,210</b>	<b>90.17%</b>

### Employee per Region

Group	PLDT			Smart		
	Active Employees <sup>1</sup>	Received Communication	Percentage	Active Employees <sup>2</sup>	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%
<b>Total</b>	<b>11,196</b>	<b>11,191</b>	<b>99.96%</b>	<b>5,778</b>	<b>5,210</b>	<b>90.17%</b>

<sup>1</sup> Total Employee as of November 20, 2020    <sup>2</sup> Total Employee as of December 14, 2020

### Employee per Rank

Group	PLDT			Smart		
	Employee as of December 2020	Received Training	%	Employee as of December 2020	Received Training	%
Rank and File	4,589	808	17.61%	3,043	509	16.73%
Management	5,923	1,218	20.56%	2,045	199	9.73%
Executives	664	141	21.23%	620	41	6.61%
Officers	87	7	8.05%	60	53	88.33%
<b>Total</b>	<b>11,263</b>	<b>2,174</b>	<b>19.30%</b>	<b>5,768</b>	<b>802</b>	<b>13.90%</b>

### Employee per Region

Group	PLDT			Smart		
	Employee as of December 2020	Received Training	%	Employee as of December 2020	Received Training	%
Luzon	9,304	1,683	18.09%	4,992	607	12.16%
Visayas	1,030	207	20.10%	428	100	23.36%
Mindanao	929	284	30.57%	348	95	27.30%
<b>Total</b>	<b>11,263</b>	<b>2,174</b>	<b>19.30%</b>	<b>5,768</b>	<b>802</b>	<b>13.90%</b>

Total number and percentage of business partners that the organization's anti-corruption policies and procedures have been communicated to

Region	Number	Percentage
<b>Philippines</b>		
Luzon	322	88.22%
Visayas	3	0.82%
Mindanao	4	1.10%
South East Asia	9	2.47%
East Asia	13	3.56%
Middle East	1	0.27%
Europe	7	1.92%
North America	3	0.82%
Canada	1	0.27%
Australia	1	0.27%
Africa	1	0.27%
<b>Total</b>	<b>365</b>	<b>100.00%</b>

## Employee Performance Review 404-3

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

## PLDT

Group	2019			2018			2017		
	Total Active Employees	Received performance evaluation	Percentage over Total Employees	Total Active Employees	Received performance evaluation	Percentage over Total Employees	Total Active Employees	Received performance evaluation	Percentage over Total Employees
Male	7,410	7,029	95%	5,459	3,831	70%	4,179	4,033	97%
Female	3,234	3,020	93%	2,942	2,217	75%	2,320	2,190	94%
Total	10,644	10,049	94%	8,401	6,048	72%	6,499	6,223	96%
Rank & File	4,196	3,858	92%	1,699	1,014	60%	1,124	1,068	95%
Management	5,774	5,605	97%	6,077	4,450	73%	4,828	4,652	96%
Executive	594	542	91%	555	525	95%	484	443	92%
Officers	80	44	55%	70	59	84%	63	60	95%
Total	10,644	10,049	94%	8,401	6,048	72%	6,499	6,223	96%

## ePLDT

Group	2019			2018			2017		
	Total Active Employees	Received performance evaluation	Percentage over Total Employees	Total Active Employees	Received performance evaluation	Percentage over Total Employees	Total Active Employees	Received performance evaluation	Percentage over Total Employees
Male	334	260	78%	281	237	84%	236	193	82%
Female	169	128	76%	152	111	73%	124	103	83%
Total	503	388	77%	433	348	80%	360	296	82%
Rank & File	325	231	71%	281	214	76%	219	170	78%
Management	84	72	86%	79	73	92%	75	67	89%
Executive	86	78	91%	65	54	83%	61	55	90%
Officers	8	7	88%	8	7	88%	5	4	80%
Total	503	388	77%	433	348	80%	360	296	82%

## Smart

Group	2019			2018			2017		
	Total Active Employees	Received performance evaluation	Percentage over Total Employees	Total Active Employees	Received performance evaluation	Percentage over Total Employees	Total Active Employees	Received performance evaluation	Percentage over Total Employees
Male	2,997	2,785	93%	3,170	2,632	83%	3,217	2,906	90%
Female	2,888	2,650	92%	3,129	2,577	82%	3,040	2,727	90%
Total	5,885	5,435	92%	6,299	5,209	83%	6,257	5,633	90%
Rank & File	3,403	3,072	90%	3,667	2,710	74%	3,649	3,122	86%
Management	1,851	1,784	96%	2,013	1,928	96%	2,028	1,960	97%
Executive	581	539	93%	572	531	93%	528	503	95%
Officers	50	40	80%	47	40	85%	52	48	92%
Total	5,885	5,435	92%	6,299	5,209	83%	6,257	5,633	90%

# GRI Index Sheet

GRI Standard	Disclosure	Page No.	Omission
<b>GRI 101: Foundation 2016</b>			
<b>General Disclosures</b>			
<b>GRI 101: Foundation 2016</b>			
<b>Organizational Profile</b>			
GRI 102-1	Name of the organization	Cover page	
GRI 102-2	Activities, brands, products, and services	4	
GRI 102-3	Location of headquarters	About the report	
GRI 102-4	Location of operations *PLDT Home: <a href="https://pldthome.com/sales-and-service-centers">https://pldthome.com/sales-and-service-centers</a> PLDT Enterprise: PLDT Makati General Office, Legazpi Village, Makati, Metro Manila ePLDT Inc, the ICT arm of PLDT: 5/F L.V. Locsin Building, Ayala corner Makati Avenue, Makati City, Philippines 1200 PLDT Global Corporation: 2F Smart Tower 1, 6799 Ayala Avenue, Bel-Air, Makati City, Philippines 1226 Smart Stores: <a href="https://smart.com.ph/Pages/smart-stores">https://smart.com.ph/Pages/smart-stores</a> *		
GRI 102-5	Ownership and legal form * <a href="https://www.firstpacific.com/about/structure.php">https://www.firstpacific.com/about/structure.php</a> <a href="http://www.pldt.com/investor-relations/shareholder-information/shareholding-structure">http://www.pldt.com/investor-relations/shareholder-information/shareholding-structure</a> *		
GRI 102-6	Markets served	4, 7	
GRI 102-7	Scale of the organization	7-8, 101, 102, 146, 147, 149	
GRI 102-8	Information on employees and other workers	8, 101, 102, 147, 149	
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GRI 102-42	Identifying and selecting stakeholders	33	
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<b>Reporting Practice</b>			
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GRI 102-49	Changes in reporting	None	
GRI 102-50	Reporting period	About the report	
GRI 102-51	Date of most recent report	May-20	
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	159	
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	GRI 103: Management Approach 2016	GRI 103-1	Explanation of the material topic and its Boundary	77
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	GRI 403-8	Workers covered by an occupational health and safety management system		
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## 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	74
Data Privacy	Description of policies and practices relating to behavioral advertising and customer privacy	Discussion and Analysis	n/a	TC-TL-220a.1	63s
	Number of customers whose information is used for secondary purposes	Quantitative	Number, Percentage (%)	TC-TL-220a.2	64
	(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	
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	81
	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	81
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
	Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations	Quantitative	Reporting Currency	TC-TL-520a.1	
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	7, 62
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	7, 66

Activity Metric	Category	Unit of Measure	Code	Page Number
1. Number of mobile subscribers	Quantitative	Number	TC-TL-000.A	7, 54
2. Number of fixed line subscribers	Quantitative	Number	TC-TL-000.B	7, 54
3. Number of broadband subscribers	Quantitative	Number	TC-TL-000.C	54
4. Mobile network data traffic	Quantitative	Number	TC-TL-000.D	54



## 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	41, 111
	Principle 2: Make sure that they are not complicit in human rights abuses	111
Labour	Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	111
	Principle 4: The elimination of all forms of forced and compulsory labour	111
	Principle 5: The effective abolition of child labour	111
	Principle 6: The elimination of discrimination in respect of employment and occupation	101
Environment	Principle 7: Businesses should support a precautionary approach to environmental challenges	7, 88, 90, 96
	Principle 8: Undertake initiatives to promote greater environmental responsibility	7, 68, 88, 90, 91, 92, 93, 95, 96
	Principle 9: Encourage the development and diffusion of environmentally friendly technologies	7, 88, 96
Anti-Corruption	Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery	139

# Statement of Assurance



SyCip Gorres Velayo & Co.  
6760 Ayala Avenue  
1226 Makati City  
Philippines

Tel: (632) 8891 0307  
Fax: (632) 8819 0872  
ey.com/ph

BOA/PRC Reg. No. 0001,  
October 4, 2018, valid until August 24, 2021  
SEC Accreditation No. 0012-FR-5 (Group A),  
November 6, 2018, valid until November 5, 2021

## Independent Limited Assurance Report to the Management of PLDT, Inc. and Subsidiaries, Smart and ePLDT (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 3000 (PSAE 3000) - *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*, to report on PLDT Group's Sustainability Report 2020 ("The Report") as of and for the year ended December 31, 2020 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. 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

A member firm of Ernst & Young Global Limited



**B. Covering 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
  - ii. Customer Privacy 2016
    1. 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data

**C. Covering PLDT and ePLDT, Inc. (ePLDT)**

1. Environmental
  - i. Energy 2016
    1. 302-3: Energy intensity - fuel consumption
  - ii. Emissions 2016
    1. 305-1: Direct (Scope 1) GHG emissions - fuel consumption

**D. Covering Smart and ePLDT**

- i. Diversity and Equal Opportunity 2016
  1. 405-2 Ratio of basic salary of women to men

**E. 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. 403-9 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.

**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 December 29, 2020. 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, Environment Health and Safety, Clinic, Learning and Development, Data Privacy Office, Corporate Governance Office) 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, 2020, 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*

Benjamin N. Villacorte

Partner

CPA Certificate No. 111562

SEC Accreditation No. 1539-AR-1 (Group A),

March 26, 2019, valid until March 25, 2022

Tax Identification No. 242-917-987

BIR Accreditation No. 08-001998-120-2019,

January 28, 2019, valid until January 27, 2022

PTR No. 8534383, January 4, 2021, Makati City

24 May 2021



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<https://www.fsb-tcfid.org/>



SASB Alliance Member  
<https://www.sasb.org/>



UNGC Participant  
<https://www.unglobalcompact.org/>



SDG Aligned  
<https://sustainabledevelopment.un.org/>





The PLDT 2020 Sustainability Report is printed on FSC®-certified, sustainably sourced paper.