



PhilTower case study

Phil-Tower Consortium Inc. (“PhilTower”) is one of the fastest-growing independent tower companies in the Philippines and serves all three major mobile network operators (“MNOs”), enabling MNOs to rapidly and cost effectively expand network coverage and meet growing demand for 4G and 5G services.

Enhancing digital connectivity in the Philippines

Macquarie Capital has been a shareholder since 2021. Macquarie has funded PhilTower’s roll out of build-to-suit towers in Luzon and acquisition of up to 1,350 sale and leaseback towers in Visayas and Mindanao from Globe Telecom, enabling it to expand its reach nationwide into local communities.

Macquarie Capital adopted a holistic value creation approach to PhilTower. This included implementing a WHSE management system as PhilTower looked to expand its network.

Key challenges faced

- At the time of Macquarie’s initial investment, PhilTower was a new company and did not have the local WHSE expertise and management systems to support the growing business.
- The planned assets were in geographically dispersed and often in remote locations.
- There were generally inconsistent safety standards among contractors typically used for tower construction and operation.



WHSE Journey

Local WHSE expertise

- PhilTower appointed a local WHSE specialist with over 15 years' experience to establish a comprehensive management system, and to guide the executive team.
- Macquarie Capital's dedicated in-house WHSE and Asset Creation & Management teams supported PhilTower in recruitment, onboarding and coaching to raise the safety standards.

Uplifting WHSE practices and competency

- Given the challenges of dispersed and remote work sites, PhilTower expedited engagement by bringing on third-party WHSE advisors. This ensured contractors' operational safety awareness was quickly raised.
- PhilTower also looked at engineering solutions to improve safety. This included reviewing existing tower designs to enhance construction and operational safety and reduce risks associated with excavation. This engineering effort had the dual impact of also improving speed and cost of construction.



Cultivating a culture of safety at the Boardroom

- Macquarie worked with PhilTower leadership to embed a culture of safety by mandating training and certifications for employees and contractors.
- PhilTower implemented targeted safety training for high-risk activities including working at heights and road safety.
- WHSE champions were identified to drive cultural change and WHSE program adoption.
- WHSE is prioritized as a key agenda item at board meetings with ongoing guidance from Macquarie Nominee Directors.

Ongoing contractor management and incentives

- PhilTower established a vendor performance and accreditation programme including ongoing evaluation and coaching.
- PhilTower preferred engaging with contractors and vendors who were aligned to PhilTower's WHSE standards.
- WHSE improvement was encouraged and recognised for elevated standards.

Outcomes

With Macquarie Capital's support, PhilTower has implemented a WHSE management system resulting in elevated awareness and proactive WHSE culture. The key markers includes:

- 3 million manhours without lost time injury
- 42 contractors were reviewed, and an uplift plan and coaching was provided to raise the standards of these contractors.