

PLDT affirms commitment to governance and sustainability

Five years since being one of the first Filipino companies to begin sustainability reporting on a voluntary basis, PLDT Inc. (PLDT), the country's largest fully integrated telecommunications company, continues to show consistent progress in its environmental, social, and governance (ESG) undertakings, as presented during a forum organized by the Securities and Exchange Commission (SEC) and the Global Reporting Initiative (GRI).

The second session of the SEC-GRI forum was titled "Corporate Leadership and Governance" with the line-up of resource persons that included PLDT's Melissa Vergel de Dios, Head of the Sustainability Office and Investor Relations; SEC Commissioner, Atty. Kelvin Lester Lee; MSCI's Executive Director for Client Coverage, Rajarshi Sen; and Lany Harijanti, GRI's Regional Program Manager for ASEAN. One of the objectives of the forum was to increase awareness and understanding of governance and sustainability, with PLDT tasked to share, among others, the highlights of its sustainability journey.

"In the same way that PLDT was one of the first Philippine corporates to integrate corporate governance in its organization, we are proud to say that PLDT had an early start in the area of sustainability," Vergel de Dios said.

"PLDT's sustainability and governance journey began with the entry the First Pacific Group led by Manny Pangilinan in 1998. As early as then, they introduced to and institutionalized within PLDT the First Pacific management philosophy which was anchored on corporate governance," Vergel de Dios added. The Governance and Nomination Committee of the Board constituted in 2004, was subsequently expanded to include sustainability among its oversight functions.

PLDT released its first ESG report in 2016 – ahead of the 2020 SEC directive that required all Philippine-listed companies to publish their sustainability reports for 2019. The maiden report, prepared in accordance with GRI Standards, articulated PLDT's purpose: connecting and empowering Filipinos everywhere.

Sustainability: keeping a tight link to the business

Fast forward to 2021: PLDT reiterated a stronger commitment to sustainability. With the appointment of Alfredo S. Panlilio as PLDT's new President and CEO, sustainability found itself high on his agenda, having been identified it as one of the key business drivers, together with customer experience, digitalization, and operating efficiencies in the various business segments.

Under the leadership of Panlilio, PLDT's Corporate Sustainability Office was tasked to continue to execute the Group's sustainability agenda which should be closely linked to the business and operations. "This included ensuring that ESG efforts and projects are



not stand-alone, but undertaken in the normal course of business,” said Vergel De Dios.

Green technologies: Reducing carbon footprint

To reduce its carbon footprint, PLDT has included the use of new technologies as part of its network rollout. These include deployment of carbon fiber towers and green towers. The latter use fuel cell technology that not only emits less carbon dioxide, but are also cost effective and operate with minimal downtime, supporting our focus on CX and cost efficiencies.

Even the ongoing upgrade of PLDT’s DSL copper facilities to fiber is environment-friendly. While the upgrade is part of efforts to improve customer experience and achieve cost efficiencies, operating a fiber network uses at least 7x less energy than a copper network.

PLDT has embarked on its Green Fleet Program where the use of electric vehicles will form part of its re-fleeting strategy.

Creating a safe online environment

Equal importance is given to the “S” or social pillar which is relevant given PLDT’s purpose and business of connectivity.

“While connectivity opens up a whole new world for users, including access to information, education, livelihood opportunities and entertainment, there are attendant dangers that we have a responsibility to address,” Vergel De Dios said. In line with this, the PLDT Group has robust and extensive cybersecurity and data privacy solutions in place as part of its commitment to providing a safe online environment for its customers.

PLDT and Smart have been aggressive in its fight to protect children against online sexual abuse and explicit content (OSAEC), being members of UK-based Internet Watch Foundation (IWF). By the end of the first half of 2021, PLDT and Smart had blocked almost 30,000 URLs with explicit content involving children. In the second half of June alone, PLDT and Smart denied access to almost 20,000 URLs linked to online sexual abuse and exploitation of children (OSAEC), quadrupling its haul in the first half of June.

Fostering inclusion

PLDT continues to foster inclusion, whether it be providing a safe workplace that embraces diversity, or financial inclusion. Through PayMaya, which is building the most comprehensive digital financial services platform in the Philippines, the needs of unbanked and underbanked Filipinos are being addressed with the use of digital technology.



Enabling marginalized communities through technology, Smart's flagship corporate social responsibility (CSR) program School-in-a-Bag provides digital tools and trainings for remote learning communities to help ensure that no learner is left behind, especially amid education's new normal. By the second half of 2021, Smart and its partners have deployed close to 500 School-in-a-Bag portable digital classrooms all over the country, trained more than 4,000 teachers, and reached close to 90,000 students.

PLDT and Smart also continue to implement several digital innovations and programs for farmers in the Philippines. Some 2,500 individuals, including 1,000 rice farmers, have already benefited from programs under the FarmSmart advocacy, which introduced farmers to mobile applications that boost their livelihood opportunities, access to capital funding, and diverse commerce platforms where they can sell their crops at fair market prices.

A meaningful journey together

Vergel De Dios emphasized during the SEC-GRI forum that the sustainability journey is not one that is taken alone, with a more meaningful impact if all join hands.

The PLDT representative closed by citing how more opportunities, such as the virtual forum organized by SEC and GRI, will allow businesses to share best practices and learn from each other. "Because at the end of this day, sustainability is not a competition. We are in this together as we are all stewards of this planet for the next generation," Vergel De Dios said.

Support to the UNSDG

PLDT's commitment to ESG underscores group-wide support to the United Nations Sustainable Development Goals, with UNSDG #9 Industry, Innovation, and Infrastructure as its SDG anchor.

For more information on PLDT and Smart's sustainability initiatives, send an email to sustainability@pldt.com.ph.

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About PLDT

PLDT is the Philippines' largest fully integrated telco company. Through its principal business groups — from fixed line to wireless — PLDT offers a wide range of telecommunications and digital services across the Philippines' most extensive fiber optic backbone, and fixed line and cellular networks.

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). PLDT has one of the largest market capitalizations among Philippine — listed companies.

Further information can be obtained by visiting www.pldt.com