

**LEVEL 2 – BONUS ITEMS****(B) A. RIGHTS OF SHAREHOLDERS**

Scorecard Item		Guiding Reference	Answer (Yes/No)	GLO Remarks
(B)A.1	Right to participate effectively in and vote in general shareholders meeting and should be informed of the rules, including voting procedures that govern general shareholders meeting.			
A.1.1(B)	Does the company allow the use of secure electronic voting in absentia at the general meetings of shareholders?	OECD Principle II (C) (4) Shareholders should be able to vote in person or in absentia, and equal effects should be given to votes whether cast in person or in absentia.	YES	<p>Globe provides two options for stockholders to vote during ASMs – manual or electronic voting. All stockholders are informed of these options prior to ASMs through the 'Notice and Agenda of ASMs' and the SEC Form 20-IS sent to shareholders. The same are stated in our Minutes of the ASM, By-Laws and MCG:</p> <p>GLO Notice and Agenda of the 2017 ASM, PDF p. 6 (Item 2, ii) http://corporate-governance.globe.com.ph/content/dam/multi-microsites/docs/2017/ASM2017-Minutes-posted20April2017.pdf</p> <p>GLO 2016 Information Statement, PDF p. 11 (Item B(1)(d)) http://investor-relations.globe.com.ph/sec-filings/information-statement.html</p> <p>GLO 2017 Minutes of the ASM, PDF p. 2 (Item 2) http://corporate-governance.globe.com.ph/content/dam/multi-</p>



			microsites/docs/2017/ASM2017-Minutes-posted20April2017.pdf GLO By-Laws, p. 2 (Article I, Section 5) http://www.globe.com.ph/documents/7122541/7171061/GLOBE+-+Amended+By-Laws+2011.pdf GLO Manual of Corporate Governance, pp. 12-13 (Article II, Section 2.6.2) http://www.globe.com.ph/documents/50301/16764017/17C_Revised+Manual+of+Corporate+Governance_12May2015.pdf
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(B) B. EQUITABLE TREATMENT OF SHAREHOLDERS

Scorecard Item		Guiding Reference	Answer (Yes/No)	GLO Remarks
B.1	Notice of AGM			
B.1.1(B)	Does the company release its notice of AGM (with detailed agendas and explanatory circulars), as announced to the Exchange, at least 28 days before the date of the meeting?	OECD Principle II (C) (1) Shareholders should be furnished with sufficient and timely information concerning the date, location and agenda of general meetings, as well as full and timely information regarding the issues to be decided at the meeting. (3) Effective shareholder participation in key corporate governance decisions, such as the nomination and election of board members, should be facilitated. OECD Principle III (A) ICGN 8.3.2 Shareholder participation in governance Shareholders should have the right to participate in key corporate governance decisions, such as the right to	YES	Globe observes sending of notices of ASMs at least 28 days prior to the date of the actual meeting. For our 2017 ASM held on 18 April 2017, we submitted the Notice and Agenda of the ASM to the PSE and SEC on 07 December 2016 and posted on or website. We likewise sent the Notice, Agenda Items of the ASM and 20-IS on <u>10 March 2017</u> , which is even beyond and earlier than 28 days before the date of the meeting: GLO ACGR Y2016 , pp. 87-88, 93-94 (Part J(1)(d)(3), (h-i)) http://corporate-governance.globe.com.ph/content/dam/multi-



		<p>nominate, appoint and remove directors on an individual basis and also the right to appoint external auditors.</p> <p>ICGN 8.4.1 Shareholder ownership rights The exercise of ownership rights by all shareholders should be facilitated, including giving shareholders timely and adequate notice of all matters proposed for shareholder vote.</p> <p>CLSA-ACGA (2010) CG Watch 2010 – Appendix 2. (I) CG rules and practices (25) Do[es] the company release their AGM notices (with detailed agendas and explanatory circulars) at least 28 days before the date of the meeting?</p>	<p>microsites/docs/2017/GLO%20ACGR%202016%20Submission_SECReceived26May2017.pdf</p> <p>Notice and Agenda of the 2017 ASM (Company website) http://corporate-governance.globe.com.ph/annual-stockholders-meetings.html</p> <p>GLO 2017 Minutes of the ASM, PDF p. 2 (Item 2) http://corporate-governance.globe.com.ph/content/dam/multi-microsites/docs/2017/ASM2017-Minutes-posted20April2017.pdf</p>
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(B) C. ROLE OF STAKEHOLDERS

Scorecard Item		Guiding Reference	Answer (Yes/No)	GLO Remarks
C.1				
(B)C.1.1	Does the company adopt an internationally recognized reporting framework for sustainability (i.e. GRI, Integrated Reporting, SASB)?	OECD – IV. The role of Stakeholders	YES	<p>Globe adopted and observes the Global Reporting Initiative (GRI) Index and GRI's G4 Guidelines in the preparation of our annual reports. This is a voluntary reporting, in addition to those required under the applicable laws and regulations of the SEC and PSE in financial and annual reports, which is geared towards sustainable development.</p> <p>Our commitment to GRI and discussion on the practice is included in our ASR. Our MCG formalizes Globe's commitment to adopting international standards for sustainability reporting.</p>



				<p><u>2016 Annual and Sustainability Report, pp. 7, 68, 124</u> http://annual-report.globe.com.ph/content/dam/multi-microsites/docs/annual-report/2016/GLOBE-AR2016-APRIL17-MICROSITE-LOW-RES.pdf</p> <p><u>Manual of Corporate Governance, p. 54 (Article VII, Section 16.1)</u> http://corporate-governance.globe.com.ph/content/dam/multi-microsites/docs/2017/GLOBE%20TELECOM,%20INC.%20MCG_SECReceived30May2017.pdf</p>
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(B) D. DISCLOSURE AND TRANSPARENCY

Scorecard Item		Guiding Reference	Answer (Yes/No)	GLO Remarks
D.1				
(B)D.1.1	Are the audited annual financial report/ statement released within 60 days from the financial year end?	OECD Principle V (A)	YES	<p>Globe's Consolidated Audited Annual Financial Statements for the financial year ending December 31, 2016 was released and filed with the SEC on <u>February 28, 2017</u>, which is even beyond and earlier than 60 days after the end of fiscal year:</p> <p><u>GLO 2016 Audited Financial Statements</u> http://investor-relations.globe.com.ph/sec-filings/audited-financial-statements.html</p>
(B)D.1.2	Does the company disclose details of remuneration of the CEO?		YES	Globe's President and CEO is our only executive director. As such, he does not receive per diem allowance/remuneration for his role that is part of



				<p>Globe Management as our President and CEO. As such, our employee remuneration/compensation policy applies to Mr. Cu. Fixed remuneration is based on the value of the role, talent, and the prevailing market rates. More discussion on our remuneration components is disclosed in our ACGR, ASR and company website:</p> <p>GLO ACGR Y2016, pp. 37-40 (Part D) http://corporate-governance.globe.com.ph/content/dam/multi-microsites/docs/2017/GLO%20ACGR%202016%20Submission_SECReceived26May2017.pdf</p> <p>2016 Annual and Sustainability Report, pp. 110-111 http://annual-report.globe.com.ph/content/dam/multi-microsites/docs/annual-report/2016/GLOBE-AR2016-APRIL17-MICROSITE-LOW-RES.pdf</p> <p>Rewards or Compensation Policy (Company website) http://corporate-governance.globe.com.ph/company-policies.html</p>
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(B) E. RESPONSIBILITIES OF THE BOARD

Scorecard Item		Guiding Reference	Answer (Yes/No)	GLO Remarks
E.1	Board Competencies and Diversity			
(B)E.1.1	Does the company have at least one female independent director/commissioner?	OECD Principle VI (E) (4) Countries may wish to consider measures such as voluntary targets, disclosure	YES	Globe's female independent director is Ms. Saw Phaik Hwa. Ms. Saw was first elected during the ASM on April 07, 2015 and was last re-elected during our most recent ASM on April 18, 2017. This is disclosed



		<p>requirements, boardroom quotas, and private initiatives that enhances gender diversity on boards and in senior management</p>	<p>in our 2017 ASM Minutes and Results of the ASM. Ms. Saw's profile is also disclosed in our company website, SEC Form 20-IS, ACGR submitted to the SEC and PSE:</p> <p><u>GLO 2017 Minutes of the ASM, PDF p. 10 (Item 5)</u> http://corporate-governance.globe.com.ph/content/dam/multi-microsites/docs/2017/ASM2017-Minutes-posted20April2017.pdf</p> <p><u>GLO Voting Results of the 2017 ASM, PDF p. 2</u> http://corporate-governance.globe.com.ph/content/dam/multi-microsites/docs/investor-relations/2017/ASM2017-Voting-Results-posted19April2017.pdf</p> <p><u>Saw Phaik Hwa Profile in Board of Directors page (Company website)</u> http://corporate-governance.globe.com.ph/board-of-directors.html</p> <p><u>GLO 2016 Information Statement, PDF p. 38 (Annex "A")</u> http://investor-relations.globe.com.ph/sec-filings/information-statement.html</p> <p><u>GLO ACGR Y2016, pp. 4, 44 (Part A(1)(a), Part E(2)(b))</u> http://corporate-governance.globe.com.ph/content/dam/multi-microsites/docs/2017/GLO%20ACGR%202016%20S%20ubmission_SECReceived26May2017.pdf</p>
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(B)E.1.2	Does the company have a policy and disclose measurable objectives for implementing its board diversity and report on progress in achieving its objectives?	<p>OECD Principle VI (E) (4) Countries may wish to consider measures such as voluntary targets, disclosure requirements, boardroom quotas, and private initiatives that enhances gender diversity on boards and in senior management</p>	<p>YES</p> <p>As part of our CG best practices and in implementation of our board diversity policy in the workplace, we have at least one female independent director in the Board. To have at least one (1) female director in our Board is also stated in our Board Charter. Our Board diversity policy also states that no director or candidate for director shall be discriminated upon by reason of gender, age, disability, ethnicity, nationality or political, religious, or cultural backgrounds.</p> <p>As such, we have a very diverse mix of directors from different ethnic backgrounds and nationalities with professional backgrounds and experience in various industries other than the telco industry such as accounting and audit, sales and marketing, network operations, IT solutions, customer and services management, corporate governance and strategic planning, as well as educational backgrounds that include biochemistry, business administration, marketing and finance, metallurgical engineering, and mathematical sciences, among others. Our directors' profiles are included in our ASR and company website:</p> <p><u>Board of Directors – Members (Company website)</u> http://corporate-governance.globe.com.ph/board-of-directors.html</p> <p><u>Board of Directors – GLO Board Charter (Company website)</u> http://corporate-governance.globe.com.ph/board-of-directors.html</p>
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Scorecard Item		Guiding Reference	Answer (Yes/No)	GLO Remarks
(B)E.2	Board Structure			
(B)E.2.1	Is the Nominating Committee comprise[d] entirely of independent directors/commissioners?	<p>ICGN 2.4.4 Composition of board committees The members of these key board committee should be solely non-executive directors, and in the case of the audit and remuneration committees, solely independent directors. All members of the nominations committee should be independent from management and at least a majority should be independent from dominant owners.</p>	<p>YES</p>	<p>Globe's Nomination and Governance Committee is composed of three (3) directors, all of whom are independent and non-executive directors including the chairman. This is disclosed in our company website:</p> <p><u>Board Committees (Company website)</u> http://corporate-governance.globe.com.ph/board-of-directors/committees.html</p> <p><u>GLO Corporate Disclosure – Changes on Board Committees</u> http://investor-relations.globe.com.ph/content/dam/multi-microsites/docs/2017/17-C%20-%20Change%20in%20BOD%20Committees%20_SFCReceived10May2017.pdf</p>



				<p>Results of the Annual Stockholders' Meeting and the Organizational Board Meeting http://corporate-governance.globe.com.ph/content/dam/multi-microsites/docs/investor-relations/2017/GLO-Corporate-Disclosure-Results-of-2017-ASM-and-Organizational-Meeting-SECReceived18Apr2017.pdf</p>
(B)E.2.2	Does the Nominating Committee undertake the process of identifying the quality of directors aligned with the company's strategic directions?	<p>OECD Principle VI (5) Ensuring a formal and transparent board nomination and election process. While actual procedures for nomination may differ among countries, the board or a nomination committee has a special responsibility to make sure that established procedures are transparent and respected. The board or nominating committee has a key role in (but not limited to): (i) Defining the general or individual profile of board members that the company may need at any given time; (ii) Considering the appropriate knowledge, competencies and expertise to complement the existing skills of the board; (iii) Identifying potential candidates to meet desired profiles and proposing them to</p>	<p>YES</p>	<p>Globe's MCG explicitly states that one of the functions of the Nomination and Governance Committee is to "undertake the process of identifying the quality of directors aligned with Globe's...strategic directions". The Committee's Charter also states this:</p> <p><u>GLO Manual of Corporate Governance, p. 21 (Article II, Section 3.3, (h))</u> http://www.globe.com.ph/documents/50301/16764017/17C_Revised+Manual+of+Corporate+Governance_12May2015.pdf</p> <p><u>Nomination and Governance Committee Charter, PDF p. 9 (Section 3.2(b))</u> http://corporate-governance.globe.com.ph/content/dam/multi-microsites/docs/2017/Globe%20Nomination%20and%20Governance%20Committee%20Charter.pdf</p>



		shareholders, and/or (iv) Considering those candidates advanced by shareholders with the right to make nominations		
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Scorecard Item		Guiding Reference	Answer (Yes/No)	GLO Remarks
E.3	Board Appointments and Re-Election			
(B)E.3.1	Does the company use professional firms or other external sources of candidates (such as director databases set up by director or shareholder bodies) when searching for candidates to the board of directors/commissioners?	<p>OECD Principle VI (D) (5) The board or nomination committee has the responsibility to identify potential candidates to meet desired profiles and propose them to shareholders, and/or consider those candidates advanced by shareholders with the right to make nominations. There are increasing calls for open search processes extending to a broad range of people.</p> <p>WORLDBANK PRINCIPLE 6 (VI.I.21) Are the boards known to hire professional search firms when proposing candidates to the board?</p>	YES	<p>Aligned with our Board Charter and the Nomination and Governance Committee Charter, Globe may use professional search firms or other external sources of candidates (such as director databases set-up by director or shareholder bodies) when searching for candidates to the board of directors:</p> <p><u>Board of Directors – GLO Board Charter, p. 7 (Article II, Section 1.6.3)</u> <u>http://corporate-governance.globe.com.ph/board-of-directors.html</u></p> <p><u>Nomination and Governance Committee Charter, PDF p. 5 (Section 4.3)</u> <u>http://corporate-governance.globe.com.ph/content/dam/multi-microsites/docs/2017/Globe%20Nomination%20and%20Governance%20Committee%20Charter.pdf</u></p>

Scorecard Item		Guiding Reference	Answer (Yes/No)	GLO Remarks
E.4	Board Appointments and Re-Election			



(B)E.4.1	Do independent non-executive directors/commissioners make up more than 50% of the board of directors/commissioners for a company with independent chairman?	<p>OECD Principle VI (E) (1) Boards should consider assigning a sufficient number of non-executive board members capable of exercising independent judgement to tasks where there is a potential for conflict of interest.</p>	<p>Globe ensures that its directors practice independent judgement and in the interest of the company and our stakeholders, such that "A director should view each problem/situation objectively and support plans and ideas which he believes are beneficial to the Corporation". This is part of our Board's specific duties and responsibilities of each director. Globe's 11-member Board of Directors is comprised of ten (10) non-executive directors, including three (3) independent directors:</p> <p><u>GLO Manual of Corporate Governance, pp. 7, 10 (Article II, Section 2.2(a); Section 2.3 (d))</u> http://www.globe.com.ph/documents/50301/16764017/17C_Revised+Manual+of+Corporate+Governance_12May2015.pdf</p> <p><u>Board of Directors (Company website)</u> http://corporate-governance.globe.com.ph/board-of-directors.html</p> <p><u>GLO ACGR Y2016, pp. 4 (Part A(1))</u> http://corporate-governance.globe.com.ph/content/dam/multi-microsites/docs/2017/GLO%20ACGR%202016%20Submission_SECReceived26May2017.pdf</p> <p><u>GLO 2017 Voting Results of the ASM, PDF p. 2 (Item 3)</u> http://corporate-governance.globe.com.ph/content/dam/multi-microsites/docs/investor-relations/2017/ASM2017-Voting-Results-posted19April2017.pdf</p>
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Scorecard Item		Guiding Reference	Answer (Yes/No)	GLO Remarks
E.5	Risk Oversight			
(B)E.5.1	Does the board describe its governance process around IT issues including disruption, cyber security, disaster recovery, to ensure that all key risks are identified, managed and reported to the board?	<p>King Code 2009 5. The governance of information technology The board should be responsible for information technology (IT) governance 5.1.1. The board should assume the responsibility for the governance of IT and place it on the board agenda. 5.1.2. The board should ensure that an IT charter and policies are established and implemented.</p>	YES	<p>As part of Globe's ERM, an enterprise wide assessment of risks is performed by Management and business teams as part of our annual planning and budgeting process, results of which are reported to and reviewed by the Board. This assessment focuses on identifying the key risks that threaten the achievement of our business objectives at corporate and business unit levels, as well as the assignment of risk owner/s and development of plans in managing such risks. The established strategies and plans to address the risks are continuously developed, updated, improved, and reviewed for effectiveness. On a regular basis, ERM and Management discuss the current risk levels and status of implementation of mitigation plans, as reported to the Board.</p> <p>We also established a coordinated end-to-end operational risk assessment program to identify, assess, treat, monitor and report risks for effective and informed business decisions. Management is apprised of the results of the assessments, particularly, the most significant risks for inputs on strategies and action plans and guidance on issues needing further review.</p>



			<p><u>Identifying and Management of IT Risks</u></p> <p>Globe recognizes that IT risks such as technology shift risk, change program risk, competition risk, cyber threats, data privacy and business disruptions remain part of our top risks, which is why we have set out practices and procedures to address these including, but not limited to, partnering with relevant institutions such as the Philippine Disaster Recovery Foundation (PDRF). Detailed discussion on our IT risks, cyber threats and business disruptions as well as our action to protect our business against these are included in our annual reports, including our most recent ASR.</p> <p>Unlike most organizations, we have our Information Security and Data Privacy Division (ISDP) which is a fully operationalized, independent group that focuses on Globe's privacy and cybersecurity matters. The appointment of our Chief Information Security Officer (CISO) and Data Privacy Officer (DPO), Mr. Anton Reynaldo M. Bonifacio, further establishes Globe's adherence to the country's Data Privacy Act of 2012 (Republic Act 10173). Mr. Bonifacio also leads ISDP and reports directly to our CTIO together with our CTO, for complete governance and enforcement of policies especially those in relation to cybersecurity and data privacy.</p> <p><u>IT Governance and Cybersecurity Report to the Board</u></p>
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			<p>Cybersecurity programs and issues are reported to the Audit and RPT Committee, on a quarterly basis or more frequently as necessary and to the Board. The reports include project updates for Globe's various cybersecurity transformation programs, critical incidents and threats including any business disruption, among others.</p> <p><u>Board Action for IT Governance and Cybersecurity</u></p> <p>Among its activities on cybersecurity, Globe has been running a 3-Year Cybersecurity Transformation Program since 2014. We are now on the tail-end of its completion and have launched the next phase, which will be another 2-Year initiative. In March 2017, Globe launched the Globe Advanced Security Operations Center (ASOC), a state-of-the-art cyber-security center dedicated to protect Globe and our customers' data amidst an increasingly hostile digital environment. Our ASOC is linked to more than 1,600 cyber security professional worldwide and houses the infrastructure and teams which deliver customer service, platform management, threat detection, threat hunting and incident response for both Globe and our customers.</p> <p>Globe, through the leadership of our Board of Directors, invests generously to ensure that our cybersecurity programs are effective. We fully acknowledge the different issues, concerns and regulations that are inherent given a very active digital world. Globe sees these as opportunities for</p>
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				<p>cooperation and collaboration with both private and public entities in achieving sustainable quality business:</p> <p><u>2016 Annual and Sustainability Report, pp. 148-152</u> <u>http://annual-report.globe.com.ph/content/dam/multi-microsites/docs/annual-report/2016/GLOBE-AR2016-APRIL17-MICROSITE-LOW-RES.pdf</u></p> <p>Enterprise Risk Management (Company website) <u>http://corporate-governance.globe.com.ph/enterprise-risk-management.html</u></p> <p>GLO Charter of the Risk Management Committee <u>http://corporate-governance.globe.com.ph/content/dam/multi-microsites/docs/2017/Globe%20Risk%20Committee%20Charter%202017.pdf</u></p>
(B)E.6.1	Does the company have a separate level Risk Committee?	<p>ICGN 5.5 Risk Committee While ultimate responsibility for a company's risk management approach rests with the full board, having a risk committee (be it a stand-alone risk committee, a combined risk committee with nomination and governance, strategy, audit or other) can be an effective mechanism to bring the transparency, focus and independent judgement needed</p>	YES	<p>Given the complexity of our business, there are 3 committees that oversee Globe's risk management approach – the Finance Committee which oversees all risks related to the finance and investment; Executive Committee which oversees all risks related to operations; and the Audit and RPT Committee which oversees financial statement reporting, internal controls, legal and regulatory compliance, CG, risk management and fraud.</p> <p>To enable an integrated and holistic approach to risk management oversight at the Board level, the Board has designated the Audit and RPT Committee</p>



		to oversee the company's risk management approach.	<p>as the overall consolidator of risks for all the committees. The Audit and RPT Committee regularly reports to the Board of Directors on Globe's risk management efforts. Having three (3) committees looking into the risk factors of Globe shows how much importance we place on risk management and how much value we put on transparency focus and independent judgment.</p> <p>At the Management level, we also have the Risk Management Committee headed by our Chief Risk Officer. The Charter of the Risk Management Committee is posted on our website:</p> <p><u>Enterprise Risk Management (Company website)</u> http://corporate-governance.globe.com.ph/enterprise-risk-management.html</p> <p><u>GLO Charter of the Risk Management Committee</u> http://corporate-governance.globe.com.ph/content/dam/multi-microsites/docs/2017/Globe%20Risk%20Committee%20Charter%202017.pdf</p> <p><u>2016 Annual and Sustainability Report, pp. 140-153</u> http://annual-report.globe.com.ph/content/dam/multi-microsites/docs/annual-report/2016/GLOBE-AR2016-APRIL17-MICROSITE-LOW-RES.pdf</p>
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