



# 2014 SUSTAINABILITY REPORT







It all started the day we founded Globant. We were four friends dreaming at a bar with a clear objective in our minds: We wanted to build a company for the long term, one which challenged the status quo. We realized that only a few companies were created with this purpose built into their DNA. Therefore, when we decided to found Globant, we wanted to think big. We chose to follow a different path.

Thinking big defined the way we acted from day one, even when we face the smallest of decisions. Maintaining these determinations over time led us to have sustainable growth, which became the first step toward making our dream come true.

Following this path, in 2014, we became a public company, since we did our IPO and now we are listed on the NYSE under the ticket GLOB.

Today, after the IPO (Initial public offering) landmark, we have even more plans than before and continue to be excited about the future. We have always thought of the IPO as a step towards our goal of building the best company in the creation of innovative software products by bringing opportunities to wherever the talent is located. Of course, this was not the only news in 2014. The opening of new offices in Mexico, Peru, and New York marks new growth, providing better service to our customers and expanding our development potential globally.

This sustainable growth of the company was backed by the positive indicators shown by our triple bottom line outcomes:



*We increased the company's revenue by more than 26%, reaching \$199.6 million in the year.*



*For the second consecutive year, we incorporated over 1,300 new Globers and increased both private and social investment that enhanced the indirect economic impact on the communities in which we operate.*



*We managed to cut down on our carbon footprint per capita, thereby reducing the environmental impact of our operation.*

We remain strongly committed to this path of success, and even though we have a long way to go, I am convinced that our future prospects bode well for achieving these goals. Our commitment to the values of our Manifesto, as well as our adherence to the ten principles of the United Nations Global Compact, can be seen in the management of the material sustainability issues that are accounted for in this report. We know that these values are what society needs in order to progress, and it is our vocation to spread our enthusiasm and commitment to bettering the world. We count on all of you to join us on this path.

*Thank you!*

Martín Migoya  
Co-Founder, Chairman & CEO

 @migoya



Globant's fourth Sustainability Report seeks to emphasize the continuity of the indicators previously published. After each annual review, we see that the materiality of the issues on which Globant has to focus is strengthened. Over the years, a larger amount of data collected allows us to better visualize our management trends. In addition, this is the first report that includes indicators proposed by the Sustainability Accounting Standards Board (SASB) for the technology industry. While it is still developed based on the guidelines of the Global Reporting Initiative G4, the addition of SASB indicators is done in a complementary manner, meeting the suggested best practices for companies that have made their initial public offering.

## 2014 was a year of sustainability achievements:



*We have made significant progress regarding dialogue with key public such as customers, holding individual conversations with their sustainability leaders in order to understand what they expect from Globant on sustainable development.*



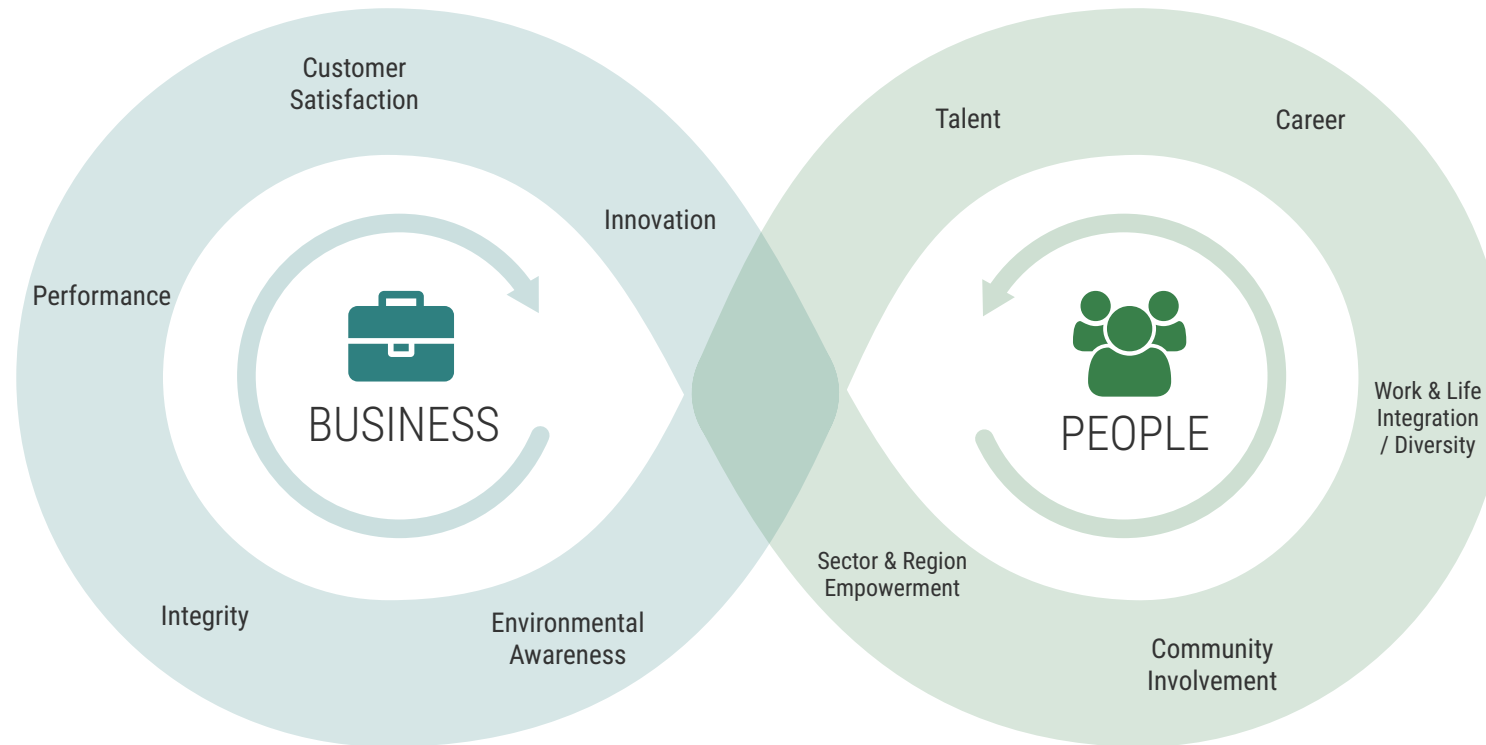
*We held the first international Webinar on sustainability, in which we had the involvement of those responsible for sustainability with two renowned customers in the field, NatGeo and Citi.*



*Finally, the previously issued 2013 report, was acknowledged as being among the best 10 reports of the year, by Elaine Cohen.*

Likelast year, this report maintains the structure by subject, based on the company's sustainability framework used to facilitate reading and to enable different audiences to find information easily.





Globant's sustainability framework, typified for the first time three years ago, was modified over time, in line with the dialogues we maintained with stakeholders. In 2014, this scheme showing the way Globant understands sustainable development (see above), had its most significant graphic change without changing its contents substantially. From a framework with three pillars encom-

passing sustainability issues, it became a two-pronged graph in which integrity is seen as a matter of business that permeates throughout its value chain and not as an external entity. While this conceptual variable was considered from the beginning, it was thought appropriate to give the issue a special entity in order to make it more relevant. Three

years after that first framework, the Sustainability Council understood that the company was ready for this change.

We are a digitally native technology services company. We dream and build digital journeys that matter to millions of users. We are the place where engineering, design, and innovation meet scale.

## Globant's Manifesto

- Act ethically
- Be a team player
- Constantly innovate
- Aim for excellence
- Think big
- Have fun

## STUDIOS



Our main headquarters is located in Buenos Aires, Argentina. The company has operations and customers in the following cities:

CUSTOMERS:  
**296**

DEVELOPMENT CENTERS  
**29**

CITIES  
**19**



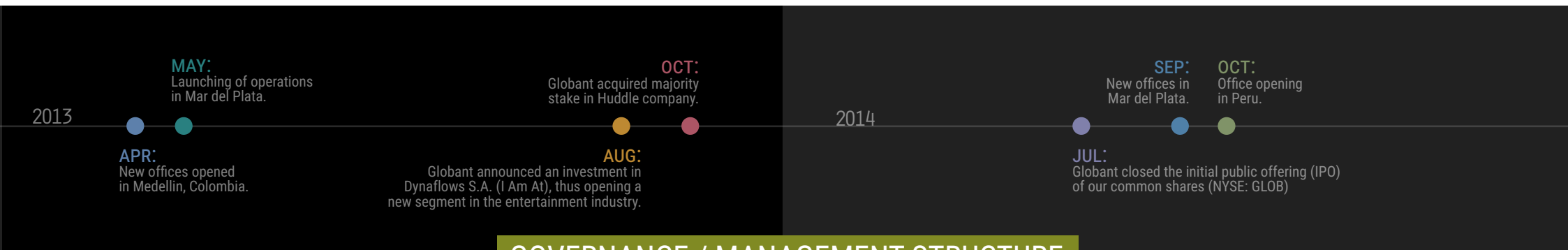
Our sales offices are in the United States (Austin, Boston, New York, and San Francisco) Brazil (São Paulo), Colombia (Bogota), Uruguay (Montevideo), Argentina (Buenos Aires), and the United Kingdom (London).

"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. They are detailed [here \(p.6\)](#)"



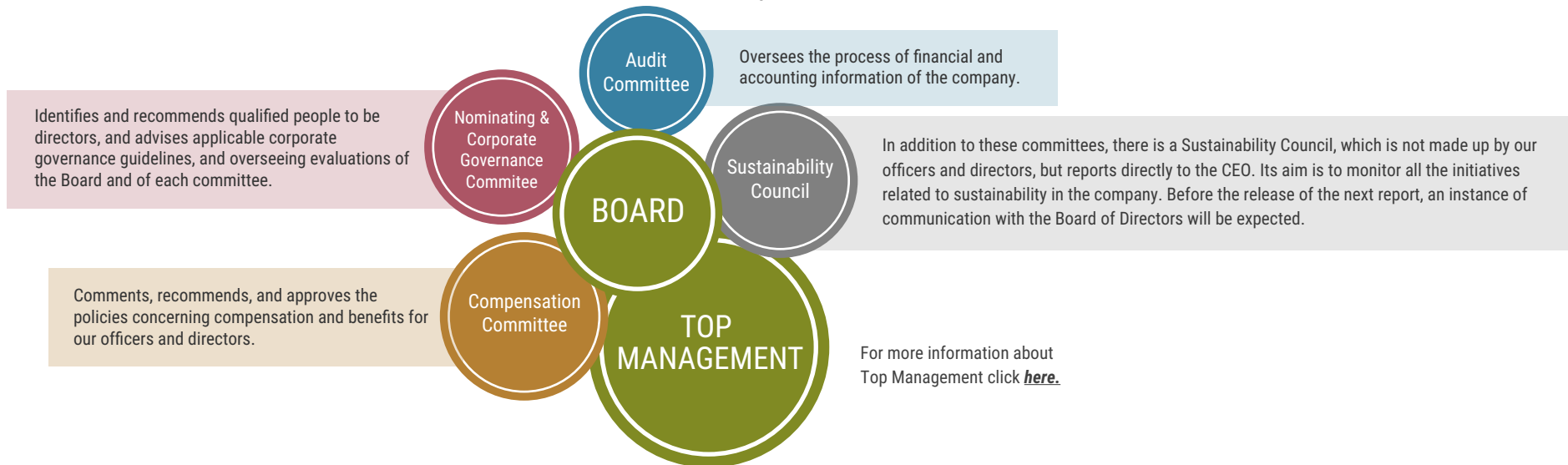


2013		2014
3236	Employees	3775
25	Development centers	29
\$ 158,324,000	Net sales	\$ 199,604,996
\$ 111,747,000	Assets	\$ 161,125,000
\$ 54,882,000	Liabilities	\$ 33,646,000
\$ 59,865,000	Total equity	\$ 127,479,000
	Services offered:	
	<b>Development of innovative software for global audiences</b>	



## GOVERNANCE / MANAGEMENT STRUCTURE

For more information about the committees see "[investors.globant.com/board-committees](http://investors.globant.com/board-committees)."





Globant seeks to become the best company in the world in the creation of innovative solutions that appeal to global audiences. This objective, which was set since the company's creation, is the compass that guides us in all our decisions.

In 2014, this growth target posed several challenges that were successfully carried out.

The business revenue increased by 26.1% in 2014, reaching \$199,604,996.22, and 13% of reinvested value (\$25.263 million), the highest in the company's history.

As stated earlier, in July 2014, Globant became a public company, since we did our IPO and now we are listed on the NYSE under the ticket GLOB.

During this year of growth, we conducted the kickoff of new development centers, opening our first offices in Mexico City, Lima, New York, Medellin, Mar del Plata, and Mendoza, in addition to our second offices in the city of Bogota.

Finally, we increased the portfolio of clients by 13% (and the number of projects by 33%).

## Democratizing capital market through technology technology

Globant was not just another company launching its IPO. Not only are we the first Latin American company that creates software products to make it in the NYSE, but also we were the third company in the world to open the possibility of people's participation in the IPO through platform Loyal3.

Why is this important? Because during IPOs, only institutional investors and large capital are enabled to invest. However, through Loyal3, an online company that allows

buying of fractional shares from a minimum of ten dollars with free service, Globant opened the possibility of investment to those who want to take their first steps in the capital market without intermediaries or additional fees.

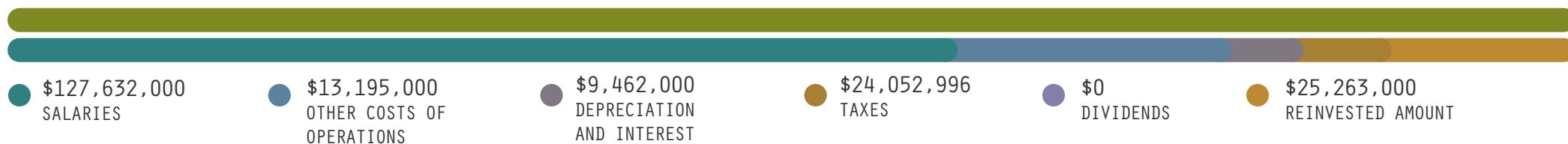
The "investor consumer" is a new concept that aims at democratizing the capital market and has the potential to change the personal finances of millions of people who now have the first chance to benefit from their admission to an IPO.



# INDICATORS

## FINANCIAL INFORMATION (USD)

2014 \$199,604,996 generated economic value



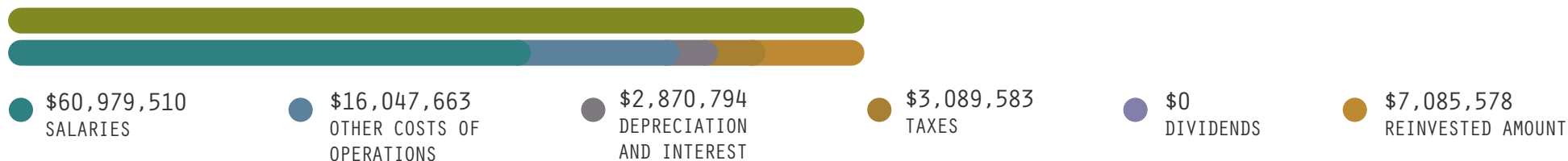
2013 \$158,324,000 generated economic value



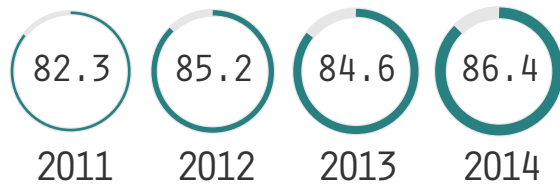
2012 \$128,849,000 generated economic value



2011 \$90,073,128 generated economic value



## CUSTOMER SATISFACTION SURVEY TARGET 82/100



## Per Studio

	2011	2012	2013	2014
● Consumer Experience	89.5	83.4	86.4	83.8
● Gaming	85.6	85.0	83.2	89.9
● Big Data & HPS	74.6	84.1	86.8	80.6
● Quality Engineering	89.5	89.0	83.4	87.8
● Enterprise Consumerization	86.3	86.2	85.2	84.6
● UX & Social	73.6	94.1	82.1	82.5
● Mobile	ND	80.4	81.7	84.1
● Cloud Computing & Infrastructure	78.1	82.2	87.2	87.3
● After Going Live	ND	ND	ND	95.0
● Digital Content	ND	ND	ND	89.4
● Product Innovation	ND	ND	ND	ND
● Wearables & Internet of Things	ND	ND	ND	ND

## CRITICAL SECURITY INCIDENTS



\*Satisfactorily solved

## CERTIFICATIONS



Laminar, South Park (BA), Alfíl Azul (LP), Tandil, Bahía Blanca, Capitalinas (CBA), Museion, Nordlink (Rosario), Resistencia, Tucuman, Montevideo



South Park



North Park, Capitalinas (CBA), Montevideo



Sistemas Globales e IAHF

\* CDSA (Content Delivery and Security Association)

\* CMMI (Capability Maturity Model Integration)



Today, Globant offers services based on five continents, in very different cultures and in a large variety of industries. Understanding the needs of our customers and their businesses is vital to being able to offer quality service that meets their needs.

Fluid dialogue and constant feedback are key tools in our development processes. Agile methodologies are useful in order to have quick returns that enable continuous improvement and satisfaction with the finished product. In turn, international certifications endorse these processes and provide a guarantee for our customers. In 2014, several changes were made in our management tools, which improved the security, tracking, and monitoring of projects.

In addition, standard ISO 9001:2008 was certified in 15 offices. Finally, 5 offices and 214 projects were audited.

As for security, the same as last year, 51 minor incidents were reported among all Globant offices worldwide, mainly related to loss or theft of equipment inside and outside the company. None of them involved unauthorized disclosure of information or Globant's security infrastructure breaches..





Besides being one of the values of our Manifesto, Constantly Innovate is our way of doing things. It is the first choice when thinking about any new action from the products developed to the expansion or relationships with Globers.

Innovation has always been a cross company value, and in February 2014, we were recognized by Fast Company, placing us among the ten most innovative companies in South America.

By mid-year, we opened the first fully equipped MakerSpace in Buenos Aires headquarters. The space, which seeks to bring together Globers willing to generate innovative collaborative projects, will be replicated in other offices starting in 2015. The main objective is to create a place where projects implemented by the new Wearables & Internet of Things Studio are elaborated, becoming both an excellent meeting point for innovation and an area where people quickly generate prototypes that are massively developed afterwards.

Moreover, in 2014 we conducted the first lecture on bioinformatics in the city of Tandil, Argentina, and the **first TEDMED event in Buenos Aires** (nonprofit conferences focusing on technology, health and medicine operated under the TED Conference license). From Globant Labs, our innovation and research lab, 3D scanning and printing studies and applications like Swipper were carried out in addition to enhancements made to Cuando Llega App.

## 3D Scanning and Printing:

3D scanning and printing tests and trials were very successful. Through **Kinect** scans with multiple uses were performed, ranging from using self image in video games to printing self-miniatures.

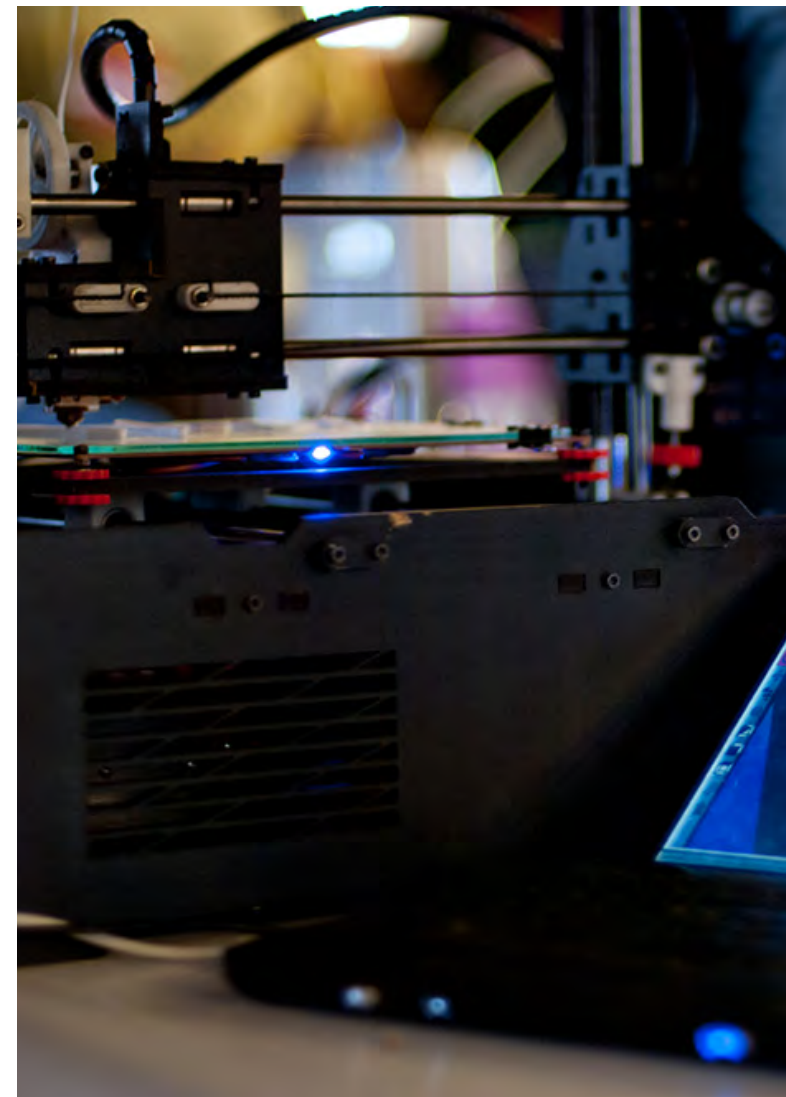
These trials were used to test different software in order to determine which one best suited the proposed needs. **More info**

## Swipper:

It is an internal application that tells Globers who have to travel for work, which shops operate with the corporate card through smartphones and geolocation services. With Swipper Globers can:

- ✓ *Select from five categories concerning the business they want to see: Food, service stations, taxi, car rental, and accommodations.*
- ✓ *Access a map of shops located between 100 and 500 meters around them, according to the selected category.*
- ✓ *View location details such as name, address, phone number, opening hours, coordinates, photos, and reviews by simply touching the icon of interest on the map.*

- ✓ *Set a destination and then get the path toward it on the map.*
- ✓ *Share the shop or business on a social network.*



## 2014 KEY WORDS

"Keywords" survey to our stakeholders



After each event or meeting with people from the IT community, users were consulted on the first three words they associated with Globant. In 2014, the word "innovation" diminished slightly, due to the increased mention of other words like "Success," "Growth," and "Expansion" that were connected to our company going public.

## QUESTION TO CUSTOMERS

"Please, set your level of satisfaction in relation to innovation in the project developed."



Studios	2012	2013	2014
Consumer Experience	78	79.5	79.1
Gaming	78.9	82.5	86.3
Big Data & HPS	83	81.1	79.5
Quality Engineering	79.3	83.1	79.5
Enterprise Consumerization	85.4	79.2	81.5
UX & Social	82.7	77.5	82.5
Mobile	73.1	74.5	79.5
Cloud Computing & Infrastructure	77.8	82.8	83.2
After Going Live	ND	ND	95
Digital Content	ND	ND	77.6
Product Innovation	ND	ND	ND
Wearables & Internet of Things	ND	ND	ND

Offering new professional development opportunities for young people from around the world is one of our primary pillars and an issue intrinsically related to the sustainable development of the company.

From the Capacity area, we seek to achieve an organic growth of the Globers community in order to maintain the sustainability of the business and to continue providing quality and challenging opportunities.

In 2014, 1,364 new people were added, increasing the final number of Globers to 3,775 by December. This represents a 17% rise year-to-year, and a growth of 68% in the last three years, when we first started to work sustainability transversely throughout the company.

The performance achieved in 2014 is the result of a great recruiting job, seeking to bring career development opportunities to those cities where a large pool of talent can be found. 35 events of engagement with the IT community were organized in 15 different cities with over 800 participants.



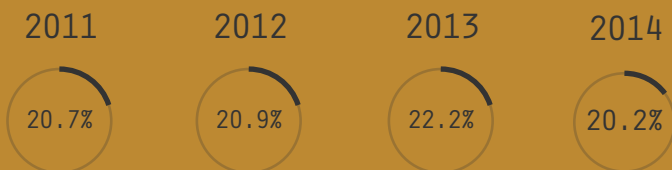


## NUMBER OF GLOBERS\*



\* 100% of Globant workers are permanent employees, almost all full-time. The percentage of part-time employees is not substantial.

## TURNOVER



## GLOBERS PER COUNTRY 2012 2013 2014





Our growth is intrinsically linked to the development of our Globers. Globant is the group of people that makes it up, and the professional development of its members defines the level of maturity of the company and the quality of the products it offers. For this reason, we strongly emphasize that each Globber can plan their career and carry it out as they see fit. In addition to the initiatives we undertake every year, like the Career Day, the Open Positions (a program that publishes the open positions to apply in different projects around the world), the training on the latest technologies, and performance evaluations/acknowledgements in 2014, a Mentoring Program was held for the first time. This involved Senior Globers accompanying a group of Globers with less seniority to guide them in their career development. Some 60 Globers participated in this initiative, exceeding expectations of what was meant to be a pilot test.

In 2014, more than 800 Globers were promoted and 272 modified the direction of their careers when changing areas internally. Training hours increased by 15%.

In April 2014, a Design Center was launched in the city of La Plata in which 100 students were trained in the latest trends in design and user experience. Through this initiative, leading experts in Visual Design and UX offered a unique training in the market. The program was aimed at employability and lasted four months.

Finally, we developed U-Grow again in different cities. Through this program, we train young people in their early college years in technologies, processes, methodo-

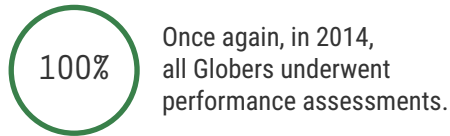
logies, and software skills. The aim is to prepare them for future employment by adding talent to the company according to the knowledge and skills required by today's market. This year we trained 47 youngsters.



Matías Echeverría  
Visual Designer

*“ I enrolled in the Design Center without really knowing what job opportunities I'd have. Once the course was finished, Globant offered me to join them as a Visual Studio Designer within the UX & Social Studio. Today I'm working in the company's Communications area, and I'm responsible for the design of all internal and corporate pieces. I think that having taken part in this initiative gave me the opportunity to start a career in my field, and in one of the most important companies in my city. ”*

## PERFORMANCE ASSESSMENTS



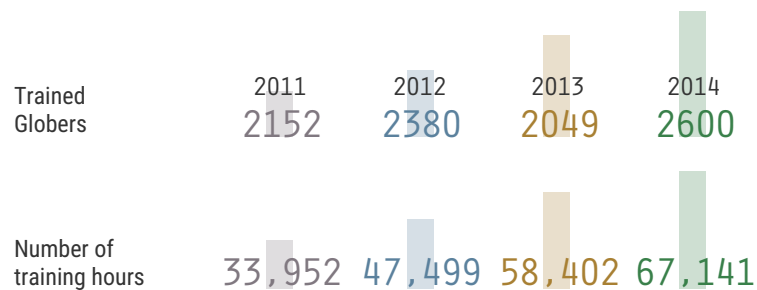
### GLOBERS WHO CHANGED POSITIONS/AREAS



### GLOBERS WHO CHANGED SENIORITY



## TRAINING



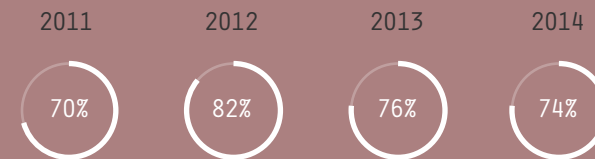
## ACKNOWLEDGEMENTS

Number of Globers acknowledged by peers



## PERCENTAGE OF LOCAL MANAGERS\*

Managers born in cities where Globant is present



\* Local is a person who permanently resided in the city when taking his/her position at Globant.

Several studies conclude that people develop and perform better when they feel happy at work. Moreover, this happiness is closely related to the integration between personal and work life. Such integration is not a balance between two opposing things, but involves two aspects of the same thing, life, which go hand in hand.

The management of diversity is understood from this same perspective. We seek to create an environment in which Globers can fully develop while still being who they are, and even promote their own identity.

From People area, we work with Globers to achieve this integration both within and outside Globant. For this reason, we have several initiatives in that direction:

### **Globant Healthy:**

- ✓ Vaccination campaign.
- ✓ Medical Checkup.
- ✓ Healthy Week.
- ✓ Premium medical coverage for the entire family.
- ✓ In company physician.
- ✓ Nutritionist.
- ✓ Workplace exercises and stretching workshops.
- ✓ Massage and fruit in the office.

### **Family:**

- ✓ Extended maternity and paternity leave.
- ✓ Marriage and birth gifts.
- ✓ Family days at all sites.

### **Have Fun @theoffice:**

- ✓ *In March, we repeated the Surf Trip to La Paloma, Uruguay, and in September the legendary Mini Ski Trip to Las Leñas, Argentina.*
- ✓ *As it has already become a tradition, several happy hours are held throughout the year in all Globant offices. The most important ones: Globant's birthday in March, Spring Day in September for Latin America, and Halloween in October.*
- ✓ *In addition, at the end of the year, each office holds year-end celebrations.*
- ✓ *Photography and inter-site video contests are already another tradition at Globant.*
- ✓ *The first chess tournament was organized.*
- ✓ *Finally, in June we shared the Soccer World Cup in all offices.*

### **Other benefits:**

- ✓ English lessons
- ✓ On-site hairdresser
- ✓ Music classes in the company
- ✓ Discount, benefit and recognition
- ✓ Program through G++ card.

## Woman's place at Globant

The prevalence of men in the sector comes from university, where enrollment continues to hover around 80% against just 20% of women, in Latin America. This difference, which is due to many factors, is replicated in business, and places a share of responsibility on all organizations involved.

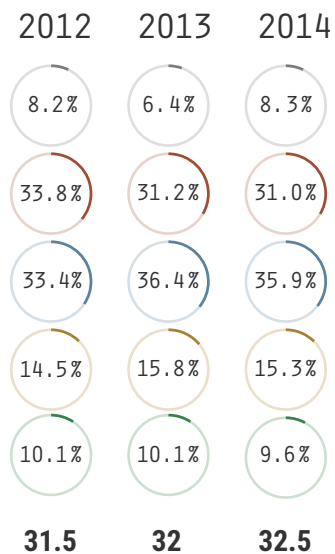
In Globant, we believe women's space in technology is extremely important in operation areas, staff, and management. We believe that women have certain skills in interpersonal relationships that make the development of new business more fluid.

Therefore, together with the area of People, we have assessed the internal situation of women on key issues such as salary, promotion, and the relationship between family life and professional career.

# INDICATORS

## GLOBERS PER AGE GROUP

- Younger than 25
- Between 25 and 29
- Between 30 and 34
- Between 35 and 39
- Older than 40
- **Average age**



## GLOBERS PER GENDER

Woman  21%

Man  79%

The percentage is the same as that of the last four years.

## WOMEN PER ROLE

	2011	2012	2013	2014
STAFF AREAS	89	103	98	175
PRODUCTION	381	496	575	623

## %OF GLOBER WOMEN PER SENIORITY

	2011	2012	2013	2014
● Top Management	10%	10%	10%	10%
● Manager	25%	23.8%	26.1%	27.7%
● Architect	4%	4.3%	5.4%	3.8%
● Software Designer	ND	6.5%	1.5%	4.3%
● Senior	16%	24.9%	24%	24%
● Semi Senior	22%	24.6%	21.5%	20.6%
● Junior	20%	22.7%	22.9%	24%
● Trainee	26%	21.2%	15.2%	27.1%

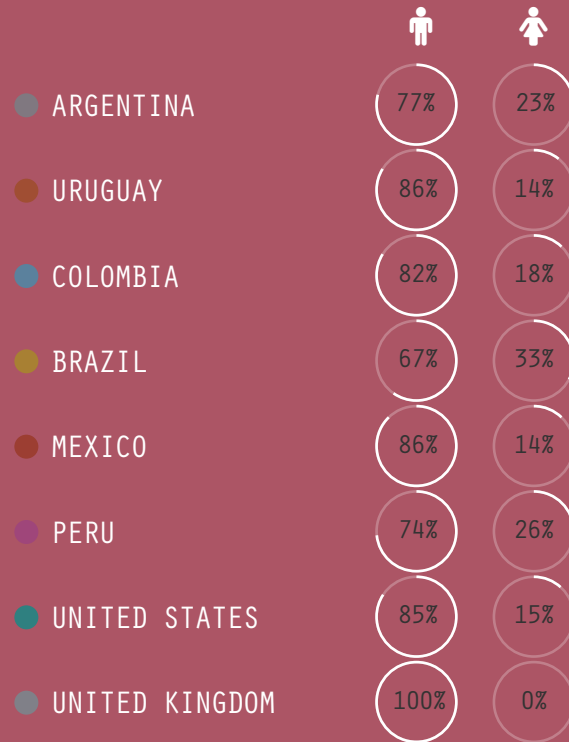
## FEMALE WAGE (vs. male wage\*)

	2011	2012	2013	2014
INCOME	95%	97%	93%	94%
INCREASE	102%	99%	99%	103%

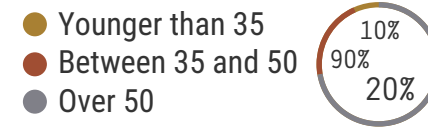
\*The information cannot be separated by professional category because it would lack of statistical representativeness. That relative to directors is in the Annual Report.



## DISTRIBUTION PER COUNTRY



## TOP MANAGEMENT BY AGE

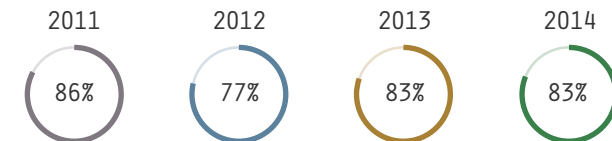


## TOP MANAGEMENT PER GENDER



## WORKING MOOD

### Participation



### Assessment (out of 5 points)



Our community relations are based upon three principle pillars: Inclusion-oriented education, technological solutions for the local community, and promoting IT work culture.

In 2014, we continued the training programs for job placement by establishing alliances that favored the fulfillment of the objectives pursued. We increased social investment in the community thanks to some innovative and high impact technological solutions, and we developed programs and initiatives seeking to bring the threshold of the IT industry closer to young people.

## TesteAR: Tearing down walls

Five years after its creation, the TesteAR program is establishing itself as a success story and as an example showing that qualified employment opportunities can be brought to sectors of society that need them.

In 2014, the alliance with Arbusta social enterprise – provider of digital services such as Manual Testing – was strengthened by empowering, training, and creating job opportunities for young people from disadvantaged sectors. Arbusta is the first company of Impact Sourcing in South America and they are a key partner in the promotion of the TesteAR program because it favors its self-sustainability, developing production centers in the communities of beneficiaries and hiring a large number of graduates.

This year, we trained over 50 young people in cities like Rosario, Cordoba, and Buenos Aires with a graduation rate of 81%.

## Technology as a bridge

Inclusion can be understood in different ways. Offering training programs such as TesteAR is one of them.

Likewise, technology, besides having become a source of employment with high added value, can provide solutions that foster inclusion in different ways. At Globant, we continue to develop products and applications by seeking to supply inclusive answers to specific society problems.

## Scholas Ocurrentes

The World Network of Schools for the Encounter was inspired by Pope Francis' efforts to promote the connection of all schools around the world. With the goal of fulfilling its mission, the Vatican approached Globant in order to ask its assistance in the conception and development of an innovative technology platform.

Our team worked hard on a pro bono basis alongside Google and Line64 in order to launch [scholas.social](http://scholas.social) platform in September, which allows schools around the world to connect with each other, present their projects and apply the necessary resources to carry them out.



## DANE Project:

In 2014, we continued to participate in the Development of Applications for Children and Youth with Special Needs (**DANE** for its acronym in Spanish).

Besides the testing and enhancements made to Dibugrama and Sonigrama applications, a team of volunteers worked with the Argentinean Association of Parents of Autistic Children in two initiatives that will facilitate the personal development of children with autism spectrum disorders.

In October of this year, the DANE Project received the Merit Award under the World Information Technology and Services Alliance (WITSA) 2014 Global ICT Excellence Awards.

## Blood Brothers:

Globant partnered with OurMark social enterprise to carry out the project *Hermanos de Sangre*. A group of volunteers worked throughout the year on the architecture and development of the website. Its aim is to connect hospitals and blood therapy centers in Latin America with regular blood donors.

The idea is to facilitate access to potential donors and to promote regular donations throughout the Hispanic community by means of gamification techniques inviting users to collaborate so that their closest centers meet the goal of blood required. It is estimated that this platform will be available during the second half of 2015.

## Youth Observatory:

The University of Bologna, through its representation in Argentina, is undertaking this initiative to be the first comprehensive survey on trends, behaviors, expectations, and consumption of young people in Latin America. Globant, as a founding partner of the project, worked on a pro bono basis on the development of its website.

## Cuándo Llega / Next2You:

Corrections, improvements, and new features were introduced to *Cuando Llega* and Next2You. *Cuando Llega* is a mobile application that allows users on public transport in Rosario to know arrival times of buses in real time. Next2You is an internal app that connects Globers living close to organized carpooling).



## Work Culture and Volunteering

When thinking of volunteering proposals for our Globers we try to offer initiatives in which the added value for the community is related with the expertise and knowledge of the volunteer.

Besides developing software for the community, this year we launched pilot tests of two programs related to education: the Hour of Code and the Teacher's Club.

### The Hour of Code:

This is an international event that seeks to teach programming in an hour to people between 4 and 104 years old! It's performed in more than 180 countries and has already trained nearly 100 million children.

At Globant, a volunteer group adapted the presentation and conducted The Hour of Code in public schools in four cities (Buenos Aires, Cordoba, Resistencia, and Mar del Plata).

### Teacher's Club:

Teacher's Club is a similar project. It involves not only programming instruction, but it also offers Globers the possibility to give lectures within their fields of expertise. In this way, designers, project managers, functional analysts, and manual testers can also provide their experience and testimonials to high school students.

In 2014, a pilot test was conducted in four cities with the participation of 55 Globers covering issues such as: "Programming for non-programmers," "Web design," "Safe

use of social networks," "Testing: Working to find someone else's mistakes," "Why study Engineering," "Job placement: How to create a CV and face an interview," and "How to lead teams," among others. Next year, we expect to carry out both programs in every city in which we operate.

### Other Initiatives:

Moreover, other social initiatives were generated in order to strengthen Globers' bonds within their respective communities:

- ✓ *Blood donation campaign at the office: 60 volunteers participated in 6 cities and 45 units of blood were donated.*
- ✓ *Noche Buena para Todos (Christmas Eve for All) Campaign: We invited teams of Globers to assemble a Christmas box for needy families. This campaign was conducted in 15 offices and involved more than 400 Globers who packed 130 boxes.*
- ✓ *We conducted monetary and material collection campaigns in order to face specific emergencies. We also participated in donations of hardware and office furniture, and even a financial contributions for the construction of a secondary school in a shantytown near Buenos Aires.*



## TESTEAR IN NUMBERS

	2010	2011	2012	2013	2014	TOTAL
● COURSE TOTAL	1	2	5	4	3	15
● STUDENT TOTAL	11	43	87	70	52	263
● DROPOUT %	18%	14%	28%	21%	19%	22%

## TECHNOLOGY FOR THE COMMUNITY

	2011	2012	2013	2014
IT projects	5	7	6	7
Pro bono development hours	3032	5930	1366	5000

## VOLUNTEERS

	2011	2012	2013	2014
Volunteer Globers	150	177	318	489
% of Total Globers	6.7%	6.6%	9.8%	13%
Volunteering actions	15	49	19	29

## IMPACT ON COMMUNITIES

	2013		2014		
	Impact of projects	Evaluation	Impact of projects	Evaluation	
● Buenos Aires	100%	VERY HIGH	100%	VERY HIGH	^
● Cordoba	80%	HIGH	100%	VERY HIGH	^
● Rosario	80%	HIGH	100%	VERY HIGH	^
● La Plata	30%	LOW	80%	HIGH	^
● Tandil	20%	LOW	65%	AVERAGE	^
● Bahia Blanca	30%	LOW	30%	LOW	>
● Resistencia	60%	AVERAGE	80%	HIGH	^
● Mar del Plata			70%	AVERAGE	-
● Tucuman	20%	LOW	30%	LOW	>
● Montevideo	55%	LOW	30%	LOW	>
● Bogota	20%	LOW	20%	LOW	>
● San Francisco	10%	VERY LOW	20%	LOW	^

Cities where Globant has significant presence are taken into account.

Globant has adopted a Code of Ethics (CoE) approved by the Board that is aligned with the best corporate governance practices and the requirements of the Sarbanes-Oxley Act. The CoE lists a guide of principles necessary in order to promote and ensure good behavior within the organization. It is a statement that sets the highest standards of honesty, integrity, and morality. The Audit Committee composed of independent directors will ensure its proper fulfillment, dissemination, and updating.

Through its different sections, the CoE establishes the following guidelines:

- ✓ *To comply with laws, regulations, and polices applicable to business good practices.*
- ✓ *To adhere to the United Nations Global Compact.*
- ✓ *To establish a policy of equal opportunities to its employees.*
- ✓ *To set a health and safety policy in the workplace.*
- ✓ *To apply a policy of protection and proper use of company assets.*
- ✓ *To provide guidelines regarding conflicts of interest concerning employees, including personal and business relationships.*

- ✓ *To ensure a benefit & gifts policy.*
- ✓ *To look after the confidentiality and use of privilege information policy.*

The code can be viewed [here](#).

## Reporting Mechanisms

In Globant, we have established a protocol to address Globers' potential actions against the CoE. Even though we recommend resolve these situations directly with those involved, for cases where this is not possible, an internal reporting channel with an exclusive mailbox was enabled to ensure confidentiality and impartiality for each complaint. Moreover, considering actual best business practices, we are in the process of hiring an additional reporting channel to be run by an external provider independent of Globant.

## Control Processes

The manager responsible for SOX compliance (Sarbanes-Oxley Act in the United States) has scoped in the processes and sub-processes subject to review. To this end, we took into account the processes reflected in the financial report which also are considered material or significant. In order to determine the relevance of each, a quantitative and qualitative approach was adopted. Through the quantitative approach, those financial statement accounts, which are considered to be significant or material because of their amount, are scoped in.

While the qualitative approach scopes in those financial report accounts due to factors such as volatility, degree of subjectivity, activity volume, contingency level, or accounting complexity that are considered significant or material.

## US Foreign Corrupt Practices Act (FCPA)

As a public company we are required to adhere to the provisions of the FCPA, and complies with all laws and regulations of the jurisdictions in which its activities occur.

***In the last four years, we have not received any significant fines for service failure or for non-compliance with the legislation.***

<sup>1</sup>The Public Company Accounting Reform and Investor Protection Act is aimed at monitoring listed companies and preventing their shares from being altered in a questionable manner while their value is lower. Its purpose is to prevent fraud and bankruptcy risk in order to protect the investor. (Pub.L. No. 107-204).

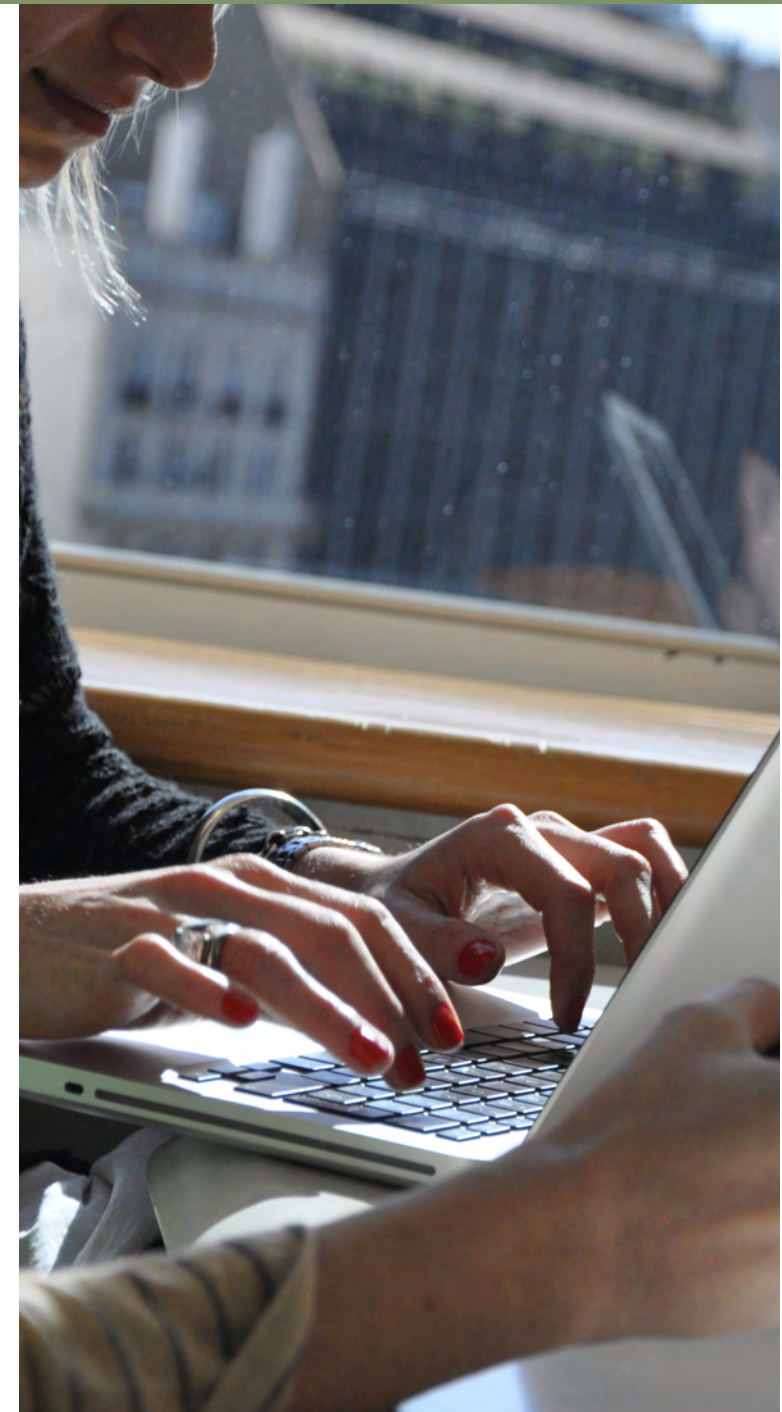
In 2014, we held a series of talks with our customers' Sustainability officials. We ascertained the importance each stakeholder gives to mitigating environmental impacts in all operations. This led us to reassess our materiality matrix and give this issue a higher level of relevance. We outlined a five-year action plan with the goal of reducing energy consumption per capita in each office. To do so, a Chief Security Officer was included at Globant's Sustainability Council, who took over the development of this plan.

The first stage of the project (to be undertaken during 2015) is linked to an exhaustive consumption survey. In 2014, an investment in localized energy meters was performed, and these devices were placed at the Head Office and in two other departments. Beyond this ambitious long-term project that will result in an environmental management system we continued to work on maximizing resources and recycling materials.

In this regard, our main achievement was the more than 15% decrease in our energy consumption per capita, which is where we had the greatest environmental impact. In addition, server virtualization was maintained 30-1 even with a 35% increase of actual memory consumption. In addition, low-power data centers have reduced their gigabyte (Gb) consumption use by 15%. Finally, local data centers meeting ASHRAE standards-maximize cooling and reduce expenditure. This allowed us to continue growing as a company, maintaining and even reducing our consumption ratios. For 2015, we have developed a plan to replace 65 GB of RAM with 380

GB. This will allow us to maintain the growth of the company by bringing the VM ratio to 35-1.

Thanks to agreements with local governments, our recycling work done with cooperatives of urban waste recuperators and the commitment of Globers to separate our own waste doubled the amount of recycled material, reaching two tons in six offices. We hope to replicate this program in other sites, such as La Plata and Montevideo, whose cities also have recycling material programs.



## MEASUREMENT OF GLOBANT'S CARBON FOOTPRINT\*:

Country	Energy consumption [MWHR]	National emission factor [CO <sub>2</sub> E/MWHR]	Metric tons of CO <sub>2</sub> equivalents [T CO <sub>2</sub> E]	Average maximum staff per site	Metric tons of CO <sub>2</sub> equivalent per person [T CO <sub>2</sub> E/Person]
<b>2014 emission total</b>	<b>4713.89</b>		<b>2457.260</b>	<b>3101</b>	<b>1.953</b>
Argentina	4116.28	0.523 <sup>(1)</sup>	2152.815	2474	0.870
Colombia	182.73	0.2716 <sup>(2)</sup>	49.628	172	0.289
Uruguay	369.64	0.660 <sup>(3)</sup>	243.959	391	0.624
Brazil	45.24	0.240 <sup>(4)</sup>	10.858	64	0.170

\*While this measure takes ISO 14064 protocol as a reference and is in line with the commitment of senior management to minimize environmental impact, it should be noted that it is voluntary and indicative and does not respond to a regulatory requirement. This measurement is out of the risk management scope.

(1) 2013 emission factor data. The Energy Secretariat has not published 2013 emission factor yet.

(2) 2009 emission factor data. The last official value published (Ministry of Mines and Energy).

(3) Projection for 2012.CDM study-Executive Panel.

(4) 2010 Conversion Factor.

## COMPARISON OF INDIRECT EMISSIONS IN ARGENTINA (Scope 2): 2011 - 2014

	2011	2012	2013	2014	2013 / 2014 annual growth
Argentina emission total	619.85	1570.12	1932.70	2152.81	220.110 <b>35.51%</b>
Per capita emission total	334.21	830.31	922.53	870.18	-52.36 <b>-15.67%</b>



## AIR TRAVEL EMISSIONS (SCOPE 3)

	2012	2013	2014	2013/2014 annual growth
Number of air flights	1735	2159	2677	24%
Average distance traveled km/flight	11472.71	9536.00	9961.80	4%
GGE total emissions t CO <sub>2</sub> e / year	2399.6	2482.0	3157.4	27%

## ENERGY SAVING IN INFRASTRUCTURE

	2013	2014	Year-on-year Variation
Server virtualization	30 A 1	30 A 1	We kept the same ratio, but we increased our actual memory consumption by 35%.
Low consumption data centers	24.5 KVA	30.5 KVA	20%
Gigabytes used by VM	64,895.09	92,678.22	30%
Datacenter/gigabyte consumption	0.000377532	0.000329096	-15%

During 2014, Globant consolidated its leadership, increasing its sphere of influence at the regional and sectoral level. Such leadership was the result of work carried out both in corporate areas and with the general public.

From its active participation in national chambers and local clusters, Globant worked to promote the study of hard sciences in order to bring the company closer to universities and to coordinate with local governments in order to achieve sustained growth in the industry.

In turn, through civil society organizations, the promotion of entrepreneurship remained a key pillar in the relationship between Globant and the community. This year Guibert Englebienne, Globant's CTO & co-founder, was elected president of Endeavor Argentina because of his commitment to entrepreneurship in the country and its ability to lead the local chapter of this flagship organization.

As for the general public, Globant continued opening its doors to students and enthusiasts in order to share with them the latest developments and global technological trends.

- ✔ *We received more than 600 postgraduate and masters students from around the world at our Head Office.*
- ✔ *We organized three events per month, open to everyone with top-level speakers in different cities of the USA, Uruguay and Argentina.*
- ✔ *We participated in the thematic organization of Tecnopolis, the largest mega-exhibition of science, technology, industry, and art in Latin America, based in Argentina.*

✔ *Open Days: Every month, Globant's offices open their doors to the community in order to share the vision and culture of our company with society.*

Although private social investment grew significantly in 2014, given Globant's sustained growth, the main challenge we face lies in our ability to respond appropriately to the different needs of each community in which we operate. In line with this problem, the first Webinar on sustainability was organized, in which renowned specialists of two global organizations (National Geographic Society and Citi) shared their dialogue approach with the local public.

[Click here to see the Webinar.](#)

## TOP MANAGEMENT PRO BONO HOURS

2013	2014
200	274

## UNIVERSITY VISITS

	2012	2013	2014
Number of visits	16	24	29
Participants	240	360	646



## Other indicators required by GRI-G4

- ✔ Information on collective agreements are not uniformly available in all territories in which we operate, due to different legislation. At the date of issuance of this report, calculation models were being reviewed.
- ✔ The initial public offering at the New York Stock Exchange (NYSE) in July 2014 was the most significant change in terms of Globant's share ownership. Beyond this, there have been no modifications of great significance in the organization's size, structure or supply chain other than those indicated in G4-10.
- ✔ Globant is a signatory of the Global Compact of

*the United Nations through its firm IAFH Global S.A. The principles of the United Nations Global Compact apply to the entire organization, and the communication of report in progress is made on Globant's behalf.*

- ✔ 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 116,051.54.
- ✔ The need to apply the precautionary principle was not necessary, under the analysis of the company impacts and the matters covered by this principle.
- ✔ An idea of the relative weight of suppliers in the organization is shown in the following table:

## Suppliers

	2013	2014
Total	628	930
Main suppliers	117	216
Critical suppliers	9	37
IT& related item suppliers	65	58
Annual distributed amount	\$23,989.990.69	\$33,728.077.00

## SUPPLY CHAIN



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

The selection of stakeholders is also part of the Sustainability Council agenda, which has the role of interpreting the corporate strategy in the sustainability context and providing feedback to the Board of Directors.

The Interest groups linked to the organization are:

## CUSTOMERS

**AEP Energy, Amadeus, American Express, Aon, Bally Technologies, BBVA, Cars.com, Boehringer Ingelheim, CISCO, Cloudera, Fox, GroupM, HortonWorks, Pernod Ricard, Rackspace, TVN, Coca-Cola, EA, Embraer, EMC, GREE, JWT, lastminute.com, LinkedIn, Mercado Libre, MoneyGram, National Geographic Channel, NYSE Euronext, Orbitz, PR Newswire, Price Waterhouse Cooper, Sabre, Travelocity, Viajanet, WOBI, Zynga,** among others.

## GOVERNMENT

National governments of the Argentine Republic, Eastern Republic of Uruguay, Brazil, Colombia and Mexico. Governments of the cities of Buenos Aires, Montevideo, Bogota and Medellin, and Mexico DF. Provincial governments (Buenos Aires, Chaco, Tucuman,

Santa Fe, Cordoba), municipalities of Tandil, Bahia Blanca, Rosario and Mar del Plata.

## BUSINESS CHAMBERS

Argentinean Software and Computer Services Chamber (CESSI), IT Tandil Chamber (CEPIT), Rosario IT Cluster, Cordoba IT Cluster, American Chamber of Commerce (AMCHAM), Argentinean Business Development Institute (IDEA), Christian Association of Business Managers (ACDE), Argentinean Business Association (AEA), among others.

## CIVIL SOCIETY ORGANIZATIONS

Buenos Aires: University of Bologna, Pontifical Academy of Sciences of the Vatican (Scholas), Njambre Aceleradora, Arbusta, OurMark, Desarrollar Foundation, Nobleza Obliga, Metropolitan Design Center, Equidad Foundation, Garrahan Foundation, Ntra. Sra. de Caacupe Parish Church, Sadosky Foundation, Esteban Echeverria Public School, APAdeA, ASDRA, TECHO, Afasia Foundation, Nosotros Foundation, Comunidad IT, Nochebuena para Todos Foundation, Guido Spano School, Pescar Foundation, TecnoPolis, Endeavor, laofi.org, Sagrada Familia Foundation, OAJNU. Cordoba: OAJNU, ISSD, Blood Bank of Cordoba, 180 Foundation, Si Foundation, Soles Foundation, Cordoba Mejora Foundation, Nochebuena para Todos Foundation.

La Plata: TECHO, Nochebuena para Todos Foundation. Tandil: Ramon Santamarina Hospital, Noche buena para todos Foundation. Resistencia: OAJNU, Hemotherapy

Center of Resistencia. Mar del Plata: Sonrisas para el Corazon, Technical High School of Mar del Plata, Nochebuena para Todos Foundation. Bahia Blanca: Nochebuena para todos Foundation, Technical High School No. 2. Rosario: OAJNU, UNR, MoveRSE, Nochebuena para Todos Foundation. Tucuman: Nochebuena para Todos Foundation, Universidad del Norte Santo Tomas de Aquino, National Technological University. Bogota: Violetta Foundation. Brazil: Tempo de Brincar. Montevideo: Teleton Uruguay, Hemotherapy Center.

## UNIVERSITIES AND EDUCATIONAL INSTITUTIONS

Austral University, University of Buenos Aires (UBA), Argentina Catholic University (UCA), Technological Institute of Buenos Aires (ITBA), University Center for Macroeconomic Studies of Argentina (UCEMA), UADE, Institute of Higher Business Studies (IAE) University of Business and Social Sciences (UCES), University of Bologna, University of Palermo, Belgrano University, National Technological University (UTN), National University of Rosario (UNR), National Council of Scientific and Technical Research (CONICET), ORT Montevideo, Los Robles School, Dialogos School. Media: Printed and on-line media, television and radio of Argentina, Uruguay, Peru, Brazil, Colombia, Mexico, the United States, the United Kingdom, Italy and Spain.



For this edition of our Sustainability Report, we performed again the materiality analysis exercise to identify key issues to include in it. The process<sup>1</sup> was carried out according to the recommendations of the Global Reporting Initiative G4 guidelines and included the following steps:

- ✔ *Analysis of each of the issues identified by GRI in G4 in two dimensions: Impact on stakeholders and Globant's influence capacity in this respect, taking a 1-4 scale to analyze the impact and influence. Each member of the Sustainability Council conducted his/her materiality analysis separately.*
- ✔ *Later, a joint evaluation and harmonization of identified aspects was carried out.*
- ✔ *Result compilation and validation by the Sustainability Council.*
- ✔ *Result validation by the CEO.*

For the preparation of this report, customers, employees, and directors/managers were directly consulted while stakeholders such as Government, industry, suppliers, and the media were indirectly consulted through the corresponding operating areas. The Sustainability Council was responsible for the coordination of these actions.

Next year's report is expected to have a direct consultation mechanism with involved groups in order to enrich and improve the participation process of stakeholders.

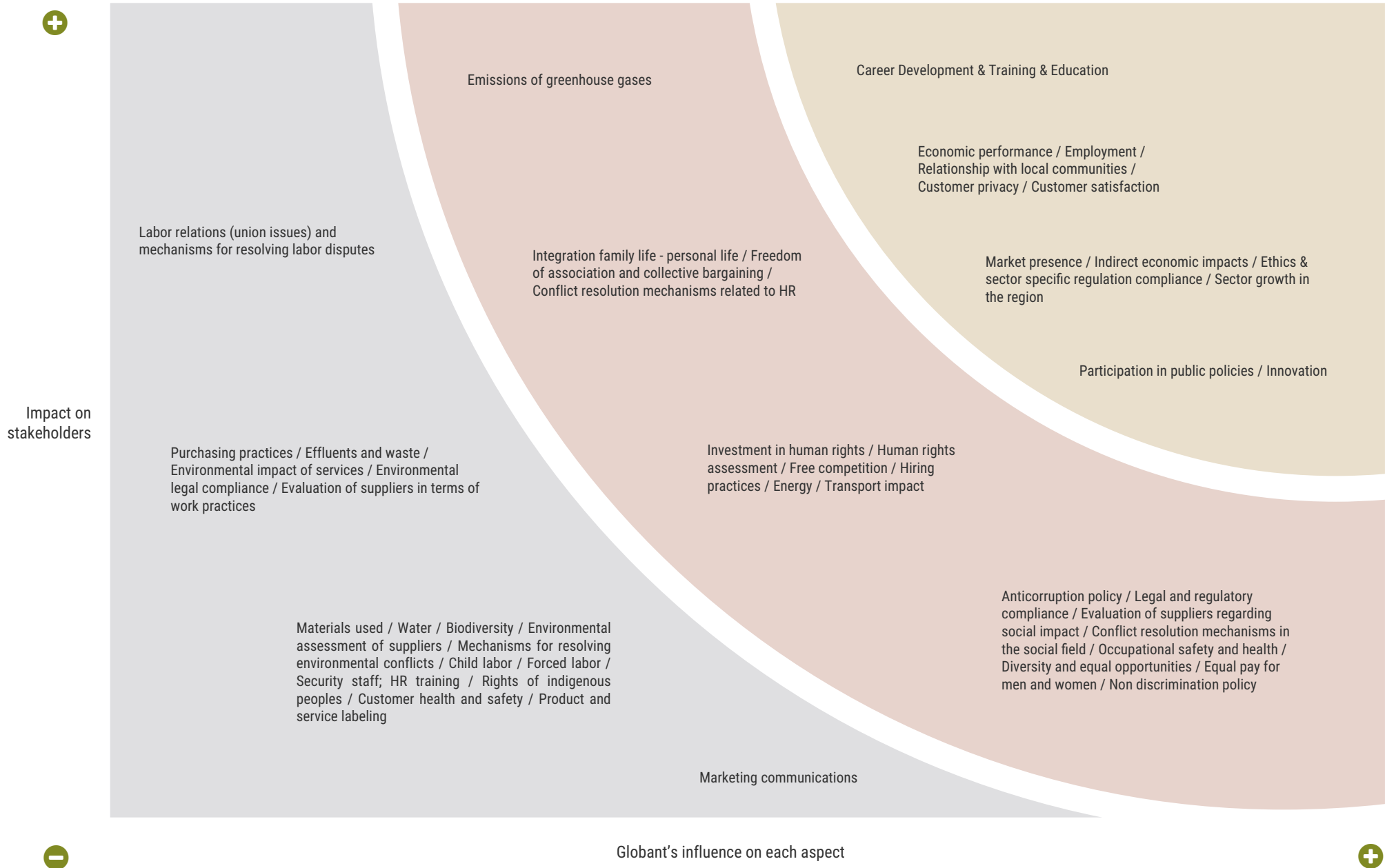
In Globant's materiality matrix, material issues and the degree of impact on Globant's stakeholders and the influence groups for each of them are all presented.

<sup>1</sup>All legal entities identified in the Profile section were covered by this process.

● Non-material aspects

● Aspects of intermediate consideration

● Material aspects



Those aspects identified as material are described in this report through management approaches and performance indicators. The aspects of intermediate consideration are handled at the management-level and some are described in this report. Non-material aspects are not part of this report.

The aspects identified as material can have an impact inside or outside the organization. The table below explains the degree of internal/external impact and the limitations that the organization may have in order to exercise an external influence. Regarding restatements or changes in calculation methods, there have been no material changes from the previous report.

Material aspect	Internally	Externally	Limitations to obtain external impacts and affected stakeholders	Difference with last report
Economic performance	High	High	Market behavior and exchange rate of interest to providers of financial capital.	Addressed in 2013 report
Employment	Average	Average	Job market behavior of interest to employees and university students.	Addressed in 2013 report
Relationship with local communities	-	-	Of interest to people linked to technology employment at locations of operation.	Addressed in 2013 report
Customer privacy / customer satisfaction	High	High	These two issues are addressed jointly. Their impact is high both internally and externally as it affects business continuity.	Addressed in 2013 report
Participation in public policies	Average	Average	The IT industry is a focus industry for the governments of the countries where Globant operates. The promotion of the industry is an important issue.	Addressed in 2013 report
Innovación	High	High	Innovation is a key process in the organization strategy.	Addressed in 2013 report
Professional career development & Training & Education	High	High	Globant seeks to position itself as a role model in employment. This impacts on employees and to a lesser extent, on the sector labor market. Innovation and entrepreneurship challenges as well as the overall profile of the company cannot be addressed without high performance levels of employees. These aspects make of Globant an attractive place to work.	Addressed in 2013 report
Market presence	Average	Average	Globant is not part of the first tiers of technology companies, but has a strong leadership in Latin America.	Addressed in 2013 report
Indirect economic impacts	-	-	The ecosystem of companies linked to Globant shapes the IT industry in Latin America. The industry looks at Globant as a role model.	Addressed in 2013 report
Ethics & Regulatory compliance	Average	Average	The industry is encouraged in certain countries of operation, so that compliance is key.	Addressed in 2013 report
Industry growth in the region	Average	Average	As indicated in "market presence", Globant's contribution to the industry in the Latin American region is representative.	Addressed in 2013 report
Diversity and Integration of personal and work life	High	High	The aspect is key for internal audiences as Globant is a knowledge-based organization. Managing this aspect contributes to the sustainability of the value proposition from Globant to its employees.	Addressed in 2013 report
Environmental awareness	-	-	This aspect was included as material as part of customers' engagement process among stakeholders.	Addressed in 2013 report. This aspect was given greater importance in the materiality matrix.



This report has been prepared in accordance with the GRI (Global Reporting Initiative) G4 guidelines for its essential version (G4-32).

This edition has not been externally verified (G4-33).

The GRI table, which allows the identification of G4 contents along the report, is presented in the following diagram.

## GENERAL BASIC CONTENTS

General basic contents	Page	Description
------------------------	------	-------------

### ESTRATEGY AND ANALYSIS

G4-1	3	Statement by the main decision-maker of the organization about the importance of sustainability for the organization and its strategy in order to address it.
------	---	---

### ORGANIZATION PROFILE

G4-3	7	Organization's name.
G4-4	6	Most important brands, products and services.
G4-5	7	Location of the organization's headquarters.
G4-6	7	Countries in which the organization operates.
G4-7	7	Nature of ownership and legal form.
G4-8	7	Markets served.
G4-9	8	Dimensions of the organization.
G4-10	16; 20-21	Breakdown of the organization employees.
G4-11	31	Percentage of employees covered by collective agreements.
G4-12	31	Description of the organization supply chain.
G4-13	31	Significant changes during the period under review in the organization's size, structure, ownership and supply chain.
G4-14	31	Description of how the organization addresses, if necessary, the precautionary principle.
G4-15	31	Principles or other external economic, social and environmental initiatives that the organization subscribes or has adopted.
G4-16	30	National or international promotion associations and organizations to which the organization belongs.

## STAKEHOLDERS PARTICIPATION

General basic contents	Page	Description
G4-24	32	List of interest groups linked to the organization.
G4-25	32	Basis for the selection of stakeholders with which the organization works.
G4-26	32	Description of the approaches adopted for stakeholder participation.
G4-27	27	Key issues and problems that have arisen from stakeholder participation and description of the assessment made by the organization, among other aspects through its report.

## REPORT PROFILE

General basic contents	Page	Description
G4-28	41	Reporting period.
G4-29	41	Date of last report.
G4-30	41	Reporting cycle.
G4-31	41	Contact point for questions regarding report contents.
G4-32	37-40	Option «in accordance» with the guidelines that the organization has chosen, GRI index of the chosen option and reference to the external assessment report.
G4-33	37	Policies and practices of the organization currently in force regarding the external assessment of the report.

## GOVERNANCE

General basic contents	Page	Description
G4-34	8	Governance structure of the organization and its committees.

## ETHICS AND INTEGRITY

General basic contents	Page	Description
G4-56	6; 31	Values, principles, standards and rules of the organization.
G4-58	26	Internal and external mechanisms for reporting unethical or illegal behavior, and matters relating to the integrity of the organization.

## SPECIFIC BASIC CONTENTS

### CATEGORY: ECONOMIC

General basic contents Page Description

#### ECONOMIC PERFORMANCE

G4-DMA	9	Information on the management approach.
G4-EC1	10	Direct economic value generated and distributed.

#### PRESENCE IN THE MARKET

G4-DMA	17	Information on the management approach.
G4-EC6	18	Percentage of executives from the local community.

#### INDIRECT ECONOMIC IMPACTS

G4-DMA	22-24	Information on the management approach.
G4-EC7	25	Development and impact of infrastructure investments and types of services.
G4-EC8	22-24	Significant indirect economic impacts and their scope.

### CATEGORY: ENVIRONMENT

General basic contents Page Description

#### ENERGY

G4-DMA	27	Information on management approach.
G4-EN3	28	Internal energy consumption.

### EMISIONS

G4-DMA	27	Information on the management approach.
G4-EN16	28	Indirect greenhouse gas emissions from the generation of energy (Scope 2).
G4-EN17	29	Other indirect greenhouse gas emissions (Scope 3).

### PRODUCTS AND SERVICES

G4-DMA	27	Information on the management approach.
G4-EN27	29	Environmental impact mitigation of products and services.

### CATEGORY: SOCIAL

#### SUB-CATEGORY: LABOR PRACTICES AND DECENT WORK

General basic contents Page Description

#### EMPLOYMENT

G4-DMA	15	Information on the management approach.
G4-LA1	16	Total number and rate of hires and employee average turnover.
G4-LA2	19	Social benefits for full-time employees.

#### TRAINING AND EDUCATION

G4-DMA	17	Information on the management approach.
G4-LA9	18	Average hours of training per year per employee.
G4-LA10	17	Programs for skills management and continuous training.
G4-LA11	18	Employees receiving regular performance assessments.

General  
basic  
contents      Page      Description

## DIVERSITY AND EQUAL OPPORTUNITIES

G4-DMA	19	Information on the management approach.
G4-LA12	20-21	Composition of governance bodies and workforce breakdown.

## EQUAL WAGES OF MEN AND WOMEN

G4-DMA	19	Information on the management approach.
G4-LA13	20	Basic salary ratio between men and women.

SUB-CATEGORY:

## SOCIETY

### LOCAL COMMUNITIES

G4-DMA	22-24	Information on the management approach.
G4-S01	25	Percentage of operations with implemented programs.

### PUBLIC POLICIES

G4-DMA	30	Information on the management approach.
G4-S06	31	Value of political contributions, by country and recipient.

### LEGAL AND REGULATORY COMPLIANCE

G4-DMA	26	Information on the management approach.
G4-S08	26	Significant fines and penalties for noncompliance with law and regulations.

General  
basic  
contents      Page      Description

SUB-CATEGORY:

## PRODUCT RESPONSIBILITY

### PRODUCTS AND SERVICES (IDENTIFICATION)

G4-DMA	11	Information on the management approach.
G4-PR5	12	Results of surveys to measure customer satisfaction.

### CUSTOMER PRIVACY

G4-DMA	11	Information on the management approach.
G4-PR8	11, 12	Complaints about privacy violation and loss of customer data.

### LEGAL AND REGULATORY COMPLIANCE

G4-DMA	26	Information on the management approach.
G4-PR9	26	Fines for non-compliance in relation to goods and services.



Period covered by the report	1 January 2014 to 31 December 2014	G4-28
Date of last report	31 December 2013	G4-29
Reporting cycle	Annual	G4-30
Point of contact to clarify any doubts that may arise regarding the contents of the report.	<b>Francisco Michref</b> Sustainability Manager AR: +54 11 4109 1700   US: +1 877 798 8104 <a href="mailto:sustainability@globant.com">sustainability@globant.com</a>	G4-31

