

Globant
we are ready

SUSTAINABILITY

REPORT 2013



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We welcome you to this new Sustainability Report, in where we would like to share with you our triple bottom line review of the year.

2013 was a great year for Globant: In January, while the company was celebrating its 10-year-anniversary, WPP group joined as a partner, acquiring, one month before, a minority stake, and thus strengthening our leading position as innovative software product creators. The acquisition of Huddle company, together with the growth of our team hiring over 1300 Globers worldwide and generating nearly a thousand innovative technological developments, underpins the path of growth and expansion we set for ourselves 10 years ago.

During 2013, new markets in other continents and industries were opened, and Agile Pods were implemented. It is an innovative work methodology that aims at improving our results, promoting Globers expansion and our customers' satisfaction. We closed the year with remarkable growth, and revenues of more than USD 158 million.

We were also included among the Top 10 most innovative companies by Fast Company, picked by Revista Mercado as one of the 10 best Sustainability Reports of 2012, and achieved the highest rating in customer satisfaction since 2003.

We will continue working to become the best company developing the most innovative software products in the world. However, we can only do this by paying special attention to the environment. We are living in times in which we consume 1.5 times more than our planet can support, and in societies where more than 12% of young people between 15 and 24 neither work nor study. This represents over 73.4 million jobless young workers worldwide¹.

We believe that companies have an important role in society, therefore at Globant we have defined working sustainability across all areas of the company and not just carrying out Corporate Social Responsibility (CSR) activities. Top management decided that CSR was to be transformed into a Sustainability area, and the Sustainability Council was consolidated, giving it greater internal entity.

This allowed us to renew our commitment to the UN Global Compact and achieve our first GRI-G4 report in less than a year after the new guidelines were published.

We believe that change is possible. We believe that the use of technology will improve people's quality of life and will help preserve the environment, not only in the long term, but in the next three to five years from our sector. We believe that the promotion of work culture, entrepreneurship and inclusion of all people are necessary, in which Globant has much to contribute.

We know that there is a lot to do, but with this third Sustainability Report, we want to share our efforts to add valuable contribution and leave open the communication mechanisms in continuous listening tone for suggestions and concerns.

Thank you very much,

Martín Migoya

Co-Founder, Chairman & CEO

 [@migoya](https://twitter.com/migoya)

¹ Global Youth Employment Trends 2013 - International Labor Organization.



ABOUT THE REPORT

With this report, prepared following the G4 guidelines of the Global Reporting Initiative, we seek to simplify the reading by highlighting all the issues of our sustainability framework and detailing the proposed approach, the management model used, the performance achieved during the year and the related indicators.

We believe this new structure provides greater transparency and facilitates the selective reading to each of the audiences for which it was designed.

In terms of content, a larger number of indicators are included, and the focus is placed on the matters that generate the greatest impact and where Globant has a greater influence.

Thanks to the information gathered in the first two published reports, our Sustainability Council set out to improve the sustainable management of the company, working with the various internal areas as well as dialoguing with our stakeholders.

This year we focused on two core departments of the business: Recruiting and People, and two supporting departments: Facilities and Procurement. The goal was to apply a sustainability criteria to their daily actions:

- ✔ ***As for the Recruiting department, we started a training process for managing diversity, which will continue in 2014 for its consolidation.***
- ✔ ***In relation to People, a community involvement plan was designed and educational and corporate volunteering programs were developed, which allowed us to have a greater degree of participation among employees. We hope to increase the commitment of different offices and Globers with their communities during 2014.***
- ✔ ***Regarding Facilities, we reorganized the initiatives aimed at protecting the environment, enabling the area to take the lead in the subject of increasing reductions in energy consumption per capita.***
- ✔ ***In the fourth quarter, we began working with a value chain in the department of Procurement, which led to a supplier's survey, the adherence of some of these companies to the Global Compact principles and the incorporation of social suppliers. This work will continue throughout 2014.***



As for the dialogue with our stakeholders, we work on systematizing the processes to make better use of the collected information. For this reason in 2013, we focused on the adaptation and extension of dialogues, to better understand the degree of relevance that these actors gave to each of the proposed topics (see p. 40).

Other worth noting points of the report are the international **awards received by the training program TesteAR. Computer World Honors and Nearshore Americas**, both institutions of the technology sector in the United States, distinguished TesteAR as one of the best community programs in the region. In regards to caring for the environment, during 2014 we will work to incorporate advanced management models allowing a more rigorous data analysis.

Finally, the work with our supply chain is still incipient. The road started in 2013, although positive, it is a commitment that must be continued and strengthened over the next years.

In summary, we believe that Globant has taken the right path, seeking a holistic view of sustainability, and with the support of senior management, it will come to fruition. We have much work ahead, and we have our team commitment to continue down this path.

Sustainability Council

✉ sustainability@globant.com

THE SUSTAINABILITY COUNCIL

Since 2012, Globant has set up a Sustainability Council, to which the Board delegates the analysis of sustainability issues and asks for management advice.

The Sustainability Council is composed of:

- ✓ *A company's founder, in charge of public affairs and representing the company in the chambers and business entities*
- ✓ *A director of Communications, leading the company's internal and external communication*
- ✓ *An external member, a CSR manager of an NGO and executive of a company that accelerates innovation-related business*
- ✓ *A Sustainability coordinator, in contact with the organization's stakeholders*
- ✓ *A director of People, responsible for the functions related to the organization's human capital*

This body is responsible for the relationship with stakeholders, conducting the materiality analysis and reporting governance bodies on economic, environmental and social issues. The Sustainability Council approves this annual report and makes it available to the highest governance body for its publication.



We are a company that develops innovative software solutions for global audiences, based on emerging technologies and trends. We combine the rigor of engineering and technology of IT providers with the creative and cultural glance of digital agencies. Globant is where engineering, design and innovation meet large scale.

STUDIOS

In each of Globant's Studios, we specialize in a number of practices that facilitate achieving the objectives sought by our customers.

LOBANT'S MANIFIESTO

- 1 ACT ETHICALLY
- 2 BE A TEAM PLAYER
- 3 CONSTANTLY INNOVATE
- 4 AIM FOR EXCELLENCE
- 5 THINK BIG
- 6 HAVE FUN



WITH GLOBAL PRESENCE

Globant is headquartered in Buenos Aires, Argentina, with operations and customers in the following locations:

CUSTOMERS 317
OFFICES 25



Globant is a multinational organization. In this report, Globant and all its operations in the countries in which it works are generically referred to as a group of related companies: Sistemas Globales S.A., Sistemas Globales Buenos Aires S.R.L., IAFH Global S.A., 4.0 S.R.L. and Globers S.A. (Argentina); Globant LLC (USA); Sistemas UK Ltd. (England); Sistemas Colombia S.A.S. (Colombia); Sistemas Globales Uruguay S.A. (Uruguay); Global Systems Outsourcing S.R.L. de CV (Mexico); Sistemas Globales Chile Ases Ltda. (Chile); Globant S.A. (Luxembourg); Software Product Creation S. L. and Globant S.A. (Spain); Globant Brasil Participações Ltda. and Terraforum Consultoria Ltda. (Brazil).

DIMENSION OF GLOBANT'S OPERATIONS

EMPLOYEES: 3236

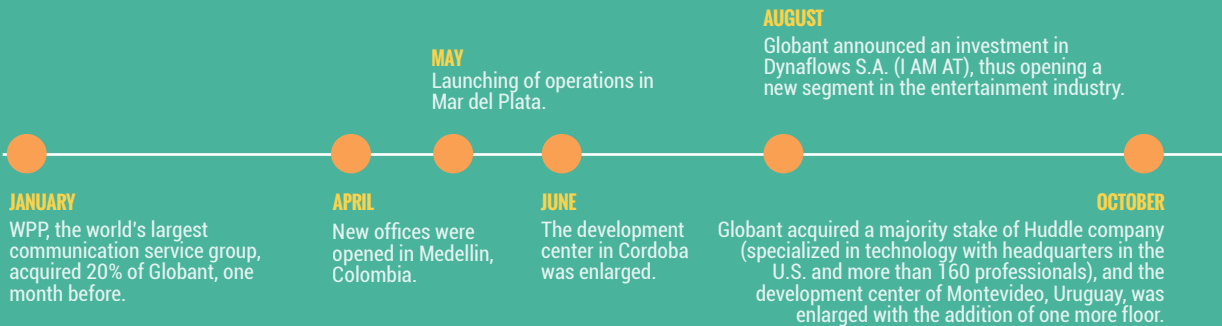
NUMBER OF OPERATIONS: 25 DEVELOPMENT CENTERS

NET SALES: USD 158,324,000

CAPITALIZATION: ASSETS: USD 111,747,000 / LIABILITIES: USD 54,882,000 / EQUITY: USD 59,865,000

SERVICES OFFERED: DEVELOPMENT OF INNOVATIVE SOFTWARE FOR GLOBAL AUDIENCES

MILESTONES IN 2013:



GOVERNANCE / MANAGEMENT STRUCTURE



More info on www.globant.com/corp/company/management-team





BUSINESS

PERFORMANCE

INNOVATION

**CUSTOMER
SATISFACTION**

ENTREPRENEURSHIP

**SECTOR & REGION
EMPOWERMENT**

**CAREER
EMPLOYMENT**

**STAKEHOLDER
ENGAGEMENT**

EDUCATION

**ETHICS &
COMPLIANCE**

DIVERSITY

**COMMUNITY
ENGAGEMENT**

**WORK & LIFE
INTERGRATION**

**ENVIRONMENTAL
AWARENESS**



INTEGRITY



PEOPLE



APPROACH

Globant is seeking to position itself as a world leader in software product development. We want to provide the right amount of engineering, design and innovation, taking advantage of the potential of technologies to meet the needs of our customers.

Our integrated approach requires the highest quality of software engineering, advanced knowledge of new technologies, the latest development methodologies and productivity tools, and soundly proven management practices.

The exponential growth we had during these first years and the goal of being a global player, leads us to plan a healthy and sustainable economic performance over time for the next decade.

Similarly, the creation of new development centers in cities around the world generates an indirect economic impact, which, if well managed, can be very positive for the communities in which we operate.

MANAGEMENT

Unlike the typical firm segmentation in the industry, at Globant we organize around specialized Studios focused on different cutting edge technologies and practices in the sector. This model allows us to optimize our experience in emerging technologies and market trends. As for our methodology, we have created the Agile Pods: An exclusive model for software design and development that combines the flexibility and maturity of talent that aims at fostering innovation, focusing on costs efficiency through careful monitoring of productivity and quality. In addition, we are continuously evaluating possibilities for expansion in countries around the world, either by opening new offices or adding companies to Globant's family.

Finally, the indirect impacts generated by Globant are managed through continuous contact with the communities in which we are in. We promote dialogue with the environment in order to understand the indirect impacts of our operation, and manage them.

PERFORMANCE

The continued dynamism of industry trends led us, at the end of the year, to develop a reengineering process in our Studios that brought about the creation of four new Studios: Wearables and Internet of Things, After Going Live, Digital Content and Product Innovation.

In Late December 2012 WPP, the world's leading communication service group, acquired a minority stake in Globant, and helped strengthen its position as a key player in the development of software products combining innovation and user interface to attract mass audiences. In August, we announced the investment in Dynaflows S.A. (I AM AT - A second platform to integrate audiences in a collective experience), thus opening up a new segment in the entertainment industry. Moreover, in October we acquired Huddle Company.

As a result of this growth, the presence is increasing both in opening new geographic markets as well as the insertion in the new industries we are serving.

2011

2012

2013

FINANCIAL INFORMATION (USD)

ECONOMIC VALUE GENERATED

\$90,073,128
100%

SALARIES
\$ 60,979,510
68%

OTHER COSTS OF OPERATIONS
\$ 16,047,663
18%

DEPRECIATION & INTEREST
\$ 2,870,794
3%

TAXES
\$ 3,089,583
3%

DIVIDENDS
\$ 0
0%

REINVESTED VALUE
\$ 7,085,578
8%

ECONOMIC VALUE GENERATED

\$128,849,000
100%

SALARIES
\$ 84,044,000
65%

OTHER COSTS OF OPERATIONS
\$ 27,119,000
21%

DEPRECIATION & INTEREST
\$ 4,770,000
4%

TAXES
\$ 4,987,000
4%

DIVIDENDS
\$ 0
0%

REINVESTED VALUE
\$ 7,929,000
6%

ECONOMIC VALUE GENERATED

\$158,324,000
100%

SALARIES
\$ 112,287,000
71%

OTHER COSTS OF OPERATIONS
\$ 12,234,000
8%

DEPRECIATION & INTEREST
\$ 9,411,000
6%

TAXES
\$ 10,623,000
7%

DIVIDENDS
\$ 0
0%

REINVESTED VALUE
\$ 13,769,000
9%



APPROACH

Globant is a B2B (business-to-business) company, thus the opinions and positions of our customers regarding impacts on sustainability are key to our management. They are not only a cornerstone of our company, but they constantly pose new strategic challenges inviting us to grow with them. In this sense, their satisfaction and the exchange of information are critical to our sustainable development. Likewise, any negative impact on these aspects may put the company at risk. Therefore, data quality and privacy require us to operate at levels of excellence.

MANAGEMENT

The organization has an area of Quality and Continuous Improvement (QCI) that maintains quality management systems based on ISO 9001 and Capability Maturity Model Integration (CMMI), in addition to carrying a constant measurement of customer satisfaction.

Regarding security, our work is based on ISO 27001 and the Content Delivery and Security Association (CDSA), allowing us to manage the highest levels of global certification.

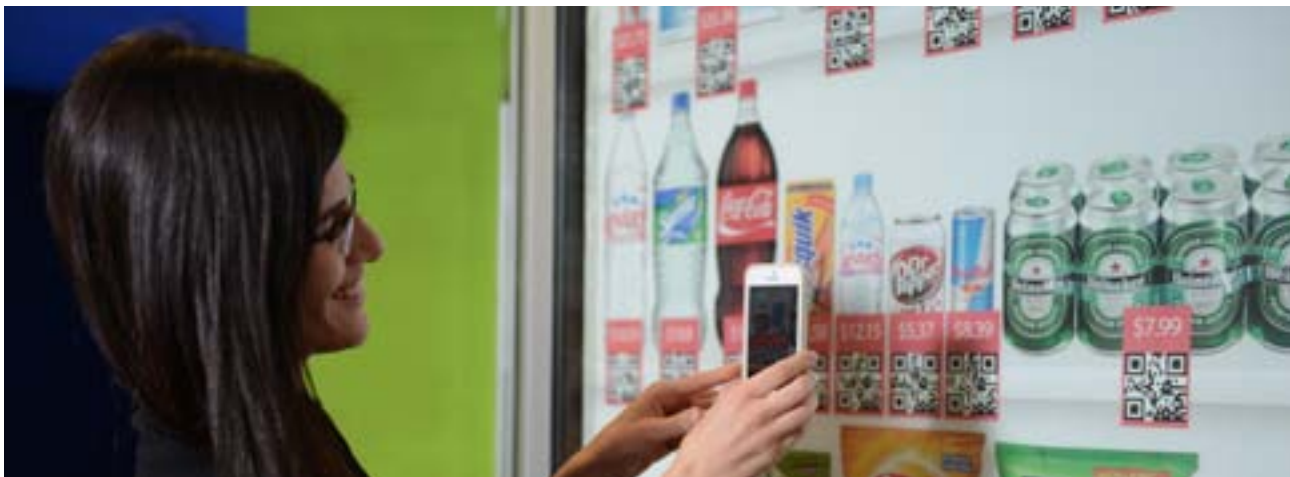
PERFORMANCE

This aspect is handled through the maintenance of both quality and safety certifications, as well as through customer satisfaction indicators and the management of information security. Moreover, in the last year the CDSA certification was obtained.

During 2013, 51 incidents related to security were registered among all Globant offices around the world. None of them involved either unauthorized disclosure of information or direct security flaws in Globant infrastructure.

Most incidents were associated with lost or stolen mobile devices inside or outside Globant's offices. All lost or stolen items were encrypted and deleted remotely.

Furthermore, the total of possible incidents that included an apparent transfer of information outside Globant's network were investigated and resulted negative. Only one case contained loss of personal information from the Globber involved, but not from the client.



2013 CUSTOMERS' SATISFACTION SURVEY

STUDIOS

- CONSUMER EXPERIENCE
- GAMING
- BIG DATA & HIGH PERFORMANCE
- QUALITY ENGINEERING
- ENTERPRISE CONSUMERIZATION
- UX & SOCIAL
- MOBILE
- CLOUD COMPUTING & INFRASTRUCTURE



CERTIFICATIONS



ISO 9001:2008

Laminar, South Park, North Park (BA), Alfil Azul (LP), Tandil, Bahia Blanca, Capitalinas (CBA), Museion, Nordlink (Rosario), Resistencia, Tucuman, Montevideo



CDSA*

North Park, Capitalinas (CBA), Montevideo



ISO 27001

South Park



CMMI*

Sistemas Globales and IAHF

* CDSA (Content Delivery and Security Association); CMMI (Capability Maturity Model Integration).

CRITICAL SECURITY INCIDENTS

2012



2013





APPROACH

Leveraging new technologies and trends makes Globant's difference. Traditional IT players are not prepared for this new reality. Globant is a unique player because it combines in one place engineering design and innovation. For this reason, one of the main distinguishing characteristics of the company is the innovation of its processes and developments, which is also one of the most valuable assets for our customers and the IT community.



MANAGEMENT

Our goal is for all our company be innovative in all its actions, processes and areas. With that in mind, from Globant Labs - the research and innovation laboratory - we encourage those Globers, who wish to explore new ideas and technologies.

In addition, we have been organizing [Flip Thinking](#) events for the past two years, dealing with topics related to creativity, innovation and technology led by leaders in sciences, arts and the industry.

Moreover, two years ago the area of Innovation As a Service was created, working transversely across the company, providing innovative solutions to the problems posed by customers. Via crowdsourcing of ideas with Globber groups throughout the entire company, we can leverage the technological expertise and knowledge of each of the Studios. This enables us to provide a scalable, fast and open innovative service, allowing customers to turn an idea into reality in a fraction of the time it would take them to build the same product or service on their own.

PERFORMANCE

Every year, opinion surveys are conducted among the different audiences with which Globant interacts, that is to say, customers, Globers and the community in general.

Trials and research have been carried out in Globant Labs on bioinformatics, robotics, augmented reality, 3D printing and Computer Vision.

Globant was included among the Top 10 most innovative companies in South America by Fast Company.

Some of the projects completed in 2013 were:

NEXT2YOU

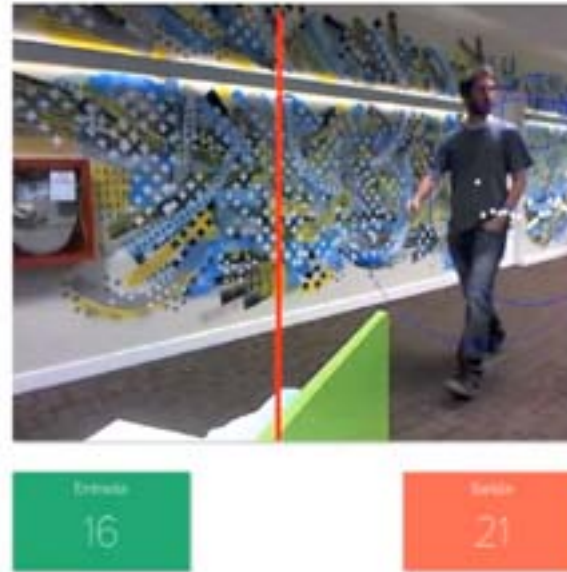


App designed to provide a proximity platform within a community.

It coordinates carpooling among members of a community that use the same route. It also has synchronization and mobile alert support.

It can also be used for a large scope of data analysis, for example, information about what part of town there are more members of the community in, or in case of disaster, to know whether any member of the community was affected, etc.

PEOPLE TRACKER



[View the video.](#)

First internal prototype used to track people or things. It determines objects crossing in front of a camera, so that whenever an object crosses that line in any direction, it is recorded. Furthermore, considering the direction it takes towards the camera line, the counter may increase or decrease.

In the future People Tracker will have different kinds of applications such as capturing human interaction within an environment and collecting statistical information like data marketing, obtaining consumers' habits in stores, security and surveillance, traffic control and many other uses.

TWEETIT



TweetIT is a Chrome extension that shows tweets in events, conferences, festivals, workshops, etc., offering a great opportunity to interact with the audience. This application allows selecting the length of time (in seconds) a tweet is displayed, showing twitpics and filtering tweets containing words from a preconfigured "blacklist".

FTE (Fast Title Editor)

Manipulating information from a DNA sequence to make a comparative analysis is a common procedure among biotechnology (biology, agronomy, medicine) researchers. Manually editing these files is a waste of time and generates many errors. We have developed an application for automating this process so the resulting data can be used in phylogenetic analysis programs.

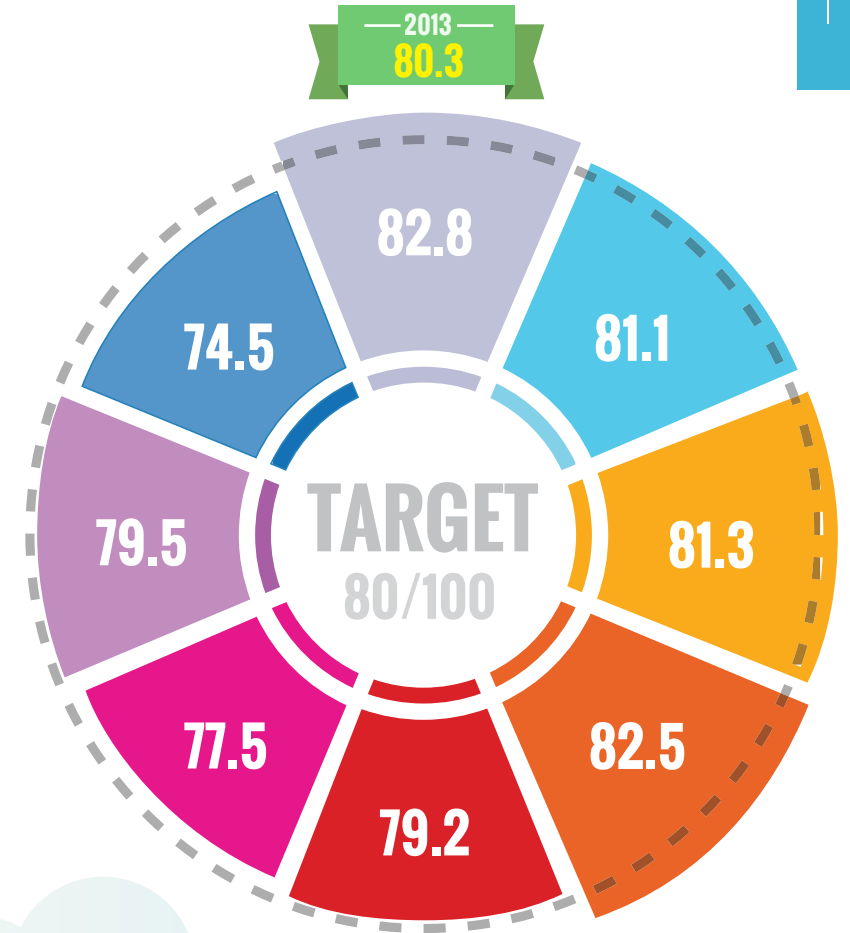
INDICATORS

QUESTION TO CUSTOMERS:

"PLEASE, DETERMINE YOUR LEVEL OF SATISFACTION IN RELATION TO INNOVATION IN THE PROJECT DEVELOPED"

STUDIOS

- CONSUMER EXPERIENCE
- GAMING
- BIG DATA & HIGH PERFORMANCE
- QUALITY ENGINEERING
- ENTERPRISE CONSUMERIZATION
- UX & SOCIAL
- MOBILE
- CLOUD COMPUTING & INFRASTRUCTURE



2013'S KEYWORDS

"KEYWORDS" SURVEY CONDUCTED AMONG NEW GLOBERS / PARTICIPANTS AT EVENTS, LECTURES AND EXHIBITIONS:

SOFTWARE
SUCCESS GROWTH HAVE FUN
TECHNOLOGY TRIP
 INTERNACIONAL INNOVATION AGILE
CREATIVITY GOOD WORKING ENVIRONMENT
 CAREER CHALLENGES

THE LINK BETWEEN GLOBANT AND CREATIVITY AND INNOVATION KEYWORDS GREW FROM 16% TO 24% IN 2013

APPROACH

Since its creation, Globant founders imagined a company that could bring skilled job opportunities where talent is, regardless of the city or country. The goal is to make it possible for IT professionals to work for some of the largest companies in the world and to be trained on the latest technologies and trends, without ever leaving their hometown.

On the other hand, diversification of operations enabled the company to enrich the organizational culture, build more sense of belonging among Globers, and mitigate risks.

MANAGEMENT

The company's growth is closely linked to the addition of new Globers and the creation of new teams. Therefore, the areas of Recruiting and Staffing are a critical part of Globant's operation and not the support areas, as can be seen in other companies.

In regards to building teams, Globant has mastered a unique model of software product design and development (also known as Agile Pod model) that combines agility and maturity to drive innovation. It is centered on finding cost efficiencies through pod maturity*, reflected in progressive and controlled profits generated in productivity and quality.

PERFORMANCE

During 2013, over 1300 new Globers around the world joined the company, increasing the average seniority of the company and expanding geographical diversification.



** The teams (or pods) harness the talent of the 12 Studios dedicated to promote emerging technologies and market trends. The Studios provide a steady stream of talent to develop solutions that create high-level intellectual property for our clients.*

INDICATORS

2011 NUMBER OF GLOBERS

2250 / +23%



2012 NUMBER OF GLOBERS

2682 / +20%








2013 NUMBER OF GLOBERS

3236 / +21%



GLOBERS BY AGE GROUP

	2012	2013
 YOUNGER THAN 25	8.2%	6.4%
 BETWEEN 25 AND 29	33.8%	31.2%
 BETWEEN 30 AND 34	33.4%	36.4%
 BETWEEN 35 AND 39	14.5%	15.8%
 OLDER THAN 40	10.1%	10.1%

BY REGION

	2011	2012	2013
LATAM	97%	98%	96%
USA/UK	3%	2%	4%



2011

2012

2013



TURNOVER

20.7%

20.9%

22.2%



APPROACH

Globant's business, and hence its sustainability over time, is closely related to the people involved. The innovative offer and professionalism in the development and delivery of products is entirely embodied in the 3236 Globers that make up the company.

For this reason, through the Autonomy, Excellence and Purpose pillars we conduct the strategic management of this work team, which is of vital importance in order to deepen understanding and build long-term relationships with our customers.

Premier League: Beyond seniority established in career development, Globers can hope to join the Premier League - Globers' elite team (recognized as gurus) - whose mission is to foster innovation by cross-pollinating their knowledge on emerging technologies and market trends through our Studios and among our Globers.

MANAGEMENT

When it comes to the long term and healthy growth of a company as well as an entire industry, it's important to not only motivate existing talent, but also attract new talent. Globant accomplishes this by promoting specialization and continuous training:

- ✔ ***Globers have the chance to choose which projects to participate in through Open Positions (internal offer of positions in projects around the world).***
- ✔ ***People Career offers tools for self-learning, mentoring and attractive training options in line with new technologies and trends.***
- ✔ ***The Career Day is the time of year when Globers have the opportunity to outline their projected career within the company.***
- ✔ ***Globant offers internal and external training in the latest technologies.***
- ✔ ***These instances, adding to performance evaluations and peer, senior and customer acknowledgements, complete the ongoing training plan of the company.***

PERFORMANCE

During 2013, more than 700 Globers were promoted and 78 modified their career, changing areas internally. Besides, training hours were increased by 23%

On the other hand, a new edition of U-Grow program was carried out - this time in the city of Cordoba - where 14 new Globers completed the process of theoretical and practical training in Web UI during nearly three months. U-Grow is a program through which Globant trains students in the first years of college in technologies, processes, work methodologies and interpersonal skills, with the aim of preparing them for future employment and adding talent to the company, according to the knowledge and skills required by today's market.

In addition, an "Informatario" took place in Resistencia, in which more than 20 youngsters were trained.

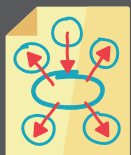
Finally, in 2013, an agreement with Instituto Tecnológico de Buenos Aires (ITBA) was signed, by which "Globant Big Data" professorship for students in Computer Engineering was developed, as well as three more cooperation agreements with other educational institutions in Argentina.

INDICATORS



PERFORMANCE EVALUATIONS

100% IN 2013



GLOBERS THAT CHANGED POSITIONS/AREAS

78/2.6% IN 2013



GLOBERS WHO CHANGED SENIORITY

701/22.9% IN 2013



TRAINED GLOBERS

2011

2152

2012

2380

2013

2049



TRAINING HOURS

33,952

47,499

58,402



ANNUAL TRAINING HOURS PER PERSON

16

19.3

19.9

2011

2012

2013

STELLAR PROGRAM*

17,236

STARS AWARDED

17,137

STARS AWARDED

14,865

STARS AWARDED



2,346

GLOBERS RECOGNIZED



2,394

GLOBERS RECOGNIZED



2,648

GLOBERS RECOGNIZED

PERCENTAGE OF LOCAL MANAGERS**

70%

82%

76%

* **Stellar Program:** A program by which Globers can acknowledge their peers for some achievement or behavior that represents one of our values.

** **Local Managers:** Managers native to cities where Globant is inserted.



APPROACH

Following the last Sustainability Report, the need to manage diversity within the company and to generate the respective management processes was assessed.

The objective is to build and maintain a labor culture free from any kind of discrimination allowing all members of the company to work freely and in an atmosphere that ensures equal opportunities and respect.

Not only is it based on the organization's values, but also has a business perspective when it comes to recruiting and retaining talented people. Some social and cultural beliefs regarding gender and disability issues make it difficult for companies to deploy their maximum capacity to attract and retain them. At Globant, diversity vision means avoiding such restrictions seeking mutual benefits for the organization and the people.

MANAGEMENT

During 2013, we conducted a training program for Recruiting and People areas in order to begin incorporating diversity management tools when hiring people, and to accompany them in their insertion.

In addition, we have worked with Yeeeu Company analyzing the offices in Buenos Aires, aiming at incorporating people with disabilities.

Simultaneously, Globant became a member of Club de Empresas Comprometidas con la Discapacidad (Club of Companies Committed to Disability) of Buenos Aires.

PERFORMANCE

During 2013, the first individuals with mobility disabilities joined the company and the bases for drafting a diversity policy management were set.

However, we understand that these are only the first steps and much remains to be done in this area.



INDICATORS

2011 GLOBERS BY GENDER

79% / 21%



2012 GLOBERS BY GENDER

78% / 22%



2013 GLOBERS BY GENDER

79% / 21%



AVERAGE AGE

32
YEARS

FEMALE GLOBERS BY SENIORITY

2011

2012

2013

	2011	2012	2013
TOP MANAGEMENT	10%	10%	10%
MANAGER	25%	23.8%	26.1%
ARCHITECT	4%	4.3%	5.4%
SOFTWARE DESIGNER	-	6.5%	1.5%
SENIOR	16%	24.9%	24%
SEMI SENIOR	22%	24.6%	21.5%
JUNIOR	20%	22.7%	22.9%
TRAINEE	26%	21.2%	15.2%

WOMEN BY ROLE

2011

2012

2013

	2011	2012	2013
STAFF AREAS	89	103	98
PRODUCTION	381	496	575

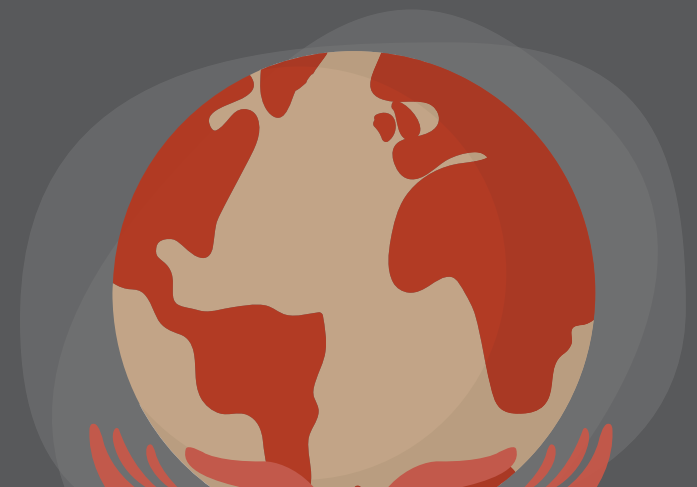
FEMALE INCOME OVER MALE INCOME

2011

2012

2013

	2011	2012	2013
INCOME	95%	97%	93%
INCREASES	102%	99%	99%





APPROACH

Autonomy, excellence and purpose are the three pillars on which People strategy for people management is based. These pillars, together with the six values set forth in the Manifesto, aim at generating “Globant culture,” a culture whose goal is to promote a space where Globers can develop their full potential, co-create and undertake projects internally.

Acting ethically, Thinking big, Innovating continuously, Aiming for excellence, Being a team player and Having fun at work are the six values on which this culture, which promotes an environment of informal work, is based on encouraging peer relationship and fostering good performance.

MANAGEMENT

On the one hand, Globant proposes a balance between work and family life: Extended maternity and paternity leave are offered, and actions like Family Day, aim at keeping a balance between Globers’ work and their families.

On the other hand, great efforts are devoted to the promotion of healthy living. In this sense, from Globant Healthy program several initiatives are carried out to promote a healthy lifestyle.

Efforts to achieve integration between work and Globers’ personal life go much further and are aligned with the “Globant culture.” For example, Annual ski trips, surfing, and monthly happy hours in all sections are initiatives aimed at maintaining and enhancing the sense of belonging and internal relationships.

PERFORMANCE

In 2013, we carried out the following specific programs:

Healthy Week (all locations): From the 9th to the 20th of December, various activities were offered to Globers so that they could receive some advice and take appropriate actions to improve their health and boost their well-being:

- ✔ **Lectures on nutrition and hydration.**
- ✔ **Skin care - sun protection.**
- ✔ **In Argentina, Skincheck: Skin check-up with a dermatologist, one day at each site.**
- ✔ **Questionnaires on healthy living.**
- ✔ **Videos and information: skin care, headaches, food.**

About 650 people took part in the initiatives.



Medical checkup (Argentina): It helps detect the factors that pose a health risk and, in turn, provides tools to correct them in order to preserve and enhance life quality through the years. During 2013, various campaigns were made per site and Globers could have a full medical checkup.

Participation: 680 people.

Campaña Vacunación (Argentina): A vaccination campaign against influenza was carried out in late May.

510 people participated.

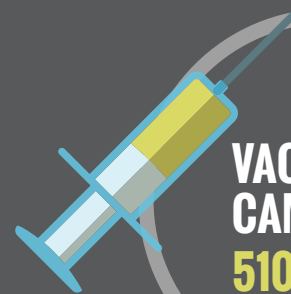
In addition, we continued providing the benefits in force years before and strived to extend the offer to all offices in the region:

- ✓ *Premium medical coverage*
- ✓ *In company physician*
- ✓ *Nutritionist*
- ✓ *Stretching workshop*
- ✓ *Massage and fruit in the office*
- ✓ *Extended maternity / paternity leave*
- ✓ *English classes*
- ✓ *On-site hairdresser*
- ✓ *Music lessons in company*
- ✓ *G++ Benefit and Discount Program*

INDICATORS



HEALTHY WEEK
650 PEOPLE



VACCINATION CAMPAIGN
510 PEOPLE



MEDICAL CHECKUP
680 PEOPLE

WORKING MOOD

2011

2012

2013

PARTICIPATION

86%

77%

83%

EVALUATION (OVER 5 PTS.)

3.61

3.65

3.76

APPROACH

Globant is an actor committed to the cities in which it operates. With the goal of including people, we seek to bring technology to the community through our programs of social investment and corporate volunteering.

The purpose is threefold:

- ✔ ***Providing training and development opportunities to young people, especially those who have fewer possibilities.***
- ✔ ***Bringing innovative technology solutions to organizations of civil society or the community in general.***
- ✔ ***Developing assistance actions in emergencies, involving Globers in place.***

MANAGEMENT

In 2013, we continued developing TesteAR, the training program for young people in vulnerable situation to integrate them into the labor market. Its purpose is to enhance the talent pool of young people facing fewer job opportunities, so that through computer training they may have greater possibilities to fit the IT market. The course is oriented towards manual testing of applications.

We also selected social projects that seek to create a change in society, thinking and developing technological solutions suitable for different purposes. These initiatives are part of Globant Labs, the innovation laboratory where Globers experiment with new technologies and trends. Thus, Globers can choose to participate in any of the projects, including sustainability ones, donating their time, knowledge and expertise to the community.

Finally, we have conducted a schedule of activities and solidarity actions in all the cities where we have offices to help handle emergencies near where Globers are.

PERFORMANCE

TesteAR: In 2013, we developed four courses in the cities of Buenos Aires and Rosario in which 60 young people were trained in manual testing of applications. It was also the year of acknowledgements from the United States: In April, Globant was awarded the Foundation for the Future Award by Nearshore Executive Alliance and Nearshore Americas for the development of TesteAR, recognizing it as one of the most innovative social programs with greater impact on the outsourcing industry in Latin America. Furthermore, in July, Computerworld Honors Program chose TesteAR as one of the recognized initiatives of 2013, in the Economic Development category.

In addition, we entered an alliance with Arbusta social innovation company, by which Globant supports the institution and trains students, while Arbusta hires its graduates according to its needs.

TECHNOLOGY FOR THE COMMUNITY

In 2013, the impact on the community was greater than previous years because all the projects in which we had worked were completed and put into production. The following are available to the public today, and are widely accepted:

SONIGRAMA

It is a game developed for Asociación de Síndrome de Down Argentina (ASDRA) seeking to stimulate visual and auditory attention in children. With very eye-catching and entertaining scenarios and photographs, the child must hear the sound and click the image associated with it. By correctly relating sound to image, the level is completed.

The completion of this application is part of a larger project that seeks to revolutionize the way to stimulate children with disabilities through technology.



TELETON URUGUAY

An application that centralized all donations for a foundation on a mobile device in Uruguay, and made it possible to monitor the event from anywhere.

In addition, the application contained information on the history and work of Teleton Foundation in the country, which could be shared on social networks, thus helping to publicize the initiative as a count-down was indicating how much time was left and how much had been raised.



NOBLEZA OBLIGA.COM

We worked on the improvement and regional expansion of the crowdfunding platform with the aim of allowing more civil society organizations in Latin America to collect money safely on a massive scale.



CONTINUING FROM PREVIOUS YEARS

Quando Llega: We continue supporting and improving the usability of this application for mobile devices that allows users of public transport in the city of Rosario to know the number of minutes until the next bus reaches the stop where they are waiting. This application already has over 19,000 users per day.

Antarctica: The software development for the Air Force to improve the efficiency and management of infrastructure, and the interaction between teams and managers of Marambio Base, was completed. This application improved the cooperation and the level of service that Argentine Air Force provides the team of scientists working today at the base, propelling its impressive work worldwide.

Volunteering: This year four global campaigns were conducted with the participation of over 300 Globers. Furthermore, emergency specific needs were addressed, such as the flood in the city of La Plata, the first days of April.

PRO BONO HOURS

	2011	2012	2013
IT PROJECTS	5	7	6
DONATED HOURS	3032	5930	1366
INVESTMENT	USD 75,964	USD 156,349	USD 21,191

GREATER EFFICIENCY WAS ACHIEVED, SINCE 100% OF PROJECTS WERE SUCCESSFULLY COMPLETED AND ARE ALREADY BEING USED BY THE COMMUNITY.

VOLUNTEERS

	2011	2012	2013
VOLUNTEERS GLOBERS	150	177 / 6.6%	318 / 10.4%
VOLUNTEERING ACTIONS	15	49	19

TESTEAR STUDENTS HISTORICAL DATA PER SITE

	2010	2011	2012	2013	TOTAL
COURSES TOTAL	1	2	5	4	12
STUDENTS TOTAL	12	44	99	66	221
DROPOUT RATE	18%	14%	28%	19%	21%



PROJECT IMPACT ON THE COMMUNITY*



PARTICIPATION IN THE COMMUNITY



IMPACT ASSESSMENT

BUENOS AIRES	100%	VERY HIGH	TRAINING PROGRAMS / DEVELOPMENTS / VOLUNTEERING	RESISTENCIA	60%	AVER.	TRAINING PROGRAMS
CORDOBA	80%	HIGH	TRAINING PROGRAMS / VOLUNTEERING	TUCUMAN	20%	LOW	VOLUNTEERING
ROSARIO	80%	HIGH	TRAINING PROGRAMS / VOLUNTEERING	URUGUAY	55%	AVER.	DEVELOPMENTS / VOLUNTEERING
LA PLATA	30%	LOW	VOLUNTEERING	COLOMBIA	20%	LOW	VOLUNTEERING
TANDIL	20%	LOW	VOLUNTEERING	BRAZIL	20%	LOW	VOLUNTEERING
BAHIA BLANCA	30%	LOW	COACHING / VOLUNTEERING	USA	10%	VERY LOW	VOLUNTEERING

* The cities where Globant has a significant presence are taken into account.



APPROACH

The role Globant plays in local communities where it operates creates a very positive impact in terms of creating work culture. Similarly, our behavior must accompany this positive impact, always seeking to achieve the highest standards.

Globant's magnitude as a global company makes this aspect materialize in order to have good sustainable management.



MANAGEMENT

We have adopted three key principles for managing this aspect, from the risk, integrity and commitment to sustainability standpoint:

- 1 Risk management and US Sarbanes-Oxley Act:** *Risk management processes characterize all organizations with operations at global scale. Globant adopted the risk management framework of US Sarbanes-Oxley Act (SOX). These processes involve risk control in accounting, budgetary control, information technology, purchasing, accounts payable, invoicing and accounts receivable, taxes, cash flow and financial management, travel expenses and transfers, payroll, fixed assets, funding mechanisms (loans) and mergers and acquisitions, as well as entity level controls. Thus, we have risk management processes that reach all significant operations and during their deployment, the corresponding training mechanisms for the involved parties.*
- 2 Ethics Code and reporting mechanisms:** *The anonymous reporting (under implementation) is one of the most effective mechanisms for detecting irregularities in commercial processes as well as in relations with third parties or ethical behavior according to organizational standards.*
- 3 Adherence to the ten principles of the Global Compact of the United Nations.**

PERFORMANCE

In order to check our performance we continuously verify the implementation of management systems, through regular controls and the receipt and handling related to reporting mechanisms.

In addition, we provided the Sustainability area with the necessary capabilities to manage the ten principles of the Global Compact and communicate our progress annually.

[See Communication on progress](#)

INDICATORS

IN THE LAST THREE YEARS,
**THE MONETARY VALUE OF FINES FOR
 NON-COMPLIANCE WITH REGULATIONS
 RELATED TO THE PROVISION AND USE OF
 PRODUCTS AND SERVICES AS WELL AS
 NON-COMPLIANCE WITH LEGISLATION
 AND REGULATIONS IN FORCE, WAS NIL.**



INDICATOR

2011

2012

2013

MONETARY VALUE OF SIGNIFICANT FINES FOR NON-COMPLIANCE WITH LAW AND REGULATIONS CONCERNING THE PROVISION AND USE OF PRODUCTS AND SERVICES

USD 0

USD 0

USD 0

MONETARY VALUE OF SIGNIFICANT FINES AND NUMBER OF NON-MONETARY SANCTIONS FOR NON-COMPLIANCE WITH LAW AND REGULATIONS

USD 0

USD 0

USD 0



APPROACH

When consulting stakeholders, our customers told us one of their greatest worries was environmental care, and expected Globant to work proactively in this regard.

Although our operations have no significant environmental impact, we are part of the value chain of companies for which the environmental aspect is critical when it comes to managing sustainable development. Thus, we have considered the **environmental impact of our services and transport** as material issues.

MANAGEMENT

Fulfilling our mission as an organization requires not only the creation of innovative software products for global audiences, but also natural capital care, mitigating the impact generated by the operation to the fullest extent possible.

From our evaluation, it arises that the greatest environmental impact is mainly derived from two factors:

- ✔ *Our energy consumption (impact of our services).*
- ✔ *Globers' transfers (transport), particularly long-haul flights.*

PERFORMANCE

In 2012's report, we anticipated we would manage to reduce our carbon footprint and implement an environmental management system. The latter objective was postponed to prioritize scaling down the carbon footprint.

During 2013, we cut down our energy consumption in the larger offices of the company and even kept the same percentages of consumption per capita, despite the increased workload.

For 2014, we are evaluating the addition of other variables to achieve a more rigorous measurement of our footprint.



Energy saving inter-site competition: During 2013, we held the first contest of inter-site energy saving by which each of the different development centers compete with each other to see which could further decrease the energy consumption proportionally comparing the results with the same consumption last year. This initiative, which achieved recognition as an innovative practice by the Government of the City of Buenos Aires,

not only sought to reduce the energy consumption of the offices, but to raise awareness of its care among the 3,000 Globers that are part of the company. The winners of the year were the offices of Resistencia (province of Chaco, Argentina) and Rosario (province of Santa Fe, Argentina), which managed to decrease consumption by 40% per quarter.

ENERGY CONSUMPTION

COUNTRY	ENERGY CONSUMPTION [MWHR]	NATIONAL EMISSION FACTOR [CO ₂ E/MWHR]	(CO ₂ -EQ) EMISSIONS [T CO ₂ E]	STAFF	EQUIVALENT EMISSIONS PER CAPITA [T CO ₂ E/Person]
ARGENTINA	3,632.90	0.532 (1)	1,932.705	2280	0.848
COLOMBIA	179.32	0.2716 (2)	48,704	229	0.213
URUGUAY	357.21	0.660 (3)	235,758	363	0.649
BRAZIL	37.89	0.240 (4)	9,094	54	0.168
2012'S TOTAL EMISSIONS	4,207.32		2,226.261	2926	0.761

(1) 2012's emission factor data. 2013's emission factor has not yet been published by the Secretariat of Energy

(2) 2009's emission data. Last official value published (Ministry of Mines and Energy)

(3) Projection for 2012. CDM-Executive Board's study

(4) 2010's conversion factor study

2011 - 2013 COMPARISON OF INDIRECT EMISSIONS (SCOPE 2)

	2011	2012	2013	2012 / 2013 ANNUAL GROWTH	
ARGENTINA TOTAL EMISSIONS [T CO ₂ E]	619.85	1570.12	1932.70	362.590	58.50%
TOTAL EMISSIONS PER CAPITA [Kg CO ₂ /Year]	334.21	830.31	847.68	17.37	5.20%

SCOPE 3 EMISSIONS AIR TRAVEL (5)

	2012	2013
NUMBER OF FLIGHTS	1735	2159
AVERAGE DISTANCE TRAVELLED [Km/Flight]	11,472.71	9536.00
GEI TOTAL EMISSIONS [T CO ₂ E/Year]	2399.6	2482.0

(5) It is considered that for every flight only a passenger travels. Mobile Combustion GHG Emissions calculation tool - V 2.0 was used for calculations

ENERGY SAVINGS

	2011	2012	2013
SERVER VIRTUALIZATION	20 TO 1	35 TO 1	30 TO 1*
DATA CENTERS			9.5 KVA CLEAR 15 KVA LEVEL 3

* The decrease vs. 2012 was due to the incorporation of new offices

APPROACH

Entrepreneurship is the origin and spirit of the company. It is what gives us significance and scale. The entrepreneurial ecosystem provides growth prospects and other successful projects that work as examples and source of inspiration.

Eleven years later, Globant continues to be an example and inspiration for many startups that have the potential to become job, innovation and wealth generators.

From the outset, the founders understood that the company could not grow alone, isolated from the entire technology ecosystem, and that the global sector growth would collaborate with the exponential development of the company.

MANAGEMENT

Through its active participation in the Endeavor Foundation and via other activities and organizations, Globant promotes entrepreneurship and is an example representing a sector striving to make its way in the region.

Globant founders and the whole Top Management in general carry out project mentoring, provide advice to startups, participate in discussions and conduct lectures and presentations worldwide.

At Globant, we receive university students monthly from all over the world and we support contests to encourage innovation and reward the best endeavors.

PERFORMANCE

In 2013, we supported Impactec contest with SocialLab and the Government of the City of Buenos Aires, by which 20 finalist projects were accompanied through counseling and brainstorming sessions. The three finalists were awarded with seed capital and the winning project was granted a scholarship at Singularity University.

In addition, throughout the year, the Top Management of the company donated hundreds of hours to support the sector entrepreneurial ecosystem through the Endeavor Foundation and other organizations.

Finally, we received visits from universities and schools during 2013, in which the entrepreneurial gene was promoted and our testimonial was told.



INDICATORS

UNIVERSITY VISITS

2012

2013

NUMBER OF VISITS

16

24

PARTICIPANTS

240

360

Beyond the number of lectures given to university students, until 2013 there are no indicators of this issue, which leads us to reconsider our 2014 management processes in this matter of great importance for the company's sustainability.



+200

**TOP MANAGEMENT
PRO BONO HOURS
DURING 2013.**

NG SESSIONⁿ
ation) + (stechnology) } = #FLIP THINKING

an Henshaw-P

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APPROACH

Globant has the vocation to lead a technological revolution from Latin America to the world and, 10 years after its creation, it managed to be a significant player in the sector and in business in general. Facilitating the creation of new businesses and promoting work culture and entrepreneurship are the cornerstones of the dialogue and articulation generated with the public sector.

MANAGEMENT

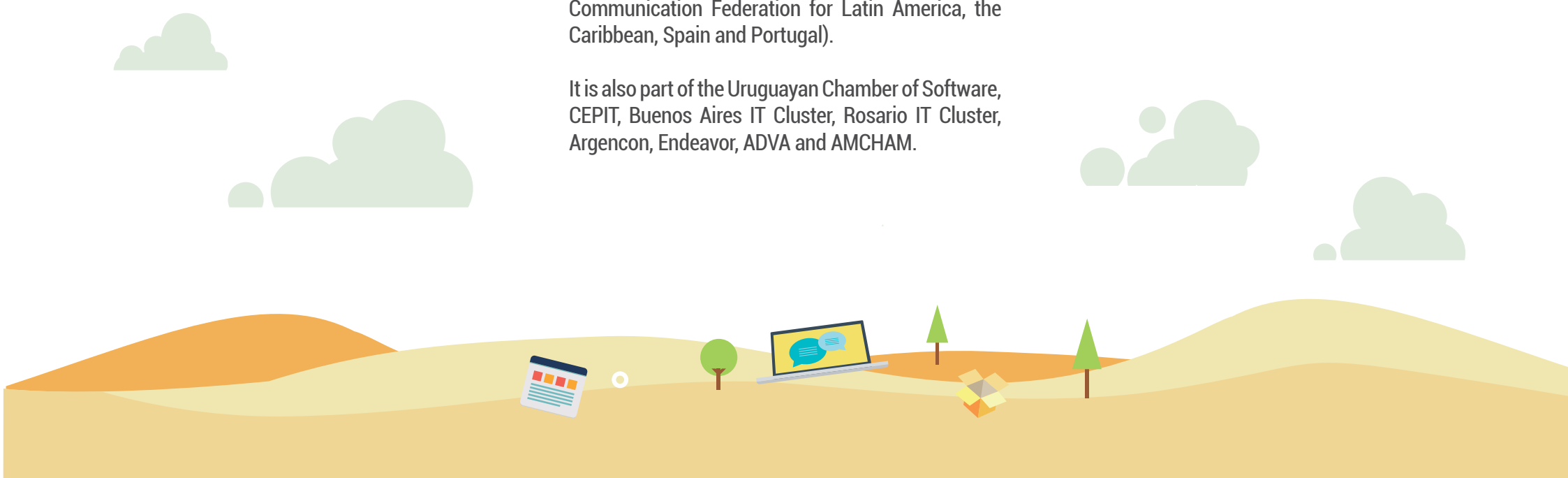
The implementation of such dialogue is generated directly with all government agencies, but also from organizations that bring together various stakeholders: Globant occupies a Vice-Presidency at the Chamber of Software and Computer Services of Argentina (CESSI), which in turn represents Argentina in WITSA (World Information Technology and Services Alliance), an international association that includes more than 90% of the computer market in the world, and in ALETI (Information Technology & Communication Federation for Latin America, the Caribbean, Spain and Portugal).

It is also part of the Uruguayan Chamber of Software, CEPIT, Buenos Aires IT Cluster, Rosario IT Cluster, Argencon, Endeavor, ADVA and AMCHAM.

PERFORMANCE

In 2013, we worked with CESSI and the Argentine Secretariat of Industry to secure the signature of the project to promote the software industry, in order to apply Act 26692, enacted in August 2011.

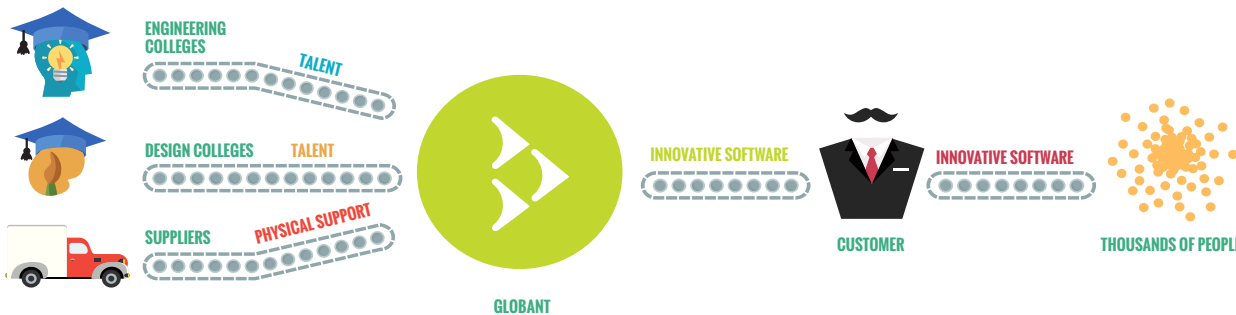
To date, there are over 300 companies promoted and once Act 26692 becomes operational, new companies will enter the Promotion Scheme, under these new parameters.





OTHER INDICATORS REQUIRED BY GRI-G4

- ✔ *Until the closing date of this report, no collective bargaining agreements representative of the industry activities were identified in any country in which Globant operates.*
- ✔ *No significant changes have taken place during 2013 regarding size, structure, equity ownership or supply chain organization, beyond those indicated in G4-10.*
- ✔ *Globant is a signatory of the Global Compact of the United Nations through its firm IAFH. The principles of the Global Compact of the United Nations are applied to the whole organization, and the progress reporting communication is made on behalf of Globant.*
- ✔ *The organization supply chain can be conceptualized as follows.*
- ✔ *The total value of contributions to organizations in the form of memberships and donations (the organization has not made contributions to political parties) is USD 60,355.*
- ✔ *There has been no need to apply the Precautionary Principle, under the analysis of the company's impacts and the matters covered by this principle.*
- ✔ *An idea of the relative weight of suppliers in the organization can be seen in the table below:*



SUPPLIERS

2013

SUPPLIERS TOTAL	628
MAIN SUPPLIERS	117
CRITICAL SUPPLIERS	9
IT AND RELATED SUPPLIERS	65
ANNUAL DISTRIBUTED AMOUNT	USD 23,989,990.69

In preparing this report, we conducted a Materiality Analysis, according to the recommendations of GRI G4 GUIDELINES, following this process:

- ✔ *Development of an assessment format to evaluate in two dimensions (the impact on stakeholders and Globant's influence in that regard) each of the topics identified by GRI G4 on a 1-4 scale*
- ✔ *Preparation of a materiality analysis by each member of the Sustainability Council*
- ✔ *Joint assessment and harmonization of identified issues*
- ✔ *Result compilation and validation by the Sustainability Board*
- ✔ *Result validation by the Board of Directors*

All legal entities identified in the section "Profile" were covered by this process.

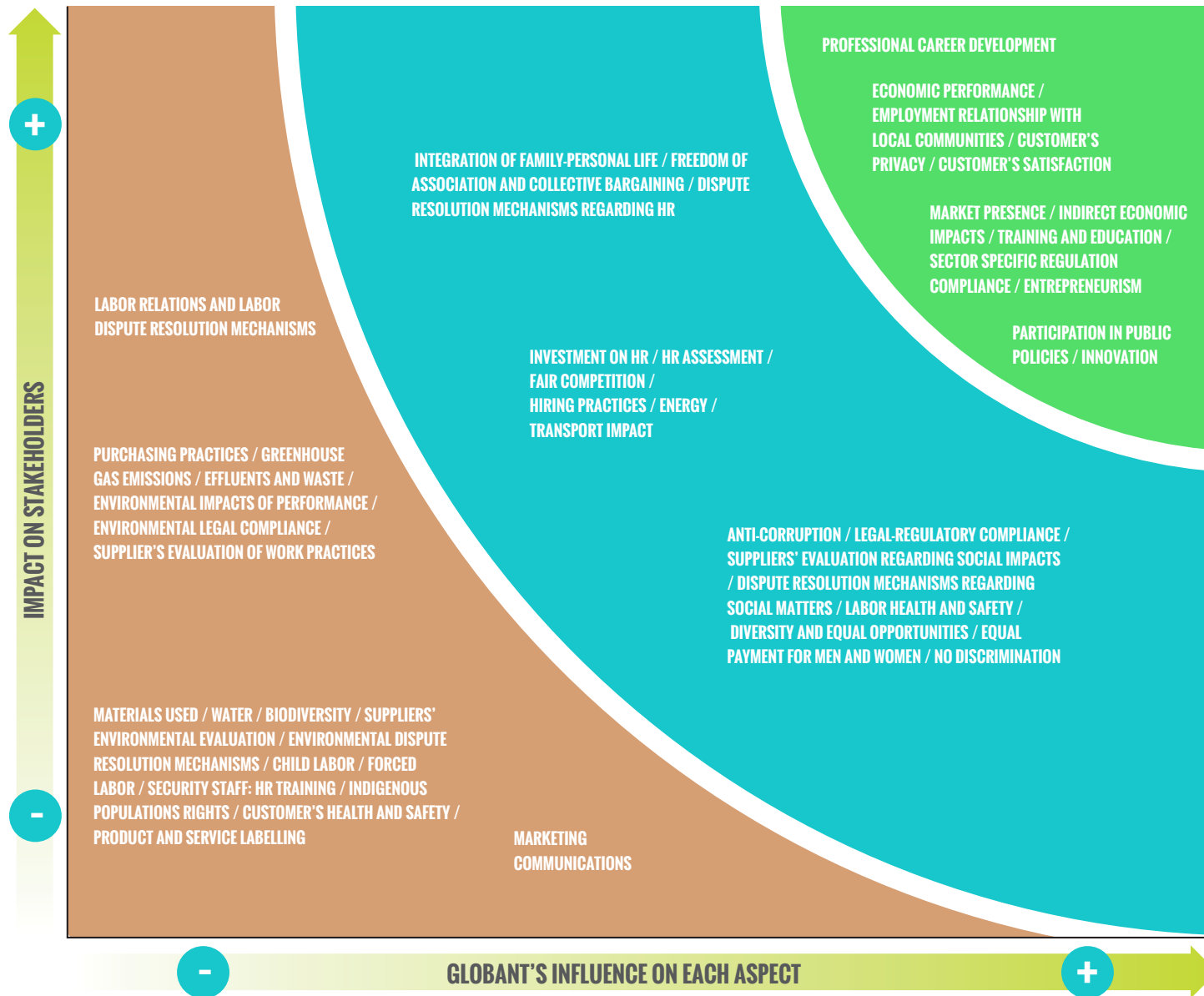
The participation of stakeholders was ensured by the constitution of the Sustainability Council. However, we understand that this practice is initial as the process should be enriched either ensuring a Council enlargement in order to include other interest groups or establishing a mechanism for direct consultation with these groups.

For this report, we directly inquired employees, customers and directors / managers. Stakeholders such as Government, industry, suppliers and media were indirectly consulted through the appropriate functional areas.

As a result of this process, we could make up the list of material aspects, which is below.

These aspects are described in this report through management approaches and performance indicators. The aspects of intermediate consideration are handled at Board level and some of them are described in this report.

Non-material aspects are not part of this report, except for greenhouse gas measurements (marked with *), which are relevant to stakeholders.



The issues identified as material can have impact inside or outside the organization. The following table explains the degree of internal / external impact and the limitations that the company may have to influence externally.

Regarding restatements or changes in methods of calculation, there have been no material changes with relation to the previous report, except for those mergers indicated and the inclusion of the air transportation footprint estimate.

REFERENCES

- MATERIAL ASPECTS
- ASPECTS OF INTERMEDIATE CONSIDERATION
- NON-MATERIAL ASPECTS

MATERIAL ASPECT	INTERNALLY	EXTERNALLY	LIMITATIONS TO GET EXTERNAL IMPACT AND AFFECTED STAKEHOLDERS	2013 REPORT, CHANGES
ECONOMIC PERFORMANCE	HIGH	HIGH	MARKET BEHAVIOR AND EXCHANGE RATE. OF INTEREST TO OPERATIONAL CAPITAL SUPPLIERS.	ADDRESSED IN 2012 REPORT
EMPLOYMENT	AVER.	AVER.	MARKET BEHAVIOR AND EXCHANGE RATE.. OF INTEREST TO COLLEGE STUDENTS.	ADDRESSED IN 2012 REPORT
RELATIONSHIP WITH LOCAL COMMUNITIES	-	AVER.	OF INTEREST TO PEOPLE LINKED TO TECHNOLOGY JOBS IN LOCATIONS OF OPERATION.	ADDRESSED IN 2012 REPORT
CUSTOMER PRIVACY / CUSTOMER'S SATISFACTION	HIGH	HIGH	THESE TWO ASPECTS ARE DEALT WITH JOINTLY. THEIR IMPACT IS INTERNALLY AND EXTERNALLY HIGH AS IT AFFECTS BUSINESS CONTINUITY.	ADDRESSED IN 2012 REPORT
PARTICIPATION IN PUBLIC POLICIES	AVER.	AVER.	THE IT INDUSTRY IS A FOCUS INDUSTRY FOR THE GOVERNMENTS OF THE COUNTRIES WHERE GLOBANT OPERATES. THE PROMOTION OF INDUSTRY IS AN IMPORTANT ASPECT.	ADDRESSED IN 2012 REPORT
INNOVATION	HIGH	-	INNOVATION IS A KEY PROCESS TO THE ORGANIZATION STRATEGY.	ADDRESSED IN 2012 REPORT
PROFESSIONAL CAREER DEVELOPMENT	HIGH	LOW	GLOBANT IS SEEKING TO BECOME AN EMPLOYMENT ROLE MODEL. THIS IMPACTS ON EMPLOYEES AND TO A LESSER EXTENT THE LABOR MARKET IN THE INDUSTRY.	ADDRESSED IN 2012 REPORT
MARKET PRESENCE	AVER.	LOW	GLOBANT IS NOT PART OF THE PRIMARY TIERS OF TECHNOLOGY COMPANIES BUT HAS STRONG LEADERSHIP IN LATIN AMERICA.	ADDRESSED IN 2012 REPORT
INDIRECT ECONOMIC IMPACTS	-	AVER.	THE ECOSYSTEM OF COMPANIES LINKED TO GLOBANT SHAPES THE IT INDUSTRY IN LATIN AMERICA. THE INDUSTRY LOOKS UP TO GLOBANT AS A ROLE MODEL.	ADDRESSED IN 2012 REPORT
TRAINING & EDUCATION	HIGH	LOW	THE INNOVATIVE AND ENTREPRENEURIAL CHALLENGES AND THE COMPANY'S GLOBAL PROFILE CANNOT BE ADDRESSED WITHOUT HIGH LEVELS OF PERFORMANCE IN EMPLOYEES. IN ADDITION, THIS MAKES OF GLOBANT AN ATTRACTIVE COMPANY TO WORK FOR.	ADDRESSED IN 2012 REPORT
SECTOR REGULATION COMPLIANCE	AVER.	-	THE INDUSTRY IS ENCOURAGED IN CERTAIN COUNTRIES OF OPERATION, THUS REGULATION COMPLIANCE IS KEY.	ADDRESSED IN 2012 REPORT
ENTREPRENEURISM	HIGH	AVER.	THIS IS ANOTHER KEY PROCESS IN THE STRATEGY OF THE ORGANIZATION AND CAN POTENTIALLY GENERATE NEW VENTURES.	ADDRESSED IN 2012 REPORT
GREENHOUSE GAS EMISSIONS	-	AVER.	THIS ASPECT WAS INCLUDED AS MATERIAL FORMING PART OF THE PROCESS OF CUSTOMERS' ENGAGEMENT AMONG STAKEHOLDER GROUPS	PARTIALLY ADDRESSED IN 2012 REPORT

INTEREST GROUPS LINKED TO THE ORGANIZATION

The process of stakeholders' involvement is continuous throughout the year, and feeds what is described in the materiality analysis carried out by the Sustainability Council. Some groups of specific interest as employees, customers and directors / managers were especially contacted for the validation of aspects included in this report.

Stakeholder selection is also part of the agenda of the Sustainability Council, which has the role of interpreting the corporate strategy in the context of sustainability and feeding back the Board of Directors.

The stakeholders linked to the organization are:

Customers: American Express, Bally Technologies, BBVA, Cars.com, CISCO, Coca-Cola, EA, Embraer, EMC, GREE, JWT, lastminute.com, LinkedIn, Mercado Libre, Mind Candy, MoneyGram, National Geographic Channel, NYSE Euronext, Orbitz, PR Newswire, Sabre, Travelocity, Viajanet, Zynga, among others.

Government: Government of Argentina, Government of the City of Buenos Aires, Provincial Governments

(Buenos Aires, Chaco, Tucuman, Santa Fe and Cordoba provinces); Municipalities of Tandil, Bahia Blanca and Mar del Plata. Municipal Government of Montevideo (Uruguay), Bogota and Medellin (Colombia).

Chambers of Commerce: CESSI, CEPIT, Rosario Technological Cluster, Cordoba Technological Cluster, AMCHAM, IDEA, ACDE, AEA, among others.

Civil society organizations: Buenos Aires: Desarrollar Foundation, Nobleza Obliga, Centro Metropolitano de Diseño, Equidad Foundation, Caacupe NGO, Garrahan Foundation, Ntra. Sra. de Caacupe Parish Church, Sadosky Foundation, ASDRA, TECHO, Afasia Foundation, Nosotros Foundation, Comunidad IT, Nochebuenaparatodos Foundation, Conciencia Association. Cordoba: Blood Bank of Cordoba, 180 Foundation, Si Foundation, Soles Foundation, Cordoba Mejora Foundation, Latas a la Obra Foundation, Nochebuenaparatodos Foundation. La Plata: Caritas, TECHO, Food Bank, Tiflos, Child Day Care Center. Tandil: Ramon Santamarina Hospital. Resistencia: Hemotherapy Center of Resistencia. Bahia Blanca: Nochebuenaparatodos Foundation, Technical School No 2. Rosario: Encuentro Civil Association, MoveRSE, Nochebuenaparatodos Foundation. Tucuman: Santa Rita Home, Universidad del Norte Santo Tomas de Aquino, National Technological University. Bogota: Alejandrito Corazon Foundation. Brazil: Post Office. Montevideo: Teleton Uruguay, Hemotherapy Center.

Universities and educational institutions: Austral, UBA, UCA, ITBA, UCEMA, UADE, IAE, UCES, Bologna University, Palermo University, Belgrano University, UTN, CONICET, ORT Montevideo, Los Robles School, Dialogos School.

Media: La Nacion, Clarin, Pagina 12, Cronica, El Cronista, BAE, Ambito Financiero, Perfil, Information Technology, Canal.AR, Canal 13, Telefe, Canal Metro, Canal 7, Tiempo Argentino.

Some issues that have influenced the materiality analysis emerged directly from stakeholders. The most important issues of this process are detailed in the table below:

STAKEHOLDERS	ISSUE RAISED	TREATMENT
GLOBAL CUSTOMERS IN DEVELOPED ECONOMIES	THE NEED TO PAY ATTENTION TO ENVIRONMENTAL ISSUES, PARTICULARLY TO EMISSIONS	INCLUSION OF AIR TRAVEL EMISSIONS. DEVELOPMENT OF EMISSION COMPENSATION MECHANISMS. STRONG AWARENESS CAMPAIGN IN ALL GLOBANT OFFICES WITH MEASURABLE RESULTS
COMMUNITY REFERENTS REGARDING PRIVATE SOCIAL INVESTMENT	THE NEED TO BROADEN TESTEAR IMPACT	COOPERATION AGREEMENT WITH ARBUSTA SOCIAL ENTERPRISE
GLOBERS IN ARGENTINA	A GREATER INVOLVEMENT WITH UNIVERSITIES SUPPORTING MANAGEMENT AND BUILDING OF SOCIAL CAPITAL	IN 2013, THE COOPERATION AGREEMENT WITH ITBA CONTINUED AND OTHER AGREEMENTS WERE SIGNED WITH SOME UNIVERSITIES WITHIN THE COUNTRY

AUDIT COMMITTEE

The Audit Committee oversees the process of financial and accounting information of the company. Among other issues:

- ✓ *It is responsible for the appointment, compensation, retention, monitoring and evaluation of our independent auditors, their work and opinions.*
- ✓ *It controls the rotation of the auditors' partners over our team pursuant to Law.*
- ✓ *It examines the financial statements, our accounting policies and critical estimates.*
- ✓ *It oversees the adequacy of our accounting and financial control.*
- ✓ *It reviews and approves all transactions with related parties.*
- ✓ *It establishes and oversees procedures for complaint receipt, retention and treatment regarding accounting, internal controls or auditing matters, and oversees the implementation, enforcement and remedial measures under our code of conduct.*

COMPENSATION COMMITTEE

The Compensation Committee discusses, recommends and approves policies relating to compensation and benefits of our managers and directors. It manages the ordinary share option and benefit plans, and reviews general policies relating to compensation and benefits. The duties of the Compensation Committee include:

- ✓ *To review and approve corporate goals and objectives relating to the remuneration of independent Board members, the CEO, and other members of senior management.*
- ✓ *To evaluate the performance of the CEO and other members of senior management in the light of those goals and objectives. Based on this evaluation, the committee determines and approves the CEO's remuneration and recommends the Board on the proposed compensation of the other members of senior management.*
- ✓ *To manage the issuance of the ordinary share option and other benefits to members of senior management and directors under our compensation plans.*
- ✓ *To review and evaluate, at least annually, the performance of the Remuneration Committee and its members, including the Compensation Committee compliance with its charter.*

NOMINATING AND CORPORATE GOVERNANCE COMMITTEE

The Nominating and Corporate Governance Committee is in process of being created and its effective implementation is expected to happen during 2013. Its functions are:

- ✓ *To identify qualified individuals to become directors and recommend the nominees to the Board.*
- ✓ *To develop and recommend the criteria for selecting candidates to the Board and examine the qualities of each member.*
- ✓ *To recommend applicable corporate governance guidelines and oversee the evaluations of the Board and of each committee.*

GRI G4 GUIDELINES

This report has been prepared in accordance with GRI (Global Reporting Initiative) G4 for its essential version. The external Verification report is provided following the table below, and it allows the identification of G4 content throughout the report.

Globant has established a policy for the selection of an external verification provider based on competence and independence of criteria. This has been executed by the Sustainability Council as an activity delegated by the Board. Crowe Horwath was selected to perform the task of external audit based on its knowledge of both the guidelines and the organization.

Details about the general basic content of G4 guidelines [are available here](#).

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External Verification Report, To GLOBANT's 1 Shareholders and Board of Directors

We have been engaged to perform an independent verification of the Sustainability Report for the period from January 1, 2013 to December 31, 2013 of GLOBANT for its worldwide operations and facilities.

We have run an evidence gathering process on the following aspects:

- **Key performance indicators during the fiscal year**
- **Information provided by the area of CSR of the company**
- **Information of the Management Systems of the firm**

The GLOBANT's Board of Directors is responsible for both the information contained in the report as well as the evaluation criteria.

Our responsibility has been to report based on our procedures of data analysis.

1 Globant is a multinational organization. This report speaks generically about GLOBANT and all its operations in countries in which it operates referring to all its related companies: Sistemas Globales S.A., Sistemas Globales Buenos Aires SRL, IAFH Global S.A., 4.0 SRL y Globers S.A. (Argentina); Globant LLC (EE.UU.); Sistemas UK Ltd. (Inglaterra); Sistemas Colombia S.A.S. (Colombia); Sistemas Globales Uruguay S.A. (Uruguay); Global Systems Outsourcing S.R.L. de CV (México); Sistemas Globales Chile Ases Ltda. (Chile); Globant S.A. (Luxemburgo); Software Product Creation S.L. y Globant S.A. (España); Globant Brasil Participacoes Ltda. y Terraforum Consultoria Ltda. (Brasil).

We have used as guide the practices suggested by ISAE3000 (International Standard on Assurance Engagements 3000) and we have defined our engagement as a limited assurance.

Our procedures for the selection of evidence and evaluation criteria included:

- **Alignment with the Core Content recommended for the development of sustainability reporting by the Global Reporting Initiative (GRI) version 4.**
- **Performing substantive tests designed to show, based on sampling, reasonableness and consistency of the bases and criteria for the preparation of Corporate Social Responsibility Report.**
- **Revisión de documentación relevante, incluyendo políticas corporativas, estructura de la organización y programas de responsabilidad social.**
- **Interviews with relevant staff of the firm.**
- **Information from interested parties identified by the company inside its sphere of influence.**

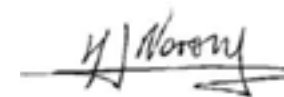
Based in our work described in this report, nothing has come to our attention that causes us to believe that the information contain in the Sustainability Report

for fiscal year 2013 of GLOBANT does not show, in a reasonable way, the performance and activities undertaken by the firm on Sustainability. Policies, documents, indicators and other information included in the Sustainability Report of the firm are reasonably supported by documentation, internal processes and activities, and information provided by interested parties.

Based in our work, described in this report, nothing has come to our attention that causes us to believe that the information contained in the Sustainability Report for fiscal year 2013 of GLOBANT does not show, in a reasonable way, the performance and the activities undertaken by the firm on Sustainability. Policies, documents, indicators and other information included in the Sustainability Report of the firm are reasonably supported by documentation, internal processes and activities, and information provided by interested parties.

The review process allowed us to identify a series of matters, presented in a separate document to GLOBANT's Board of Direction, which contains our independent opinion about rooms for improvement.

Rosario, 27th June, 2014



CP Marcelo Navone
Socio



Ing. Luis Diego Piacenza
Socio

REPORT PROFILE



REPORTING PERIOD

1 January 2013 to 31 December 2013

DATE OF LAST REPORT

31 December 2012

REPORTING CYCLE

Annually

CONTACT POINT

TO ADDRESS CONCERNS THAT MAY ARISE FROM THE REPORT CONTENT

Francisco Michref

Sustainability & CSR Coordinator

AR: +54 11 4109 1700 | US: +1 877 798 8104

francisco.michref@globant.com