



## INDEPENDENT ASSURANCE STATEMENT

### Introduction

DNV AS Philippine Branch ('DNV') has been commissioned by the management of Globe Telecom, Inc ('Globe', 'the Client' or 'the Company', Securities and Exchange Commission Identification Number: PW00001177) to undertake an independent assurance of the sustainability / non-financial disclosures in Globe Telecom, Inc's 2021 Integrated Report ('the Report') in its printed format for the year ended 31 December 2021. The intended users of this Assurance Statement are the management of the Company.

We performed a limited level of assurance using DNV's assurance methodology VeriSustain<sup>TM1</sup>, which is based on our professional experience, international assurance best practice including International Standard on Assurance Engagements (ISAE) 3000 Revised\*, along with the Global Reporting Initiative's ('GRI's') Principles for Defining Report Content and Report Quality and the Sustainability Accounting Standards Board's ('SASB's') industry-specific Standards. The verification engagement was carried out from December 2021 to March 2022.

### Scope and Boundary of Assurance

The scope of assurance included a review of sustainability related disclosures and performance data from Globe Telecom, Inc's operations in the Philippines.

Our assurance engagement included limited level of verification of sustainability performance disclosures for the identified material topics of Globe Telecom, Inc as detailed under the section 'Materiality Assessment Process' in the Report i.e., covering entities over which Globe Telecom, Inc has operational control or has seconded employees in operations. Our verification applies a  $\pm 5\%$  uncertainty threshold towards errors and omissions for the performance data brought out in the Report.

### Responsibilities of the Management of Globe Telecom, Inc and of the Assurance Provider

The Company's management has sole responsibility for the integrity of the Report and this responsibility includes designing, implementing and maintaining internal controls over collection, analysis, aggregation and preparation of data, fair presentation of the information, ensuring that data is free from material misstatement and maintaining the integrity of their website under digital domain. The Board has complete oversight and is responsible for the Company's sustainability reporting. Globe Telecom, Inc has stated that this Report has been prepared based references from various sources including, the Guiding Principles and Content Elements of the International <IR> Framework (the "<IR> Framework"), general disclosures and selected topic-specific disclosures related to identified material topics from the GRI Standards, SASBs industry-specific Standards, TCFD, UNGC principles, SDGs, ACGS, etc.

In performing our assurance work, DNV's responsibility is solely towards the Management of Globe Telecom, Inc in accordance with terms of reference agreed, however this assurance statement represents our independent opinion and is intended to inform the outcome of the assurance to the Company's stakeholders. DNV's responsibility is to form an independent conclusion. In doing so, we carried out the sampling procedures required for the evidence for a limited level of assurance based on VeriSustain i.e., DNV is responsible for planning and performing the engagement to obtain assurance about whether the selected information is free from material misstatement and meets the disclosure requirements.

### Basis of our Opinion

We planned and performed our work to obtain the evidence considered necessary to provide a basis for our assurance opinion as part of the assurance engagement. We adopted a risk-based approach, i.e., we concentrated our verification efforts on the issues of high material relevance to Globe Telecom, Inc and its key stakeholders. A team of sustainability assurance specialists reviewed non-financial disclosures related to the Head Office, and select samples of consolidated annual numbers, based on DNV's sampling plan. Due to the COVID-19 pandemic and associated travel restrictions, we undertook remote audits in line with DNV's remote assessment methodology as site visits were not possible. We undertook the following activities:

<sup>1</sup> The VeriSustain protocol is available on [www.dnv.com](http://www.dnv.com)

\* Assurance Engagements other than Audits or Reviews of Historical Financial Information.



- Review of the non-financial sustainability-related disclosures in this Report;
- Review of approaches to materiality determination and review of outcomes of stakeholder engagement; DNV did not have any direct engagement with external stakeholders;
- Review of information provided to us by the Company on its reporting and management processes related to sustainability performance for the reporting year based on the framework adopted by Globe Telecom, Inc.;
- Interviews with select members of leadership team, and senior managers responsible for management of sustainability issues and review of selected evidence to support generic disclosures. We were free to choose interviewees and interviewed those with overall responsibility for the programmes to deliver the targets for medium- and long-term vision, mission and milestones;
- Performed desk review of selected sustainability parameters for sampled entities, and discussed findings and resolved with the Corporate Sustainability Team;
- Carried out remote assessment on their head office, select branches to review the processes and systems for preparing site level sustainability data and implementation of sustainability strategy;
- Review of supporting evidence for key claims and data disclosed in the Report. Our verification processes were prioritized based on risk-based approach, i.e., relevance of identified material topics and sustainability context of the business;
- Review of the processes for gathering and consolidating the performance data and, for a sample, checking the data consolidation at site and corporate levels.

#### Opinion and Observations

On the basis of the assurance engagement undertaken, nothing has come to our attention to suggest that Globe Telecom, Inc.'s 2021 Integrated Report does not properly describe the non-financial performance of identified material topics based on the Guiding Principles and Content Elements of the International <IR> Framework ("<IR> Framework"). Without affecting our assurance opinion, we also provide the following observations against the principles of VeriSustain:

#### Stakeholder Inclusiveness

*The participation of stakeholders in developing and achieving an accountable and strategic response to Sustainability.*

Globe considers expectations, needs, and aspirations of stakeholders at the core of its purpose. The Report has brought out engagement with key stakeholders (e.g., Shareholders & Investors, Employees, Customers, Community, Partner Vendors and Suppliers, Government, Media, etc.) namely engagement modes, frequency of engagement, concerns raised and Globe's responses to the key concerns through various initiatives to address them.

Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Stakeholder Inclusiveness.

#### Materiality

The process of determining the issues that are most relevant to an organization and its stakeholders.

The report details Globe's material ESG issues identification process viz conducting review exercises against global frameworks on sustainable development, ESG Standards to align with the company's economic, environment, and social impacts.

Globe has disclosed that its materiality review exercise is guided by three main inputs, namely in determining their priority. To start with they identify the value creation capability for each material issue, benchmark against industry specific ESG and finally validated by engaging with concerned stakeholders.

Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Materiality.



## **Responsiveness**

*The extent to which an organization responds to stakeholder issues.*

The Report brings out the Company's responses to identified material topics, key challenges faced and significant issues including risks which have arisen during the reporting period through disclosures on Governance, Business Review, strategic responses to key stakeholders' concerns, to deliver shared values. Further the Report also brings out its non-financial performance related to its material topics through selected GRI Topic Specific Standards and SASB industry-specific Standards as Performance Indices. The Report may further strengthen on this Principle in future reporting periods by bringing out the long- and medium-term targets towards value creation related to its identified material topics.

Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Responsiveness.

## **Reliability**

*The accuracy and comparability of information presented in the report, as well as the quality of underlying data management systems.*

The majority of the performance disclosures verified through offsite verification, i.e., at the Head Office and sampled sites, and through desk reviews, were found to be fairly accurate, reliable, identifiable and traceable to the source. Considering the limited sampling, we did not detect any major errors related to data collection or aggregation. We also reviewed the calculations and related assumptions used for its suitability, taking into account the principle of Reliability, however our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems. Some of the data inaccuracies identified during the verification process were found to be attributable to interpretation and aggregation errors. These identified errors were communicated, and the responses and corrections made to the reported data and information were reviewed.

Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Reliability.

## **Completeness**

*How much of all the information that has been identified as material to the organization and its stakeholders is reported.*

The Report discloses the Company's non-financial disclosures based on the <IR> Framework and performance during the reporting period 2021 related to its material issues using appropriate GRI Topic Specific Standards and SASB disclosures, for the identified boundary of operations and covers the Company's approaches to value creation during the reporting period.

Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Completeness.

## **Neutrality**

*The extent to which a report provides a balanced account of an organization's performance, delivered in a neutral tone.*

The Report presents disclosures related to the Company's performance, challenges and concerns of stakeholders during the reporting period in a neutral, consistent and balanced manner, applying adequate consideration to not unduly influence stakeholders' opinion made based on the reported data and information.

Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Neutrality.

## **Limitations**

DNV's assurance engagements are based on the assumption that the data and information provided by the Company to us as part of our review have been provided in good faith, are true, and is free from material misstatements. Because of the selected nature (sampling) and other inherent limitation of both procedures and systems of internal control, there remains the unavoidable risk that errors or irregularities, possibly significant, may not have been detected. The engagement excludes the sustainability management, performance, and reporting practices of Globe Telecom, Inc's suppliers, contractors, and any third parties mentioned in the Report. The Company's position statements, the



statements for the management approach, and case studies and examples are excluded from the scope of our work. We did not interview external stakeholders as part of this assurance engagement.

We understand that the reported financial data and related information are based on statutory disclosures and Audited Financial Statements<sup>#</sup>, which are subject to a separate independent statutory audit process. We did not review financial disclosures and data as they are not within the scope of our assurance engagement

The procedures performed in a limited assurance engagement vary in nature and are shorter 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 if a reasonable assurance engagement had been performed. During the assurance process, we did not come across limitations to the scope of the agreed assurance engagement.

### Statement of Competence and Independence

DNV applies its own management standards and compliance policies for quality control, in accordance with ISO/IEC 17021:2015 - Conformity Assessment Requirements for bodies providing audit and certification of management systems, 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. We have complied with the DNV Code of Conduct<sup>2</sup> during the assurance engagement and maintain independence wherever required by relevant ethical requirements.

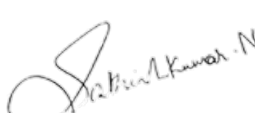


This engagement work was carried out by an independent team of sustainability assurance professionals. DNV was not involved in the preparation of any statement or datum included in the Report except for this Assurance Statement. DNV maintains complete impartiality toward internal stakeholders interviewed during the assurance process.

DNV has provided assurance to Ayala Corporation, Ayala Land Inc., AREIT, AC Energy Corporation, Manila Water Company Inc., and Globe Telecom, Inc. In our opinion, there is no conflict of interest in the assurance engagement provided to the business units of Ayala Group. DNV did not provide any services to Globe Telecom, Inc in 2021 that could compromise the independence or impartiality of our work.

### Purpose and Restriction on Distribution and Use

This report, including our conclusion has been prepared solely for the Company in accordance with the agreement between us. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company for our work or this report.

### For and on behalf of DNV AS Philippine Branch

 <b>N Sathishkumar</b> Lead Verifier Head, Sustainability Services (SEA) DNV Business Assurance Singapore Pte. Ltd.	 <b>Percy Lakdawalla</b> Regional Manager - Asia Pacific Supply Chain and Product Assurance DNV Business Assurance Singapore Pte. Ltd.	 <b>Thamizharasi Kaliaperumal</b> Assurance Reviewer Sustainability Services DNV Business Assurance India Private Limited
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12 April 2022, Manila, The Philippines.

DNV AS Philippine Branch is part of DNV, a global provider of certification, verification, assessment and training services, helping customers to build sustainable business performance. [www.dnv.com](http://www.dnv.com)

<sup>2</sup> The DNV Code of Conduct is available from the DNV website ([www.dnv.com](http://www.dnv.com))  
<sup>#</sup> 28 February 2022