

# COVER SHEET

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G L O B E T E L E C O M , I N C .

(Company's Full Name)

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B O N I F A C I O G L O B A L C I T Y T A G U I G

(Business Address: No. Street City / Town / Province)

ROSEMARIE MANIEGO-EALA

Contact Person

7797-2000

Company Telephone Number

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Month Day  
Fiscal Year

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Annual Meeting

Secondary License Type, if Applicable

Dept. Requiring this Doc.

Amended Articles Number/Section

Total No. Of Stockholders

Total Amount of Borrowings  
Domestic Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

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**Globe**  
**Press Release**

**GLOBE ANNOUNCES THIRD QUARTER & NINE MONTHS 2023  
FINANCIAL AND OPERATING RESULTS:**

**ACHIEVEMENT OF FULL YEAR 2023 GUIDANCE REMAINS ON TRACK**

***GLOBE GROUP POSTS STRONG REVENUE PERFORMANCE:***

***RECORD REVENUES AT ₱121.1 BILLION, UP 3% YoY;***

***ALL-TIME HIGH EBITDA AT ₱60.7 BILLION, UP 1% YoY***

***MYNT NOW CONTRIBUTES 6% OF GLOBE GROUP'S  
NET INCOME BEFORE TAX***

***RECORD NON-TELCO REVENUES SURGED TO ₱4.1 BILLION, 44% YoY***  
***MOBILE BUSINESS REVENUES AT ₱83.2 BILLION, UP 3% YoY, DRIVEN BY***  
***MOBILE DATA REVENUES OF ₱67.0 BILLION, UP 7% YoY;***  
***CORPORATE DATA REVENUES AT ₱13.6 BILLION, UP 8% YoY***

***GLOBE SPENT ₱54.0 BILLION IN CAPEX FOR NETWORK  
EXPANSION AND ENHANCEMENT***

***OOKLA®: GLOBE HAS MOST CONSISTENT FIXED BROADBAND  
IN MORE PH AREAS IN Q3;***  
***GLOBE LOGS IMPROVED BROADBAND SPEEDS IN MORE AREAS IN Q3***

***Key Financial Highlights: Topline Improvement Continues with Data Revenue Growth***

The Globe Group closed the first nine months of 2023 with all-time high consolidated service revenues amounting to ₱121.1 billion, up a robust 3% from a year ago, despite the extended macroeconomic headwinds faced by the industry. This remarkable performance was mainly fueled by the strong contributions from its mobile, corporate data and non-telco services, which fully offset the anticipated decline in home broadband. Globe's non-telco services, posting an impressive 44% yearly growth now accounts for 3.4% of its total consolidated service revenues from 2.4% last year. Additionally, total data revenues for the nine months period ending September 30, 2023 stood at ₱99.6 billion, representing 82% revenue contribution to Globe's topline from 81% in the year earlier.

Mobile business revenues posted a record ₱83.2 billion as of end-September 2023, up 3% versus the ₱80.6 billion reported in the same period last year. The stronger revenue performance of the prepaid brands is a testament to the relevance of the Company's data-centric value for money offers, which allows our customers to enjoy world-class network quality and service despite the continued inflationary pressures.

Total mobile revenues comprised 69% of the total consolidated service revenues, with the total mobile customer base (post SIM registration) ending at 54.7 million for the first nine months of the year.

From a product standpoint, mobile data revenues reported ₱67.0 billion for the nine-month period this year, a 7% hike from the ₱62.5 billion a year ago. Mobile data traffic soared to 4,360 petabytes as of end-September of 2023, from 3,365 petabytes reported in the same period of 2022, driven by the continued consumption of high-bandwidth online videos and social media content over smartphones. Mobile data now accounts for 81% of mobile revenues from 78% last year. Conversely, traditional mobile voice and SMS revenues ended at ₱10.2 billion and ₱6.0 billion, lower year-on-year by 11% and 10%, respectively.

Home Broadband business on the other hand, generated a total of ₱19.0 billion revenues as of end-September 2023, still down by 7% from last year's ₱20.5 billion. This was primarily caused by the decline in fixed wireless products as partly offset by the positive momentum of postpaid fiber. The Company is seeing an encouraging shift in trends as the decline in our fixed wireless revenues and operating metrics has slowed down, consistent with Company's guidance of the business normalization bottoming-out. Furthermore, Wired revenues now account for close to 85% of the total Home Broadband Business, mainly coming from Fiber customers, which make any further declines in FWA less material. Postpaid Fiber subscribers and revenues grew year-on-year by 2% and 18%, respectively.

Total Home Broadband subscribers now stand at 1.7 million (post SIM registration) or down by 35% from the previous year with the expected normalization of the fixed wireless base as the market shifts to a more reliable wired connectivity. HPW data traffic likewise declined to only 232 petabytes this period from 355 petabytes the year earlier. Furthermore, FWA subscriber numbers reflect the impact of the sim card registration (SCR) exercise.

Additionally, with the official launch of GFiber Prepaid last July, Globe has received positive sentiments from customers on its fully digital experience (with 63% installed within 24 hours), affordability along with the convenience of loading via GCash and good network experience. Globe is pursuing a more measured approach to customer acquisition compared to industry, as the focus of the Company is on acquiring quality subscribers that will stay active on the network longer. To date, the Company is seeing the GFiber Prepaid base as having the highest reload rate and loader ARPU among the prepaid brands of Globe, which is reflective of the quality subscriber base being built.

As the Company continues to explore optimal solutions to support its enterprise clients and provide them with more ways to embrace digital transformation, Corporate Data business sustained its upward momentum this period. Corporate data revenues reached a record ₱13.6 billion this period, outpacing last year's performance by 8%. This was mainly attributed to the excellent performance of information and communication technology (ICT) services, which grew 20% year-on-year.

Likewise, Globe's transformation from telco to techco has led the Company to diversify its portfolio with greater emphasis on digital solutions. Globe ventured into various sectors such as fintech, virtual healthcare, e-commerce, business outsourcing, adtech, edutech, climatetech, media, and entertainment, among others. As of the first nine months of the year, the Company's non-telco revenues continued to post very strong growth with 44% increase at ₱4.1 billion from ₱2.8 billion as of end-September last year. This stellar performance was brought about by the improved revenues across Globe subsidiaries led by ECPay, Adspark, Asticom and Yondu.

Meanwhile, Globe's total operating expenses including subsidy as of the nine-months period of 2023 amounted to ₱60.4 billion, leaping from ₱57.6 billion reported in the similar period last year. The Group continued its efforts to control costs as evidenced by lower marketing & subsidy, lease and provisions. However, these savings were fully offset by increases in repairs & maintenance, services and others, as well as administrative expenses.

For the first nine months this year, the Globe Group's consolidated EBITDA reached a record ₱60.7 billion or 1% above year-on-year, as the 3% topline expansion was partly cushioned by the 5% surge in operating expenses (including subsidy). EBITDA margin which stood at 50% this period, remains within Globe's guidance for the year.

Mynt, the Globe Group's fintech arm, has continued its upward trajectory. Being the preferred mobile wallet in the Philippines, GCash continues to empower more Filipinos with digital financial tools and services which led to its growth in users and profitability. The Globe Group's share in Mynt's equity earnings amounted to ₱1.6 billion, which now accounts to 6% of this period's net income before tax. Compared to the same period last year, Mynt's equity earnings grew by 149%.

Net income however, dropped by 27% against the same period last year mainly due to the increased depreciation expense as well as this period's non-operating charges versus last year's non-operating income which included the partial sale of Globe's data center business. Excluding this one-time gain, normalized net income would have been ₱14.8 billion, or down by 11% compared to the previous year.

Accordingly, core net income, which excludes the impact of non-recurring charges, and foreign exchange and mark-to-market charges, closed at ₱14.8 billion for the period or down by 8% versus the same period last year.

Globe's balance sheet remained healthy and gearing comfortably within bank covenants despite the increase in debt from ₱233.2 billion as of end-December 2022 to ₱245.5 billion this period. Globe's gross debt to EBITDA is at 2.62x while net debt to EBITDA is 2.46x; and debt service coverage ratio is at 3.56x.

*"Our third quarter results show that our telecom business performance is very much aligned to the guidance we have set. On the other hand, our pivot to a techco business is showing signs of momentum. We are happy that more of the non-telco businesses are contributing to the Group's overall business growth and resilience. We will continue to look for opportunities to thrive amidst the macroeconomic challenges and competition. We believe that our renewed focus on innovation, collaboration, sustainability and service, backed by our unwavering commitment to network excellence are the imperatives that will keep us ahead and will pave the way for a digitally inclusive and prosperous Philippines."* **Ernest L. Cu**, President and CEO of Globe Telecom Inc., stated.

### ***Key Business Highlights: Capex Stood at ₱54.0 Billion for 9M'23, 27% Down YoY***

As of the first nine months of the year, Globe invested ₱54.0 billion in capital expenditure (capex), lower by 27% than the similar period of 2022. This effort to reduce its capex spending is in line with the Company's focus on capital efficiency and optimization. Bulk of this amount or 91% was allocated for the data requirements to ensure that customers will be able to access the best digital solutions and connectivity anytime.

Moreover, Globe built 833 new cell sites, and upgraded 5,395 mobile sites to LTE as of September 2023, to ensure seamless connectivity, high-speed data transmission, and consistent service availability across the country. The company also deployed around 175 thousand fiber-to-the-home (FTTH) lines, notably lower than last year's rollout to maximize the utilization of its existing fiber inventory and this year's reduction in capex.

With Globe's relentless pursuit of expanding its 5G technology nationwide, the Company has deployed 716 new 5G sites across the Philippines, increasing its 5G outdoor coverage to 97.67% of the National Capital Region and 92.06% of key cities in Visayas and Mindanao. Globe likewise logged 5.2 million 5G devices in its 5G network for the month of September 2023.

Furthermore, Globe is redefining global connectivity with its expanded 5G partnerships, now encompassing collaborations with 156 global partners in 82 destinations. Globe's 5G roaming now covers the following countries: Guatemala, South Africa, Nigeria, Kazakhstan, Laos, Seychelles, India, Peru, Aland Islands, Crete, Croatia, and Romania. These additions mean that Globe postpaid and prepaid customers can now enjoy seamless and high-speed 5G experiences in more destinations. Meanwhile, inbound roamers or foreign subscribers of Globe's partner networks visiting the Philippines, can also take advantage of the company's robust 5G infrastructure.

Globe's continuing network builds to elevate customer experience and provide more Filipinos with high-speed internet led to this quarter's recognition as the "Most Consistent Fixed Broadband Provider"<sup>1</sup> in 33 towns and cities and two provinces nationwide for the third quarter of 2023 based on analysis by Ookla® of Speedtest Intelligence® data. This follows Globe's achievement in the previous quarter where it secured the top spot in 31 locations. Among the impressive scores across the country includes Danggagan, Bukidnon at 90.76, closely followed by San Luis, Pampanga at 90.55, Mandaluyong and Metro Manila at 89.21. The other top-scoring towns and cities across Luzon are Santa Ana, Pampanga (88.94), Candaba, Pampanga (88.58), Alaminos, Laguna (88.22), Lipa, Batangas (87.7), Mataas Na Kahoy, Batangas (87.7), Tiaong, Quezon (87.41), Aliaga, Nueva Ecija (87.3), Santa Rosa, Nueva Ecija (86.93), Santo Tomas, Batangas (86.57), San Rafael, Bulacan (86.52), Mexico, Pampanga (85.85), Dona Remedios Trinidad, Bulacan (84.84), Camaligan, Camarines Sur (78.79), and Calauag, Quezon (78.13). Top-scoring towns and cities in Visayas and Mindanao are Barotac Nuevo, Iloilo (87.12), Dumangas, Iloilo (87.11), Sogod, Cebu (85.71), Bacolod, Negros Occidental (85.34), Cabatuan, Iloilo (83.64), San Jose de Buenavista, Antique (83.1), Don Carlos, Bukidnon (82.92), Pavia, Iloilo (82.0), San Francisco, Cebu (80.59), Pinamungahan, and Cebu (75.39) and Tubod, Lanao del Norte (80.14). Meanwhile, these two provinces logged overall speed improvement: Pampanga at 85.4 and Catanduanes at 86.21.

In addition, Globe showed marked improvements in both download and upload speeds in 19 strategic locations in the third quarter of 2023. The areas that logged significant improvements include Candelaria, Quezon, with a whopping 138.38% increase, followed by Poro, Cebu with 111.96%, Mabinay, Negros Oriental with 94.36%, Dona Remedios Trinidad, Bulacan with 93.48%, and Lemery, Iloilo rounding out the top five with 69.54%. Further notable advancements were observed in the following areas: Pinamungahan, Cebu (52.83%), Bontoc, Southern Leyte (33.7%), Abuyog, Leyte (18.63%), San Francisco, Cebu (17.54%), Tubod, Lanao del Norte (11.85%), Santo Tomas, Batangas (10.94%), Sibalom, Antique (9.39%), Badiangan, Iloilo (8.05%), Palompon, Leyte (6.56%), Calauag, Quezon (4.89%), Tanjay City, Negros Oriental (3.61%), Dumangas, Iloilo (2.29%), Mexico, Pampanga (1.66%), and Mandaluyong, Metro Manila (1.13%).

Lastly, Globe's nonstop network expansion and enhancement is in line with its commitment to the United Nations Sustainable Development Goals, particularly SDG No. 9, which underscores innovation and infrastructure as key drivers of economic growth.

### ***Recent Development:***

#### **Term Loan Facilities:**

- On September 25, 2023, Globe signed term loan facilities with Metropolitan Bank & Trust Company for a total amount of ₱15.0 Billion. The loans shall be used to finance the Company's capital expenditures (capex), debt refinancing and/or general corporate requirements.

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<sup>1</sup> *Disclaimer: Based on analysis by Ookla® of Speedtest Intelligence® data on median download and upload speeds for Q3 2023 in comparison with Q2 2023 and data on consistency score for Q3 2023. Ookla trademarks used under license and reprinted with permission.*

Product related Updates:

- Globe, has partnered with international insurtech bolttech to launch Gadget Xchange, a new mobile device program that will make postpaid device switching easier, no questions asked. The innovative program offers greater choice and flexibility with quick and easy mobile device and screen replacement services, as well as the freedom to seamlessly switch between different device brands, styles, and colors—no questions asked! New and re-contracting Globe Postpaid and Platinum customers can avail of these new benefits through a simple, low monthly subscription fee. Service plan fees for Globe Gadget Xchange start at ₱89 per month for entry-level phones and a maximum fee of ₱499 per month for high-end devices, both with a protection period of up to 48 months.  
<https://www.globe.com.ph/about-us/newsroom/consumer/globe-partners-with-bolttech-launches-gadget-xchange.html>
- Globe launched The Platinum Series digital hub on September 11, transforming the way its distinguished customers interact, transact, and experience Globe Platinum services. The portal, [theplatinumseries.com.ph](https://www.globe.com.ph/about-us/newsroom/consumer/globe-platinum-launches-exclusive-online-portal.html), was designed exclusively for Globe Platinum subscribers and aims to amplify the brand's thrust to give curated access to lifestyle perks.  
<https://www.globe.com.ph/about-us/newsroom/consumer/globe-platinum-launches-exclusive-online-portal.html>

Data Center Update:

- Construction of ST Telemedia Global Data Centres Philippines' (STT GDC Philippines) Fairview site is on track for completion following its groundbreaking earlier this year. The Fairview site is touted to become the country's largest data center once finished.

Earlier, STT GDC Philippines also revealed aggressive expansion plans across its three existing data centers located in Makati, Cavite, and Quezon City. With a combined capacity expansion of 5.2MW set for the third quarter of this year, the company is poised to surpass the capacity of most single data centers locally.

<https://www.globe.com.ph/about-us/newsroom/corporate/stt-gdc-largest-data-center-ph-build-on-track.html>

<https://www.globe.com.ph/about-us/newsroom/corporate/ernest-cu-philippines-a-great-alternative-for-sea-hyperscalers.html>

Tower Sale and Leaseback Deal:

- On August 15, 2023, Globe successfully transferred additional 100 towers to MIDC for ~₱1.2 billion and 113 towers to Frontier Towers with a total cash consideration of ~₱1.4 billion.
- On August 31, 2023, Globe achieved the second closing of 55 towers for approximately ₱660 million and transferred a total of 170 out of 447 towers to be acquired by Unity.
- On September 28, 2023, Globe closed 29 towers to be acquired by MIDC for approximately ₱348 million. Cumulatively, Globe has closed 1,149 out of 2,180 towers to be acquired by MIDC.

In total, Globe already raised ~₱52.9 billion, reaching around 54.9% of the tower deal by officially turning over the ownership of 4,123 out of 7,506 towers sold.

***Key Portfolio Company Highlights: Non-Telco Revenues Now Accounts for 3.4% of Globes GSR from 2.4% in 2022***

With Globe's commitment to uplift the lives of Filipinos through digital transformation, Globe continues to expand its beyond-telco initiatives with a growing portfolio of digital companies. Globe is in a position to leverage its suite of digital solutions, through its various portfolio companies, to maximize its impact on

the daily lives of its consumers. From its core telco business, Globe has grown its portfolio with ventures in financial technology, healthcare, edutech, climatech, entertainment, adtech, e-commerce, manpower, information technology services and investments.

*GCash* remains the dominant Finance Super App in the country, bannered by ubiquity across its active user base, which is 5x larger than the next e-wallet, based on statistics from reputable third-party provider [data.ai](#), and the largest digital ecosystem with 6 million merchants and social sellers and over 900 merchant partners hosted in GLife. Built on trust and the security of its brand and platform, *GCash* was again recognized by *The Asian Banker* as the Best SuperApp and Platform at the recent Excellence in Retail Financial Services and Technology Innovation Philippines Awards 2023. This year's award, which marks the fifth consecutive TAB citation for *GCash* over the past three years, honors the mobile wallet's unwavering efforts to make innovative financial services and efficient digital solutions accessible to millions of Filipinos. Moreover, *GCash* boasts of the most comprehensive suite of digital financial services, covering savings (via *GSave*), investments (via *GFunds* and the recently launched *GCrypto*), and insurance products (via *GInsure*). On credit, backed by its proprietary trust platform and credit scoring via *GScore*, *GCash* has provided access to credit to over 3.4 million unique borrowers, of which the majority are from lower socio-economic classes and  $\frac{2}{3}$  are women. These milestones were achieved through game-changing lending products covering credit lines (*GCredit*), cash loans (*GLoan*), and buy-now-pay-later (BNPL, via *GGives*), providing loans to more Filipinos who need it the most, continuously paving the way to its vision of Finance for All. In line with its financial inclusion mandate, *GCash* has gone beyond the nation's borders and now offers payments in 17 countries through *GCash Global Pay*. *GCash* also empowers overseas Filipinos in 6 countries to manage their finances through *GCash Overseas* which allows them to use their international mobile number to register for the *GCash* App and gives them access to services such as Buy Load, Pay Bills, and Send Money. Moving beyond transactions, *GCash* incorporates sustainability with innovation. The *GForest* movement empowers users to accumulate green energy and plant trees by simply using *GCash*. As of Q3, more than 2.5M trees have been planted, enabling our users to build a greener tomorrow.

Other portfolio companies under Globe's corporate venture builder, 917Ventures, include telehealth service platform *KonsultaMD*. 917Ventures also has adtech company *AdSpark*; loyalty, and e-commerce solutions provider *RUSH*; a cloud based multi-channel communications platform *M360*; *iNQUIRO* which offers suite of data-driven products and solutions designed to create value for enterprises and their customers; *DeepSea* which is an adtech company focused on enabling programmatic advertising capabilities that power agencies, advertisers, and publishers; and *GoLearn* which is a tech school offering bootcamps on different IT courses to equip beginners and career shifters with critical and highly sought-after skills.

- *KonsultaMD*, the largest healthtech play in the Philippines, provides accessible healthcare to Filipinos through a one-stop health superapp. With its consolidation with *HealthNow* and *AIDE*, the *KonsultaMD SuperApp* brings together *KonsultaMD*'s expertise in on-demand doctor consultations, *HealthNow*'s strength in medicine delivery, and *AIDE*'s mastery of providing health services at home. The *KonsultaMD SuperApp* offers the full healthcare experience from 24/7 doctor consultations, pharmacy, to diagnostics at-home. With over 1,000 healthcare providers, 40+ specializations, and more than 1,000 pharmacy offers, *KonsultaMD* continues to serve Filipinos nationwide in 16+ dialects. *KonsultaMD* is the one-stop-shop for all your healthcare needs.
- *Brave Connective Holdings, Inc. (BCHI)*
  - *AdSpark*, the award-winning and largest locally ad-based data powered digital media and creative agency which has launched more than 3,000 digital campaigns.
  - *M360*, largest A2P multi-channel messaging platform, capable of sending messages to over 700 partner network operators in 190 countries via SMS or chat apps. Generates over 1.1 billion average monthly traffic with access to over 150 million mobile SMS users and over 45 million OTT users in the Philippines.
  - *DeepSea*, enables programmatic advertising by leveraging first party data, millions of audiences and wide variety & unique audience segments to advertisers



- iNQUiRO, suite of data-driven products and solutions designed to create value for enterprises and their customers.
- *Rush*, the loyalty and ecommerce arm of Globe's 917Ventures made it to the Top 10 ecommerce solutions companies for 2022 of APAC CIO Outlook – the only Philippine firm on the index.
- *KodeGo*, tech bootcamp offering online IT programs and company matching support. Winner of Ayala Innovation Excellence Awards (AIXA) 2022.
- Globe Group's 917Ventures, Ayala Corporation, and *Gogoro Inc.* made history with the launch of Gogoro Smartscooters® and battery-swapping in the Philippines. The companies are introducing a new era in sustainable transportation that brings together smart, convenient and accessible electric two-wheelers to customers. Gogoro Philippines is set to open the Gogoro Experience Center (GEC) in Makati City, its first retail space in the country on November 7, 2023. The opening of GEC is a significant milestone before the start of Gogoro's commercial operations in the Philippines.
- Multi-payment platform Electronic Commerce Payments (EC Pay) Inc., reported a significant growth in digital merchant partners as many Filipinos now shifted to digital channels. ECPay currently has over 570 Biller and Portfolio partners and more than 490,000 over-the-counter (467,231 of which are in the General Trade), and 3,000+ digital payment touchpoint channels nationwide.

On 28 September 2023, Globe entered into an agreement with Globe Fintech Innovations, Inc. (Mynt), the parent company of GCash, for the sale of its 77% stake in Electronic Commerce Payments, Inc. (ECPay). ECPay's minority stakeholder, Payment One, Inc., is likewise a party to the agreement, effectively making the transaction a full acquisition of ECPay by Mynt. Upon closing of the transaction, ECPay will have access to GCash's platform and data analytics capabilities, enabling ECPay to better traverse the ever-evolving digital landscape to which GCash is a leader in. As for Mynt, it is expected to better harmonize the capabilities of both ECPay and GCash, providing a more comprehensive suite of solutions that address the needs of MSMEs and other local Enterprises. The acquisition will help GCash provide best-in-class services in the fintech space and further democratize financial access.

- Globe's corporate venture capital arm, Kickstart Ventures, is one of the most active venture capital firms in the Philippines. Kickstart manages two funds for Globe and advises the \$180M Ayala Corporation Technology Innovation Venture (ACTIVE) Fund, the largest fund to come out of the Philippines. Out of these three funds, Kickstart now has 63 investments in 9 countries, backing 131 founders.
- Asticom is a tech-enabled shared services and outsourcing company under the Globe Group. Launched in March 2015, Asticom has grown extensively over the years. It currently serves over 200 clients from various industries including telecom, fintech, IT, retail, health, logistics, automotive, banking, education, real estate, and energy. It employs over 5,000 headstrong workforce nationwide.

***Key ESG Highlights: Globe is dedicated to integrating sustainability into every aspect of its operations***

Sustainability at Globe is anchored on its Globe Purpose, "In everything we do, we treat people right to do a Globe of Good," and aims to contribute to 10 United Nations' Sustainable Development Goals (UN SDGs) guided by the 10 UN Global Compact Principles.

In 2019, Globe became a signatory to the United Nations Global Compact, committing to implement universal sustainability principles.

Globe's Sustainability practice is anchored on its Purpose that "in everything we do, we treat people right to create a Globe of Good." With Globe's nationwide footprint, it drives sustainability not just in its

operations but also for society at large. The company is committed to contribute towards nation-building by providing inclusive digital products and services driven by its empowered workforce and stakeholders.

### **Net Zero Progress**

As part of its commitment to set science-based targets through the Science Based Target Initiative (SBTi), Globe has identified an interim voluntary reduction target of 4.2% linear annual reduction rate (LARR) for its Scope 1 and 2 emissions, pending SBTi verification and approval. Globe has submitted in June 2023 its targets for SBTi validation, 24 months after its commitment to set science based targets as required by the SBTi.

In 2022, Globe achieved a 4.42% reduction of its combined Scope 1 and 2 greenhouse gas (GHG) emissions which is attributable to the company's energy efficiency programs and continued shift to renewable energy sources. More details can be found on pages 213-221 of the 2022 Globe Integrated Report.

### **2022 Globe Integrated Report**

<https://www.globe.com.ph/about-us/sustainability/integrated-report.html#gref>

Globe has published its 2022 Integrated Report guided by the principles of the following frameworks:

- International Integrated Reporting Council (IIRC) Framework
- Reference to the Global Reporting Initiative (GRI) standards
- Task Force on Climate-related Financial Disclosures (TCFD) recommendations
- Sustainability Accounting Standards Board (SASB)
- United Nations Sustainable Development Goals (UN SDGs)
- United Nations Global Compact (UNGC) Principles
- Securities and Exchange Commission (SEC) recommendations
  - Integrated Annual Corporate Governance Report (i-ACGR)
  - Sustainability Reporting Guidelines
- GSMA ESG Metrics for Mobile

The report is in compliance with the recommendations made in the Philippines SEC Memorandum Circular No. 4, series of 2019 on Sustainability Reporting for Publicly-Listed Companies (PLCs) and has undergone third-party external assurance conducted by DNV.

### **3Q 2023 Sustainability Updates**

#### **ENVIRONMENT**

To reduce Scope 3 emissions, Globe has implemented two new strategies: (1) shifted the E-Waste Zero Program to mainly collect mobile and broadband devices, and (2) implemented sustainable practices in Globe-led events starting with the G Music Fest.

#### **Circularity**

Globe is refocusing its E-Waste Zero Program to mobile and broadband devices in response to global industry trends on electronic waste circularity. This shift allows Globe to concentrate on reducing its value chain emissions (GHG Scope 3) and maximize its impact on e-waste circularity.

<https://www.globe.com.ph/about-us/newsroom/sustainability/e-waste-zero-program-mobile-broadband-device-circularity.html#gref>

#### **Piloting Sustainable practices in events**

G Music Fest aims to set a new standard in implementing sustainable practices in events. Not only does it aim to limit the use of single-use plastics among vendors, but it is also promoting a BYO (Bring Your Own) initiative for festival-goers, with water refilling stations brought by Klean Kanteen scattered across the venue. Globe also formed a collaboration with Ayala Logistics through Integrated Waste Management, Inc. (IWM), to ensure proper waste segregation, collection, and post-processing with priority for diverting

wastes away from landfills through recycling and recovery, as well as deploying gender-neutral and water-efficient portalets. Festival-goers will also have a cleaner transport choice with Globe deploying electric shuttles to and from the venue through its official shuttle partner, Global Electric Transport (GET).

<https://www.globe.com.ph/about-us/newsroom/consumer/g-music-fest-pinoy-music-tech-creativity-sustainability.html#gref>

## **SOCIAL**

Globe has blocked 2.2 billion scam and spam messages, deactivated and blacklisted 58,234 SIMs, and blocked 4.85 million bank-related scam and spam messages. To further solidify the company's commitment to protect its customers, it organized seminars to raise awareness of employees and companies on data privacy and cybersecurity.

In line with the company's thrust to drive digital inclusion and enablement, Globe continues to innovate ways to make digital products and services accessible and affordable to individuals, families, and businesses. It also remains dedicated to supporting communities to improve literacy and address involuntary hunger.

### **Cybersecurity and Data Privacy**

Globe blocked 2.2 billion scam and spam messages from January to June this year, a nearly four-fold increase from the 615.01 million it logged in the same period last year. This figure is closely approaching the 2022 full-year record of 2.72 billion blocked messages.

<https://www.globe.com.ph/about-us/newsroom/corporate/record-high-2-billion-spam-sms-h1-2023.html#gref>

Globe has reported a significant 46% decrease in blocked bank-related scam and spam messages in its network in the first half of this year.

<https://www.globe.com.ph/about-us/newsroom/corporate/46-percent-drop-in-bank-related-spam-sms-h1-2023.html#gref>

The vigorous campaign against scam and spam SMS through Globe's #StopSPAM portal has resulted in 58,234 deactivated and blacklisted SIMs which are linked to fraud and malicious texts. This figure represents a striking 226.22% increase from 17,851 during the equivalent period last year.

<https://www.globe.com.ph/about-us/newsroom/corporate/globe-blacklists-deactivates-over-58-thousand-sims-h1-2023.html#gref>

The third annual Privacy Awareness Month of Globe reaffirms the company's commitment to ingraining a robust data privacy culture within its diverse workforce. With the theme "See Privacy," the activity was synchronized with the National Privacy Commission's (NPC's) Privacy Awareness Week in May.

<https://www.globe.com.ph/about-us/newsroom/corporate/globe-builds-robust-data-privacy-culture.html#gref>

The three-day activity *CyberHeist 2023* of Globe Business highlights the vital role of cybersecurity in the digital age and how cybersecurity solutions can help organizations protect their data. Held at The Globe Tower, CyberHeist 2023 features two main experiential components: The Cybersecurity Escape Rooms and Whiskey Business: Code on the Rocks.

<https://www.globe.com.ph/about-us/newsroom/business/cybersecurity-solutions-cyberheist-2023.html#gref>

### **Digital Enablement**

Globe is bolstering the digitization initiatives of the Department of Agriculture by providing critical internet connectivity to select DA- Agricultural Training Institute (DA-ATI) regional centers nationwide. This collaboration was highlighted by Globe's turnover of 609 modems with SIM cards and ₱609,000 worth of load cards to the DA-ATI, a donation valued at around ₱1.09 million

<https://www.globe.com.ph/about-us/newsroom/corporate/globe-bolsters-ph-agricultures-digital-transformation.html#gref>

Globe, in partnership with the Child Protection Network Foundation, Inc. (CPN) and UNICEF, took another step towards the advancement of child protection as it provided vital internet connectivity with its WiFi modem and mobile devices to 55 hotspot barangays across Metro Manila and Cavite as a significant cornerstone of the TeleCPU Center sa Barangay project.

<https://www.globe.com.ph/about-us/newsroom/sustainability/child-safety-through-collaboration-cpn-unicef.html#gref>

### **Anti-piracy**

In a landmark move to protect intellectual property rights and combat online content piracy, Globe has signed a Memorandum of Understanding (MOU) with the Intellectual Property Office of the Philippines (IPOPHL) and four other leading Internet Service Providers (ISPs) in the country to establish a site-blocking mechanism against pirate sites.

<https://www.globe.com.ph/about-us/newsroom/corporate/globe-unites-with-ipophl-major-isps-landmark-mou-vs-online-content-piracy.html#gref>

### **MSME**

Recognizing challenges faced by entrepreneurs, RUSH introduces Spark Lite, an all-in-one eCommerce solution designed to speed up business growth without breaking the bank. Spark Lite empowers entrepreneurs to launch and manage their own eCommerce website for only ₱500 per month. Starting with one branch, businesses can add more as they grow, and accept and manage an unlimited number of orders for maximum profits.

<https://www.globe.com.ph/about-us/newsroom/corporate/rush-technologies-boosts-small-business-growth-spark-lite.html#gref>

RUSH Technologies, a leading provider of eCommerce solutions, has launched a series of free on-site classes designed to empower budding entrepreneurs eager to speed up their business growth. The Learning Tracks launched under the RUSH Academy is an integral part of Fast Track by RUSH, a comprehensive business acceleration program tailored to ignite the success of merchant online stores.

<https://www.globe.com.ph/about-us/newsroom/business/rush-offers-free-acceleration-program-business-success.html#gref>

In a move to make efficient workflow and document management more accessible, MemoApp, 917Ventures' newest startup, has launched a Basic subscription plan that provides a paperless document management system absolutely free, aligned to MemoApp's vision of supporting businesses in their digital journey.

<https://www.globe.com.ph/about-us/newsroom/business/917ventures-memoapp-accelerates-empowers-businesses.html#gref>

KodeGo is transforming the job-skills matching landscape with its Training-as-a-Service (TaaS) program, offering educational solutions meticulously crafted to meet the unique needs of different companies. The TaaS program builds on KodeGo's expertise in technology and skills training to provide a personalized approach that enables enterprises to equip their workforce with specific skills crucial to achieving strategic objectives.

<https://www.sunstar.com.ph/cebu/feature/kodego-revolutionizes-job-skills-matching-with-customizable-taas-program>

### **Education**

As the Philippines celebrates Buwan ng Wika, Globe, in collaboration with NABU, is revolutionizing the way various Filipino languages are embraced and preserved through digital enablement and inclusion. By sharing unique stories penned by Filipino mothers, along with more than a hundred books translated into

regional languages such as Hiligaynon, Bicolano, Ilokano, Cebuano, and Maranao, Globe and NABU are making literacy accessible to children across the nation and promoting inclusivity.

<https://www.globe.com.ph/about-us/newsroom/sustainability/globe-nabu-celebrate-buwan-ng-wika.html#gref>

### **Hunger alleviation**

Globe has joined ATIN Global and SEE Global Entertainment in introducing "Michelangelo's Sistine Chapel: The Exhibition" to the Philippines and Southeast Asia, using the transformative power of art to battle hunger.

<https://www.globe.com.ph/about-us/newsroom/sustainability/globe-partners-with-atin-global-see-global.html#gref>

<https://www.globe.com.ph/about-us/newsroom/consumer/michelangelo-frescoes-now-accessible-via-landmark-exhibit.html#gref>

<https://www.globe.com.ph/about-us/newsroom/sustainability/see-michelangelos-historic-art-help-vulnerable-families.html#gref>

Kwentoon, a Philippine start-up connecting young audiences to thoughtfully selected visual content, has teamed up with The Hapag Movement to help address involuntary hunger. As part of this advocacy, 10% of every ticket sold at the recently held Kwentoon Festival 2023 will be donated to the Globe-led movement.

<https://www.globe.com.ph/about-us/newsroom/sustainability/kwentoon-joins-the-hapag-movement.html#gref>

The Provincial Government of Albay have forged a partnership with Globe in support of The Hapag Movement, marking the first time a local government unit has joined the initiative against involuntary hunger. All proceeds from the dinner will be channeled directly to The Hapag Movement, with the goal to supplement the efforts of the Provincial Government of Albay to provide meals to the families that have been affected by the ongoing state of calamity that the locality is still experiencing.

<https://www.globe.com.ph/about-us/newsroom/corporate/albay-holds-benefit-dinner-globe-led-the-hapag-movement.html#gref>

### **GOVERNANCE**

As a demonstration of its commitment to high sustainability practices, Globe has updated and released policies related to environment, social, and governance.

Globe has released its revised Environmental Sustainability Policy, underscoring the importance of circularity as it promotes mindful consumption, sustainable production, carbon reduction, resource efficiency, and comprehensive waste management strategies.

<https://www.globe.com.ph/about-us/newsroom/sustainability/enhanced-environmental-policy.html#gref>

In line with the company's commitment to adapt to the impacts of climate change, the enhanced Business Continuity Management (BCM) policy of the company seeks to ensure dependable connectivity even during disasters and other catastrophic events.

<https://www.globe.com.ph/about-us/newsroom/corporate/improved-bcm-policy-for-reliable-connectings-during-disasters.html#gref>

To encourage vendors and suppliers to operate responsibly and integrate more sustainable practices, Globe's recently released Sustainable Supply Chain Policy Commitment outlines that it will exercise enhanced supplier due diligence, selecting vendors based on a multifaceted assessment that scrutinizes their sustainability commitments, practices, and overall performance. Under its strengthened policy, Globe is reinforcing the importance of the Supplier Code of Ethics (SCoE), expecting all accredited suppliers to adhere to it.

<https://www.globe.com.ph/about-us/newsroom/sustainability/new-policies-move-supply-chain-towards-sustainable-practices.html#gref>

Globe's dedication to ESG principles extends beyond simple compliance with laws and regulations. This year, the company has taken a stronger position on human rights, diversity, equity, inclusion, and sustainable supply chain by releasing relevant policies.

<https://www.globe.com.ph/about-us/newsroom/sustainability/8th-consecutive-year-ftse4good-index-series.html#gref>

## **ESG RATINGS**

In 2023, Globe achieved a ratings upgrade to AA from MSCI and marked the 8th consecutive year in FTSE4Good Index Series.

Globe announces it has been included in the FTSE4Good Index Series, reflecting the organization's continued dedication to implementing Environmental, Social, and Governance (ESG) practices across its operations.

<https://www.globe.com.ph/about-us/newsroom/sustainability/8th-consecutive-year-ftse4good-index-series.html#gref>

Another historic milestone for Globe is that it achieved a ratings upgrade to AA from MSCI, marking the highest rating among companies and within the telco industry in the Philippines to date.

<https://www.globe.com.ph/about-us/newsroom/sustainability/globe-msci-esg-rating-soars-to-aa.html#gref>

## **ESG-LINKED RECOGNITIONS**

Globe has received 11 accolades from five (5) award giving bodies for Q3 of 2023.

Globe took home four prestigious awards at the 3rd annual Employee Experience Awards, run by Singapore-based HR organization Human Resources Online, showing the unwavering commitment to enhancing employee experience.

<https://www.globe.com.ph/about-us/newsroom/corporate/quadruple-win-hr-online-employee-experience-awards.html#gref>

The Globe Group has clinched the coveted Gold for Best Video Storytelling at the PR Awards Asia 2023, recognized for its potent and impactful #MakeITSafePH cyberbullying campaign.

<https://www.globe.com.ph/about-us/newsroom/sustainability/makeitsafeph-wins-gold-pr-awards-asia-2023.html#gref>

Globe Group's #MakeITSafePH anti-cyberbullying campaign has garnered two prestigious awards at the Public Relations Communications Association (PRCA) Platinum 2023 Awards Ceremony in London, besting top-tier entries from Asia-Pacific, the Middle East, Africa, Europe, and the Americas.

<https://www.globe.com.ph/about-us/newsroom/sustainability/multi-awarded-makeitsafeph-campaign-double-honors-prca-platinum-awards.html#gref>

Marisalve Ciocson-Co, Globe's Chief Compliance Officer, has been included in the Legal 500's GC Powerlist Southeast Asia, a prestigious listing of the world's best corporate lawyers. This honor is a testament to Ciocson-Co's unwavering commitment to Globe's corporate governance, compliance initiatives, and the development of innovative legal structures that propel business growth.

<https://www.globe.com.ph/about-us/newsroom/corporate/marisalve-ciocson-co-in-legal-500-gc-powerlist-southeast-asia.html#gref>

In the 2023 Standard Insights' Consumer Choice Awards, Globe was recognized for Best Network Reliability, Best Prices & Offers, Best Branding & Marketing, and Most Sustainability-Driven Mobile Network Operator, highlighting the company's dedication to quality service, innovation, and sustainability.

<https://www.globe.com.ph/about-us/newsroom/corporate/standard-insights-consumer-choice-awards.html#gref>



Information about Globe's Sustainability and Social Responsibility initiatives, may be found at The Globe Newsroom <https://www.globe.com.ph/about-us/newsroom/sustainability.html> and The Globe Sustainability Page <https://www.globe.com.ph/about-us/sustainability.html>

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### **About Globe**

Globe Telecom, Inc. is a leading digital platform in the Philippines, with major interests in telecommunications, financial technology, digital marketing solutions, venture capital funding for startups, entertainment, and virtual healthcare. The company serves the telecommunications and technology needs of consumers and businesses across an entire suite of products and services including mobile, fixed, broadband, data connectivity, internet and managed services. In 2019, Globe became a signatory to the United Nations Global Compact, committing to implement universal sustainability principles. Its principals are Ayala Corporation and Singtel, acknowledged industry leaders in the country and in the region.

It is listed on the Philippine Stock Exchange under the ticker symbol GLO and had a market capitalization of US\$4.6 billion as of the end of September 2023.

For more information, visit [www.globe.com.ph](http://www.globe.com.ph). Follow @enjoyglobe on Facebook, Twitter, Instagram and YouTube.