



**Globe Telecom, Inc.**  
**INTERNAL AUDIT CHARTER**

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## A. INTRODUCTION

This Internal Audit (IA) Charter was adopted by the Audit and Related Party Transactions Committee (ARC) of the Board of Directors (the “Board”) of Globe Telecom, Inc. and Subsidiaries (the “Globe Group”) in September 2003; subjected to periodic reviews by the Chief Audit Executive (CAE) and presented to senior management and subjected to the same approval process for any revisions or changes thereto. This Charter establishes the organizational status of the IA function in the Globe Group, which specifies the following, among others:

- Purpose and Mission of Internal Auditing
- Commitment to adhering to the Global Internal Audit Standards and Code of Ethics;
- Mandate (i.e. authority, role(s), responsibilities), including scope of work and types of services
- Organizational position, reporting and working relationships

The IA Charter is aligned and prepared in conformance with the Institute of Internal Auditors (“The IIA”)’s Global Internal Audit Standards (GIAS).

The IA Charter shall be approved by the ARC of the Board as part of their oversight function. This charter was reviewed and approved in May 2026 and remains applicable, with no changes made.

## B. POLICY STATEMENT

The Globe Group should have an adequate and effective internal control system which embodies management oversight and control culture; risk recognition and assessment; control activities; information and communication; monitoring activities and correcting deficiencies. It is the policy of the Globe Group to establish and support an IA function which helps the Globe Group accomplish its objectives and ensure good governance by bringing a systematic, disciplined approach to evaluating and improving the effectiveness of the Globe Group’s governance, risk management and control functions.

## C. PURPOSE AND MISSION

### Purpose

Globe IA aims to be management’s **“Trusted Advisor/Business Partner”** through strengthening the organization’s ability to create, protect, and sustain value by providing the board and management with independent, risk-based, and objective assurance, advice, insight, and foresight.

### Mission

As defined in the Manual of Corporate Governance (MCG) of the Globe Group, Globe IA shall provide reasonable assurance to the Board, management and stockholders, on the adequacy and effectiveness of controls encompassing the organization’s governance, operations, information systems, to include reliability and integrity of financial and operational information, effectiveness and efficiency of operations, safeguarding of assets, and compliance with laws, rules, regulations, and contracts.

Also, as mentioned in the ARC Charter of the Globe Group (as amended in February 2026), Globe IA shall help the ARC monitor and evaluate the adequacy, effectiveness and reliability of the Globe Group’s overall internal control systems covering financial and management reporting, organization management, operations, information technology, security of physical and logical assets, compliance monitoring and reporting, and corporate governance processes.

Globe IA’s discharge of its function is guided by the enterprise-wide mission and values:

#### ***Our Mission***

*We create wonderful experiences for people to have choices, overcome challenges, and discover new ways to enjoy life.*

#### ***Our Values***

*We put customers first. We value people and together, we make the difference. We act with integrity.  
We care like an owner. We keep things simple. We move fast. We are better every day.*

## D. MANDATE

### D.1 Authority

Globe IA's CAE reports at a level within the organization that establishes its organizational independence and position. The CAE has direct access to the Board by functionally reporting to the ARC, and administratively reporting to the President and CEO.

Globe IA is authorized to:

- Have full, free and unrestricted access to any and all of the Globe Group's records, properties, personnel and operations in order to discharge its responsibilities.

*Note: Documents and information given to Globe IA during periodic review will be handled in the same prudent and confidential manner as by those employees normally accountable for them.*

- Have free and unrestricted access to the ARC of the Board.
- Obtain the necessary assistance of personnel in units of the organization where they perform audits, as well as other specialized services from within or outside the organization, as approved by the ARC.

Globe IA is not authorized to:

- Perform any operational duties or be involved in the day to day internal checking systems of the operational business units of the Globe Group or its affiliates.
- Initiate or approve accounting transactions external to the IA function.
- Direct the activities of any business unit employees not assigned to Globe IA, except in cases where such employees have been appropriately assigned or "seconded" as members of the audit team.
- Draft and/or implement business system procedures or other internal control systems. Globe IA may, however, be consulted on the adequacy of the related controls.

Any deviations to the above provisions should be pre-approved by the ARC. IA personnel performing any approved operational duties must refrain from assessing specific activities for which they were previously responsible. This "cooling-off" period shall apply for a period of at least twelve (12) months in compliance with the GIAS - Domain II: Ethics and Professionalism.

### D.2 Key Roles and Responsibilities

#### D.2.1 General Audit/ Risk and Control Management:

- **Risk Management:** Evaluate and review the effectiveness of risk identification and management processes.
- **Financial and Operational Information:** Assess and review the reliability and integrity of financial reporting and operational information, and the related business processes.
- **Management Controls:** Review the adequacy and effectiveness of internal and management controls designed to safeguard the company's resources and support the achievement of the Globe Group's objectives.
- **Policies and Procedures Compliance:** Review the adequacy, existence and degree of adherence to the Globe Group policies, relevant laws and/or regulations, and sound business practices.
- **Performance Monitoring:** Assess and evaluate whether operational activities are consistent with the established objectives and corresponding goals or programs and are being executed as planned.
- **Consulting Engagements:** Address risks, remain alert to existence of significant risks, and incorporate insights gained from consulting engagements into risk and control assessments and processes. Refrain from assuming management responsibilities during consulting activities.
- **Controls and Process Improvement:** Assist in maintaining and improving the effectiveness and efficiency of internal controls by promoting continuous improvement.
- **Audit Execution:** Perform various types of audits (regular, special, investigative, ad hoc) as outlined in the annual audit plan or as directed by the ARC/senior management/CAE.

- **Reporting and Follow-up:** Report audit findings to management to facilitate timely risk mitigation. Appraise the adequacy of management's actions in response to identified issues.
- **ARC Communication:** Facilitate communication and seek reports or information requested by the ARC from Management relevant to the agenda set in every ARC meeting (*including the nature, timing and extent of information*), in accordance with the ARC Charter.

#### D.2.2 Governance

- The IA activity must assess and recommend improvements to governance processes in the following areas:
  - ▶ Strategic and operational decision-making
  - ▶ Risk management and control oversight
  - ▶ Promoting appropriate ethics and values within the organization.
  - ▶ Ensuring effective organizational performance management and accountability.
  - ▶ Risk and control communication
  - ▶ Coordinating the activities of, and communicating information among, the Board, external and internal auditors, other assurance providers, and management.
- Perform consulting and advisory services related to governance and controls, as appropriate, for the organization.
- Assist the ARC in the discharge of its oversight function on corporate governance, including:
  - ▶ Establishing communication processes on financial reporting, compliance, and operational issues.
  - ▶ Evaluating quality of performance of external auditors and coordination with Globe IA.
  - ▶ Coordinating with the Compliance Officer in ensuring that the provisions of Globe Group's MCG are appropriately and adequately complied with.
  - ▶ Updating the ARC and senior management on developments and emerging trends, especially in areas directly affecting their roles and responsibilities.
- Deliver the specific requirements from the IA activity, including, but not limited to:
  1. Provide reasonable assurance that the Globe Group's key organizational and procedural controls are complied with and that Globe IA covers the evaluation of the adequacy and effectiveness of controls.
  2. Submit an IA Plan for review and approval by the ARC.

The CAE shall establish a risk-based IA Plan, including policies and procedures, to determine the priorities of the IA activity, consistent with the organization's objectives.

The IA Plan shall be developed based on a prioritization of the audit universe using a risk-based methodology and framework to evaluate risk exposures relating to the Globe Group's governance, risks management, and control processes, including consideration IT governance, fraud risk, the effectiveness of the organization's compliance and ethics-related programs, and other high-risk areas, as well as input of senior management and the Board.

The IA Plan shall consist of a work schedule as well as budget and resource requirements for the next fiscal/calendar year. The CAE must ensure that IA resources are appropriate, sufficient, and effectively deployed to achieve the approved plan.

The CAE shall communicate the IA activity's plans, resource requirements, impact of resource limitations and significant interim changes to senior management and the ARC for review and approval.

3. Review and assess the audit plan periodically and make appropriate adjustments based on the Globe Group's risk profile and audit universe, including new or emerging risks, business trends, operational changes and initiatives. Seek the approval from the ARC relative to any deviations from the approved Annual Internal Audit Plan. Likewise, the CAE shall communicate to the ARC the rationale for not including an assurance engagement in a high-risk area, if applicable.

4. Submit periodic reports to the ARC on status of the IA activity, accomplishments, key findings and recommendations, as well as management's responses thereto. The CAE shall report periodically to the ARC on the IA activity's performance relative to its plans as well as present findings and recommendations to the ARC and give advice to senior management and Board on how to improve internal processes.

The CAE shall communicate to the ARC and senior management any areas where the business has accepted a level of risk that is unacceptable to the organization, having regard to the risk appetite and risk tolerance established by the Board, and whereby the issue remains unresolved.

5. Render an IA Annual Report to the ARC on IA's activity, purpose, authority, responsibility and performance; such annual report should contain the results of the review of the overall adequacy and effectiveness of internal control system addressing areas of most significant risk exposures, including fraud risks, corporate governance issues, and other matters requested by the ARC or by the Board.
6. Render a report to the ARC that Globe Group's IA activity for the given year has been performed in accordance with the provisions of the GIAS, as supported by results of Quality Assurance and Improvement Program (QAIP).

The CAE must manage the IA activity appropriately, establish policies and procedures and spearhead the performance of IA to ensure it adds value to the organization and fulfills its mandate.

#### D.2.3 Other Activities

Globe IA is responsible for conducting audits and other activities as requested by the ARC or senior management. Such engagements may be subject to an additional approval of the ARC, depending on the materiality of the requests.

#### D.2.4 Ethics and Professionalism

Globe IA must perform their work in conformance with the principles and standards of ethics and professionalism. Internal auditors must demonstrate integrity in their work and behavior. Auditors must maintain an impartial and unbiased attitude (i.e. professional objectivity) when performing all aspects of internal audit services. In delivering its mandate, Globe IA maintains confidentiality of information obtained and demonstrates competency by possessing and obtaining the necessary knowledge, skills, and abilities to fulfill their roles and responsibilities. Internal auditors must maintain and continually develop their competencies to improve the effectiveness and quality of internal audit services.

#### D.3 Scope of Work

IA is a *service*, providing an independent, objective **assurance** and **advisory** function within the Globe Group, and sharing the organization's common goal of creating and enhancing shareholder value and improving the Globe Group's operations.

Globe IA aims to assist all members of the organization accomplish their objectives by bringing a systematic, disciplined, and risk-based approach to evaluate and improve the effectiveness of the Globe Group's risk management, control, and governance processes. In conducting IA services, the IA activity collectively must possess or obtain the knowledge, skills, and other competencies needed to perform its responsibilities successfully. To this end, Globe IA furnishes management and the Board, through the ARC, with analyses, recommendations, advice, and information concerning the activities reviewed.

#### Audit and Assurance Services

The IA activity provides reasonable assurance on the following to help ensure that management enhances the value of the Globe Group as it competes in an ever-dynamic and increasingly competitive marketplace:

- Overall adequacy and effectiveness of controls encompassing Globe Group's governance of operations and information systems, including effectiveness and efficiency of operational systems and processes; including compliance with policies, procedures, and contracts
- Reliability and integrity of financial and management information; including reasonableness of financial information, in conjunction with the external/independent auditors' activities
- Safeguarding of resources and ensuring effective utilization
- Compliance with laws, rules, and regulations

Assurance services involve the internal auditor's objective assessment of evidence to provide opinions or conclusions regarding an entity, operation, function, process, system, or other subject matter. The nature and scope of an assurance engagement are determined by the internal auditor. Generally, three (3) parties are participants in assurance services: (1) the person or group directly involved with the entity, operation, function, process, system, or other subject matter — the process owner, (2) the person or group making the assessment — the internal auditor, and (3) the person or group using the assessment — the user.

#### Advisory Services

The IA activity shall provide advisory and related client service activities, the nature and scope of which are agreed upon with the client and which are intended to add value and improve the Globe Group's operations. Examples of consulting services are the following:

- Assisting in risk management activities
- Providing recommendations and advice about the control concerns in new systems or processes
- Conducting internal controls training

All decisions to adopt or implement recommendations made as a result of the IA advisory service shall be made by Management. Moreover, IA's involvement in such advisory services shall not preclude it from subsequently reviewing the operation, system or process which is the subject of the advisory service.

Consulting services are advisory in nature and are generally performed at the specific request of an engagement client. The nature and scope of the consulting engagement are subject to agreement with the engagement client. Consulting services generally involve two (2) parties: (1) the person or group offering the advice — the internal auditor, and (2) the person or group seeking and receiving the advice — the engagement client. When performing consulting services, the internal auditor should maintain objectivity and not assume management responsibility.

Acceptance of consulting engagements will depend on the competency of the internal auditors, urgency and perceived risk to the Company. The CAE must decline the consulting engagement or obtain competent advice and assistance if the internal auditors lack the knowledge, skills, or other competencies needed to perform all or part of the engagement.

The internal audit function may provide assurance services where it had previously performed consulting services, provided the nature of the consulting did not impair Globe IA's objectivity and that individual objectivity is managed when assigning resources to the engagement. Consulting activities which impact the completion of the approved annual audit plan shall require an approval from the ARC.

IA's credibility and value are enhanced when auditors are proactive and their evaluations offer new insights, foresight, and consider future impact.

## **E. REPORTING AND WORKING RELATIONSHIPS**

### Reporting Lines

The CAE reports directly to the following:

- Functionally, to the Board, through the ARC; and
- Administratively, to the President and Chief Executive Officer (CEO) of Globe Telecom, Inc.

## Working Relationships

### **ARC**

Globe IA communicates and interacts directly with the Board by supporting the ARC in the effective discharge of the ARC's oversight role and responsibility. It is part of the ARC's responsibility to work closely with the CAE to maintain a functional relationship and to uphold an effective IA function within the Globe Group.

In turn, part of the IA's responsibilities is to work with the ARC to co-develop expectations and reporting requirements and provide day-to-day assistance and secretariat support. A reporting protocol and process is defined and observed to ensure that the right information is provided at the appropriate time and effective interaction is achieved. Globe IA understands that high-quality engagement communications are critical and is expected by the ARC.

### **Management**

Globe IA should seek to achieve an effective and objective working relationship with the Globe Group's management at all times through an established communication standard which include the criteria for communicating, quality of communications, and dissemination of results. Globe IA should always discharge its duties and responsibilities to provide value-adding activities to management, while at the same time exercising independence and objectivity. Reporting process and protocols that ensure independence and objectivity should be observed at all times.

### **Process and Activity Owners**

The process and activity owners provide the information on which Globe IA makes its evaluation, assessment and recommendations. Co-developing the expectations, discussing the audit objectives and methodology and observing reporting protocols should always form part of IA's service delivery process to ensure an effective and objective working relationship with process and activity owners. Collectively, the work performed by Globe IA together with the process and activity owners, should provide value to management in terms of process controls assurance and improvement.

### **External Auditors**

Globe IA and the external/independent auditors should collaborate regularly in order to ensure the effective use of audit resources and share their knowledge on significant issues and concerns. This collaboration will help provide reasonable assurance that the roles of the two (2) functions are very well organized and aligned, thus, mitigate the risks of unnecessary work duplications.

### **Compliance and Risk Management**

Globe IA coordinates with the Compliance and Risk Management units to assist the Audit Committee in their oversight responsibility and to make an evaluation on the adequacy and effectiveness of the compliance and risk management systems.

### **Subsidiaries and Affiliates**

Globe IA closely collaborates with the Subsidiaries and Affiliates' Internal Audit or equivalent functions to conduct reviews on identified priority areas. To promote continuous improvement as well as rapport across the group, Globe IA provides a regular venue for sharing of ideas and insights on best practices, ways of working and auditing standards.

### **Other Stakeholders**

Globe IA may, at certain times, need to work with other parties within or outside the Globe Group organization. For instance, the working relationships with the Compliance Officer on corporate governance issues should be defined and observed at all times to ensure that effective collaboration is achieved.

The working relationship with outside consultants and other parties should be discussed with the CEO and with the ARC Chairman.

## **F. INDEPENDENCE AND OBJECTIVITY**

Globe IA shall perform its auditing functions faithfully by maintaining independence from management and controlling shareholders. All IA activities shall remain free of influence by any element in the organization, including matters of audit selection, scope, procedures, frequency, timing, or report content which permit maintenance of an independent and objective mental attitude necessary in rendering reports. The IA activity must be free from interference in determining the scope of internal auditing, performing work, and communicating results. The CAE must disclose such interference to the ARC and discuss the implications, if any.

Internal auditors shall have neither direct responsibility for, nor authority over any of the activities they review or the persons responsible for those activities. Accordingly, they shall not develop nor install systems or procedures, prepare records, or engage in any other activity which would normally be audited. Internal auditors must have an impartial, unbiased attitude and avoid any conflict of interest. To ensure that the IA activity is in a position of trust and has no competing professional or personal interest, the auditors are required to disclose to appropriate parties situations or activities that may impair their independence. If independence or objectivity is impaired in fact or appearance, the details of the impairment must be disclosed to appropriate parties. The nature of the disclosure will depend upon the impairment.

In observing independence,

- Internal auditors must refrain from assessing specific operations for which they were previously responsible. Objectivity is presumed to be impaired if an internal auditor provides assurance services for an activity for which the internal auditor had responsibility within the previous year
- Assurance engagements for functions over which the CAE has responsibility must be overseen by a party outside the IA activity.
- The IA activity may provide assurance services where it had previously performed consulting services, provided the nature of the consulting did not impair objectivity and provided individual objectivity is managed when assigning resources to the engagement.
- Internal auditors may provide consulting services relating to operations for which they had previous responsibilities.
- If internal auditors have potential impairments to independence or objectivity relating to proposed consulting services, disclosure must be made to the engagement client prior to accepting the engagement.
- Where the CAE has or is expected to have roles and/or responsibilities that fall outside of internal auditing, safeguards must be in place to limit impairments to independence or objectivity.

Globe IA shall be headed by a CAE who shall preferably be a Certified Public Accountant and/or a Certified Internal Auditor and shall report to the ARC of the Board.

The CAE shall confirm to the ARC, at least annually, the organizational independence of the IA function.

## **G. PROFESSIONAL PRACTICE**

Globe IA shall govern its work in adherence to the IIA's "Global Internal Audit Standards", Code of Ethics, and the Globe Group's Code of Conduct. The IA activities shall operate, implement, and comply with the Global Internal Audit Standards, which is organized into five domains:

- Domain I: Purpose of Internal Auditing.
- Domain II: Ethics and Professionalism.
- Domain III: Governing the Internal Audit Function.
- Domain IV: Managing the Internal Audit Function.
- Domain V: Performing Internal Audit Services.

Globe IA has established methodologies to ensure that internal auditors are properly supervised, conform with the Global Internal Audit Standards, and behave in alignment with ethical and professional values. The policies, processes, and procedures established are discussed in detail in Globe IA's Operations Manual.

## **H. PERIODIC ASSESSMENTS**

The CAE should periodically assess IA's mandate, as defined in this Charter, continue to be adequate to enable the IA activity to achieve its strategy and accomplish its objectives. The result of this periodic assessment and any arising revisions should be communicated and approved by the ARC.

A Quality Assurance and Improvement Program (QAIP) is established and maintained to evaluate and promote the IA function's conformance with the GIAS, achievement of performance objectives, and pursuit of continuous improvement. The program includes internal and external assessments.

Internal assessments include:

- Ongoing monitoring of the IA function's conformance with the GIAS, and the IA activity's progress toward performance objectives, including supervisory reviews.
- Periodic self-assessments or assessments by other persons within the organization with sufficient knowledge of IA practices.

The CAE must report to the ARC and senior management the results of the IA activity's QAIP, including the following:

- The scope and frequency of both the internal and external assessments. External quality assurance review or assessments are required to be conducted at least every five (5) years by a qualified, independent assessor or assessment team from outside the organization.
- The qualifications and independence of the assessor(s) or assessment team, including any potential conflicts of interest.
- Conclusions of independent assessors.
- Corrective action plans.

In the event that nonconformity with the Code of Ethics or the Standards impacts the overall scope or operation of the IA activity, the CAE will disclose the nonconformance and the impact to senior management and ARC of the Board.

Audit and Related Party Transactions Committee Approval:

**CIRILO P. NOEL**  
Chairman

**RIZALINA G. MANTARING**  
Member

**RAMON L. JOCSON**  
Member

**ANTONIO JOSE U. PERIQUET, JR.**  
Member