

ACGS Level 1 – D

D.1.1

Does the information on shareholdings reveal the identity of beneficial owners, holding 5% shareholding or more?

RESPONSE

YES. The shareholdings of the beneficial owners of 5% or more are clearly stated and disclosed.

Sources:

[Latest SEC Form 17-A \(“SEC Form 17-A”\)](#)

Part IV, Item 11 Security Ownership of Certain Beneficial Owners and Management, page 82

[click to open](#)

[Latest SEC Form 20-IS \(“SEC Form 20-IS”\)](#)

Part I.B. Item 4, Security Ownership of Certain Beneficial Owners and Management, page 4

[click to open](#)

D.1.2

Does the company disclose the direct and indirect (deemed) shareholdings of major and/or substantial shareholders?

RESPONSE

YES. The Public Ownership Report filed and disclosed quarterly contains the direct and indirect shareholding of major and or principal shareholders.

It is also disclosed in the Annual Report and 20-IS.

Sources:

[Latest Annual Report on Corporate Governance \(“CG Report”\)](#)

ICTSI Shares held by ICTSI Directors in FY 2018

[click to open](#)

[Public Ownership Report](#)

as of June 30, 2019

[click to open](#)

[SEC Form 17-A](#)

Part IV, Item 11 Security Ownership of Certain Beneficial Owners and Management, page 82

[click to open](#)

[SEC Form 20-IS](#)

Part I.B. Item 4, Security Ownership of Certain Beneficial Owners and Management, page 3
[click to open](#)

D.1.3

Does the company disclose the direct and indirect (deemed) shareholdings of directors (commissioners)?

RESPONSE

YES. The company clearly states the direct and indirect shareholdings of all directors.

These are all disclosed to the Exchange and publicly available in the company's website.

Sources:

[Latest Integrated Annual Corporate Governance Report \(i-ACGR\)](#)

Principle 8. Disclosure and Transparency, Recommendation 8.2, page 50

[click to open](#)

[Public Ownership Report](#)

as of June 30, 2019

[click to open](#)

[SEC Form 17-A](#)

Part IV, Item 11 Security Ownership of Certain Beneficial Owners and Management, page 83

[click to open](#)

D.1.4

Does the company disclose the direct and indirect (deemed) shareholdings of senior management?

RESPONSE

YES. The direct and indirect shareholdings of all officers/senior management are all disclosed to the Exchange and publicly available in the company website.

Sources:

[i-ACGR](#)

Principle 8. Disclosure and Transparency, Recommendation 8.2, page 50

[click to open](#)

[Public Ownership Report](#)

as of June 30, 2019

[click to open](#)

[SEC Form 17-A](#)

Part IV, Item 11 Security Ownership of Certain Beneficial Owners and Management, page 83

[click to open](#)

D.1.5

Does the company disclose details of the parent/holding company, subsidiaries, associates, joint ventures and special purpose enterprises/ vehicles (SPEs)/ (SPVs)?

RESPONSE

YES. A detailed overview of the parent/holding company and all its subsidiaries are disclosed in the SEC 17-A, glossy Annual Report and company website.

Sources:

[SEC Form 17-A](#)

Part III, Item 6, Management's Discussion and Analysis or Plan of Operations Overview, page 36

[click to open](#)

Notes to Consolidated Financial Statements

[click to open](#)

[CG Report](#)

2018 Financial Report, Management's Discussion & Analysis or Plan of Operations, page 7

[click to open](#)

[ICTSI website](#)

"About ICTSI" tab, Leadership, Group of Corporate Structure

[click to open](#)

D.2.1

Does the company's annual report disclose the following: corporate objectives?

RESPONSE

YES. The corporate objectives are clearly disclosed in the annual reports, both SEC 17-A and the glossy report.

The company's objective is focused on its core competency: port management, operations and development.

ICTSI is open to expanding opportunities and to do this in strategically located ports, in both developed and developing economies, diversifying geographically across the world's continents.

Specifically, ICTSI seeks to develop, acquire, own and operate common user container terminals in markets with superior growth and profit potential.

The company constantly improves its current operations, with strategic investments in enhanced organizational capability and human resources, information technology, support structures, and cargo handling equipment. (see Review of Operations)

Sources:

[i-ACGR](#)

Optional: Principle 8, item 1.a, page 60

[click to open](#)

[CG Report](#)

Vision, Mission, Strategies, Values, pages 10-12

[click to open](#)

Part III, Item 6, Management's Discussion and Analysis or Plan of Operations Overview, page 36

[click to open](#)

[CG Report](#)

2018 Financial Report, Management's Discussion & Analysis or Plan of Operations, page 6

[click to open](#)

D.2.2

Does the company's annual report disclose the following: financial performance indicators?

RESPONSE

YES. The company's financial performance indicators such as EBITDA, Net Income, Earnings per Share and Ratios are presented in the annual reports.

Sources:

[i-ACGR](#)

Optional: Principle 8, page 60

[click to open](#)

[CG Report](#)

Financial Report, Management's Discussion and Analysis, Results of Operations and Key Performance Indicators, pages 11-13

[click to open](#)

[SEC Form 17-A](#)

Results of Operations and Key Performance Indicators, page 40

[click to open](#)

[SEC Form 20-IS](#)

Results of Operations and Key Performance Indicators, pages 4-6

[click to open](#)

[CG Report](#)

Financial Report, Management's Discussion and Analysis, Results of Operations and Key Performance Indicators, pages 11-13

[click to open](#)

D.2.3

Does the company's annual report disclose the following: non-financial performance indicators?

RESPONSE

YES. The annual reports disclose certain non-financial performance indicators which include gross moves per hour per crane, crane availability and berth utilization.

Sources:

[i-ACGR](#)

Optional: Principle 8, item 1.c, page 60

[click to open](#)

[CG Report](#)

Financial Report, Management's Discussion and Analysis, Results of Operations and Key Performance Indicators, pages 12-13

[click to open](#)

[SEC Form 17-A](#)

Results of Operations and Key Performance Indicators, pages 40

[click to open](#)

[SEC Form 20-IS](#)

Results of Operations and Key Performance Indicators, pages 4-6

[click to open](#)

[CG Report](#)

Financial Report, Management's Discussion and Analysis, Results of Operations and Key Performance Indicators, pages 11-13

[click to open](#)

D.2.4

Does the company's annual report disclose the following: dividend policy?

RESPONSE

YES. The annual reports disclose the declaration of dividends and its dividend policy. ICTSI has a track record of shareholder returns.

Over the last 15 years, the Board of ICTSI has declared dividends to its common stockholders annually based on the Company's unrestricted retained earnings and available cash. The amount of regular dividends per share has been increasing yearly as the company's recurring net income grows and maintained the previous year's dividend level in years when net income was lower thus maintaining the same positive trajectory. In 2019, ICTSI declared a special dividend in the amount Php2.08 per share in addition to the regular dividend of Php2.92 per share. Dividends are payable to all common stockholders with each share held by them being entitled to the same unit of dividend and are payable to stockholders whose names are recorded in the stock and transfer book as of the record date fixed by the Board. Preferred A shareholders are entitled to dividends at rates to be fixed by the Board while Preferred B shareholders earns no dividends.

The Company's Dividend Policy are stated in its reportorial requirements and further disclosed in the Company's website.

Sources:

[i-ACGR](#)

Optional: Principle 8, item 1.d, pages 60-61
[click to open](#)

[SEC Form 17-A](#)

Dividends and Dividend Policy, page 34
[click to open](#)

[SEC Form 20-IS](#)

Dividends and Dividend Policy, page 39
[click to open](#)

[CG Report](#)

Dividend Policy, page 47
[click to open](#)

[ICTSI Website](#)

Governance Tab, Dividends Policy
[click to open](#)

Investors Tab, Shares and Financials, Dividends

[click to open](#)

D.2.5

Does the company's annual report disclose the following: biographical details (at least age, academic qualifications, date of first appointment, relevant experience, and any other directorships of listed companies) of all directors/commissioners?

RESPONSE

YES. Detailed information including age, academic qualifications, date of first appointment, relevant experience, and any other directorships of listed companies of all the directors are disclosed in the annual reports.

Sources:

[i-ACGR](#)

Optional: Principle 8, item 1.e, pages 62

[click to open](#)

[SEC Form 17-A](#)

Directors and Executive Officers, pages 67-72

[click to open](#)

[SEC Form 20-IS](#)

Directors and Executive Officers, pages 5-17

[click to open](#)

[CG Report](#)

Directors Profile, pages 18-19

[click to open](#)

D.2.6

Does the company's annual report disclose the following: attendance details of each director/commissioner in all directors/commissioners meetings held during the year?

RESPONSE

YES. The company's annual report discloses the details of the attendance of the Board for both regular and special meetings.

Sources:

[i-ACGR](#)

Optional: Principle 8, item 1.f, pages 62

[click to open](#)

[SEC Form 20-IS](#)

Directors' Attendance, page 17

[click to open](#)

[CG Report](#)

Directors Profile, page 23

[click to open](#)

D.2.7

Does the company's annual report disclose the following: total remuneration of each member of the board of directors/commissioners?

RESPONSE

NO. The Company discloses the aggregate executive compensation but mentions the individual names of the 5 executives, who receive the highest compensation.

Further, the Company discloses in an aggregate manner for confidentiality, safety and security purposes of ICTSI's executives in the SEC Form 17-A (under Executive Compensation) and Section 2.4.5 of the Revised Manual on Corporate Governance.

Sources:

[i-ACGR](#)

Recommendation 8.4, item 3, page 55

[click to open](#)

[SEC Form 17-A](#)

Item 10 Executive Compensation page 81

[click to open](#)

[Revised Manual on Corporate Governance \("CG Manual"\)](#)

Qualifications of Directors, item 2.4.5, page 6

[click to open](#)

[CG Report](#)

Board and Executive Remuneration, page 23

[click to open](#)

D.2.8

Does the Annual Report contain a statement confirming the company's full compliance with the code of corporate governance and where there is non-compliance, identify and explain reasons for each such issue?

RESPONSE

YES. The Company continues to improve its systems and processes to enhance adherence to and strengthen practices of good corporate governance.

Driven by its values of diligence, compassion, accountability and growth, ICTSI continuously upholds and implements good governance in accordance with prevailing laws and best practices. Following the Code of Corporate Governance for Publicly-Listed Companies promulgated by the

Philippine Securities and Exchange Commission (SEC), ICTSI focuses on the following core principles of good corporate governance:

- Effective and Competent Board Governance;
- Transparency in the Conduct of Company Affairs;
- Strong Internal Control System and Enterprise Risk Management Framework;
- Synergic Relationship with Stockholders; and
- Commitment and Interaction with Stakeholders.

To update its stockholders on its compliance with all requirements on corporate governance, ICTSI distributes an **Annual Report on Corporate Governance** to all stockholders during the latter's annual meeting. Furthermore, ICTSI complies with the required submissions by Philippine authorities such as the SEC Annual Corporate Governance Report, which, effective 2017, has been converted into the **SEC Integrated Annual Corporate Governance Report**. For benchmarking against global standards on good corporate governance, ICTSI also provides responses to the **ASEAN Corporate Governance Scorecard**.

Sources:

[i-ACGR](#)

Optional: Principle 8, item 2

[click to open](#)

[SEC Form 17-A](#)

Part V, Corporate Governance, Page 86

[click to open](#)

[SEC Form 20-IS](#)

Compliance with Leading Practice on Corporate Governance page 34

[click to open](#)

[CG Report](#)

The Board, pages 14-21

[click to open](#)

Board Processes and Management, pages 22-27

[click to open](#)

Board Committees, pages 28-30

[click to open](#)

[ICTSI Website](#)

“Reports and Compliance” tab under Corporate Governance

[click to open](#)

D.3.1

Does the company disclose its policy covering the review and approval of material RPTs?

RESPONSE

YES. ICTSI's policies and procedures for the review, approval or ratification, monitoring and recording of related party transactions between and among the Company and its joint ventures, subsidiaries, associates, affiliates, substantial stockholders, Officers and Directors, including their spouses, children and dependent siblings and parents and of interlocking director relationships of members of the Board are being monitored by the ICTSI Controller Group and checked by an independent external auditor. All transactions with Related Parties are done in "fair and at arm's length" basis to the best interest of ICTSI and its shareholders.

In accordance with the revised Securities and Exchange Commission (SEC) Code of Corporate Governance, the Board of Directors, together with the Related Party Transaction Committee, exercise the function of formulating and implementing policies and procedures that would ensure the integrity and transparency of RPTs. The Board of Directors exercises appropriate oversight in the implementation of the control systems for managing RPT exposures; ensures that RPTs are handled in sound and prudent manner, with integrity, and in compliance with Company policies and guidelines.

Information on a materiality threshold for RPT disclosure and approval, and information on RPT categories can be found on the submitted SEC Form 17 - A and the RPT Committee Charter.

Sources:

[ICTSI Website](#)

Governance Tab, Related Party Transactions Policy
[click to open](#)

[CG Report](#)

Related Party Transactions Policy, page 47
[click to open](#)

[i-ACGR](#)

Optional: Recommendation 2.7 and Supplemental to Recommendation 2.7, pages 16-17
[click to open](#)

[SEC Form 17-A](#)

Part IV, Item 12, Certain Relationships and Related Transactions, pages 84-85
[click to open](#)

[SEC Form 20-IS](#)

Certain Relationships and Related Transactions, pages 22-23
[click to open](#)

D.3.2

Does the company disclose the name, relationship, nature and value for each material RPTs?

RESPONSE

YES. The annual reports disclose the names of the related party, the relationships, the nature of transaction and the outstanding receivable or payable balance of each.

Sources:

[SEC Form 17-A](#)

Part IV, Item 12, Certain Relationships and Related Transactions, pages 84-85
[click to open](#)

[SEC Form 20-IS](#)

Certain Relationships and Related Transactions, pages 22-24
[click to open](#)

Notes to Consolidated Financial Statements,
Note 22. Related Party Transactions, page 97

[click to open](#)

D.4.1

Does the company disclose trading in the company's shares by insiders?

RESPONSE

YES. The Company discloses the trading of the corporation's shares by directors, officers (or persons performing similar functions) and controlling shareholders. This includes the disclosure of the company's purchase of its shares from the market (e.g. share buy -back program).

Sources:

[i-ACGR](#)

Additional Recommendation to Principle 2, item 1, page 22
[click to open](#)

Recommendation 8.2 and Supplement to Recommendation 8.2, pages 50-52
[click to open](#)

[SEC Form 17-A](#)

Item 11, Security Ownership of Certain Beneficial Owners and Management, pages 82-83
[click to open](#)

[SEC Form 20-IS](#)

Item 11, Security Ownership of Certain Beneficial Owners and Management, pages 4-5
[click to open](#)

[CG Report](#)

Insider Trading Policy, page 47

[click to open](#)

[ICTSI Website](#)

Governance tab, Insider Trading Policy

[click to open](#)

[PSE Edge Portal](#)

Share Buy-back transactions dated December 27, 2018

[click to open](#)

Public Ownership Report as of June 30, 2019

[click to open](#)

List of Top 100 Stockholders as of June 30, 2019

[click to open](#)

[ICTSI Website](#)

Disclosure section, Investors tab

[click to open](#)

D.5.1

Are the audit and non-audit fees disclosed?

RESPONSE

YES. The Audit and Audit-Related Fees, Tax Fees and Other Fees are disclosed in the Annual Report and 20-IS.

Sources:

[SEC Form 17-A](#)

External Audit Fees and Services, page 66

[click to open](#)

[SEC Form 20-IS](#)

External Audit Fees and Services, page 25

[click to open](#)

[CG Report](#)

2018 Fees for External Auditors, page 37

[click to open](#)

D.5.2

Does the non-audit fee exceed the audit fees?

RESPONSE

NO. The Tax Fees and Other Fees did not exceed the Audit and Audit-Related Fees.

Sources:

[SEC Form 17-A](#)

External Audit Fees and Services, page 66
[click to open](#)

[SEC Form 20-IS](#)

External Audit Fees and Services, page 25
[click to open](#)

[CG Report](#)

2018 Fees for External Auditors, page 37
[click to open](#)

D.6.1

Does the company use the following mode of communication: quarterly reporting?

RESPONSE

YES. The company's quarterly reports are promptly submitted to the Philippine Stock Exchange (PSE) and the Securities and Exchange Commission (SEC).

These reports are clearly presented in the company's website and in the PSE Edge portal.

Sources:

[ICTSI Website](#)

Disclosure section, Investors tab, SEC Form 17-Q (Quarterly Report)
[click to open](#)

[PSE Edge Portal](#)

Quarterly Reports submitted to the Philippine Stock Exchange via PSE Edge, ICT, Financial Reports
[click to open](#)

D.6.2

Does the company use the following mode of communication: company website?

RESPONSE

YES. The company uses its website in presenting the detailed financial and operational information and its major events to the public.

Source:

[ICTSI website](http://www.ictsi.com)
www.ictsi.com

D.6.3

Does the company use the following mode of communication: analyst's briefing?

RESPONSE

YES. The company communicates through various methods including quarterly analysts'/investors'/media briefings.

The notice to the briefing is disclosed to the Philippine Stock Exchange (PSE) and Securities and Exchange Commission (SEC) at least five days before the event. The notice is also sent to all analysts and investors through email and a copy is uploaded in the website. There is also a recording of the teleconference briefing which is available until 3 days after the briefing. The presentation used and the news articles regarding the briefing are also disclosed in the company's website.

Links to the latest briefing are also available below.

Sources:

[ICTSI website](#)
Investors section, Reports and Presentation, Investors Briefing
[click to open](#)

Source: Disclosures, 17-C, Latest IR Notice
[click to open](#)

D.6.4

Does the company use the following mode of communication: media briefings/press conferences?

RESPONSE

YES. Media briefings are held after the Annual Stockholders' Meetings. Other media briefings are conducted when there are new developments in the Company's emerging businesses and when major announcements are made.

Sources:

[ICTSI website](#)

Investors tab, SEC Form 17-C (Current Reports) tab

[click to open](#)

Media tab, Press Releases

[click to open](#)

[PSE Edge Portal](#)

Press releases submitted to the Philippine Stock Exchange via PSE Edge, ICT, Disclosures, Press Releases

[click to open](#)

D.7.1

Are the audited annual financial report / statement released within 120 days from the financial year end?

RESPONSE

YES. The company's audited annual financial reports were released within 120 days from the financial year end.

The 2018 ICTSI Audited Annual Financial Report was released/disclosed last March 7, 2019 which is 72 days after the financial year end.

Sources:

[PSE Edge Portal](#)

Annual Reports submitted to the Philippine Stock Exchange, PSE Edge, ICT, Disclosures, Annual Report

[click to open](#)

[ICTSI website](#)

Investors tab, SEC Form 17-A (Annual Reports) tab

[click to open](#)

D.7.2

Is the annual report released within 120 days from the financial year end?

RESPONSE

YES. The company's annual reports were released within 120 days from the financial year end.

The 2018 ICTSI Annual Report was disclosed last March 7, 2019 which is 72 days after the financial year end.

Sources:

[PSE Edge Portal](#)

Annual Reports submitted to the Philippine Stock Exchange, PSE Edge, ICT, Disclosures, Annual Report
[click to open](#)

[ICTSI website](#)

Investors tab, SEC Form 17-A (Annual Reports) tab
[click to open](#)

D.7.3

Is the true and fairness/fair representation of the annual financial statement/reports affirmed by the board of directors/commissioners and/or the relevant officers of the company?

RESPONSE

YES. The Statement of Management's Responsibility for Consolidated Financial Statements was issued by the company's Chairman and President, Senior Vice President and Chief Financial Officer and the Senior Vice President - Finance.

The Board of Directors reviews and approves the consolidated financial statements and submits the same to the stockholders.

Sycip Gorres Velayo & Co., the independent auditors, appointed by the stockholders have examined the consolidated financial statements of the Company in accordance with Philippine Standards on Auditing, and in their report to the stockholders have expressed their opinion on the fairness of presentation upon completion of such examination.

Sources:

[SEC Form 17-A](#)

Statement of Management's Responsibility for Consolidated Financial Statements, page F1
[click to open](#)

[CG Report](#)

Statement of Management's Responsibility for Consolidated Financial Statements, page 39
[click to open](#)

D.8.1

Does the company have a website disclosing up-to-date information on the following: financial statements/reports (latest quarterly)?

RESPONSE

YES. The company's website discloses up-to-date information on its financial statements through the annual and quarterly reports.

Source:

[PSE Edge Portal](#)

Annual Reports submitted to the Philippine Stock Exchange, PSE Edge, ICT, Disclosures, Annual Report 2018

[click to open](#)

[ICTSI website](#)

Investors tab, Disclosures- SEC Form 17-A (Annual Reports) tab

[click to open](#)

Investors tab, Disclosures - SEC Form 17-Q (Quarterly Reports) tab
1Q 2019 (Latest Quarterly Report)

[click to open](#)

Investors Tab, Reports and Presentations, Annual Reports

[click to open](#)

D.8.2

Does the company have a website disclosing up-to-date information on the following: materials provided in briefings to analysts and media?

RESPONSE

YES. The company's website discloses updated information on the materials provided in briefings.

The notice/invitation to the briefing, which includes the teleconference details is uploaded in the website.

The presentation to be used is also uploaded in the company's website.

Links to the materials provided in the latest briefing are available below.

Sources:

[ICTSI website](#)

Investors section, Reports and Presentation, Investors Briefing

[click to open](#)

[PSE Edge Portal](#)

Disclosures, Notice of Analysts/Investor's Briefing

[click to open](#)

D.8.3

Does the company have a website disclosing up-to-date information on the following: downloadable annual report?

RESPONSE

YES. Downloadable annual reports are easily accessed in the website under "Disclosures" and "Annual Reports" of the Investor Relations tab.

Sources:

[ICTSI website](#)

Investor section, Reports and Presentations, Annual Reports

[click to open](#)

[SEC Form 17-A](#)

[click to open](#)

D.8.4

Does the company have a website disclosing up-to-date information on the following: notice of AGM and/or EGM?

RESPONSE

YES. The company's website discloses up-to-date information on the notice of the Annual Stockholders' Meeting.

Source:

[ICTSI website](#)

Investor Relations, Reports and Presentation, Disclosures, Notice of Annual Stockholders' Meetings

[click to open](#)

D.8.5

Does the company have a website disclosing up-to-date information on the following: minutes of AGM and/or EGM?

RESPONSE

YES. The Minutes of Annual Stockholders' Meeting are disclose immediately after the meeting through the Investor Relations tab of the company's website.

Sources:

[ICTSI website](#)

Investor Relations, Reports and Presentation, Disclosures, Minutes of Annual Stockholders' Meetings

[click to open](#)

D.8.6

Does the company have a website disclosing up-to-date information on the following: company's constitution (company's by-laws, memorandum and articles of association)?

RESPONSE

YES. Updated information on the Company's Articles of Incorporation and By-Laws are uploaded in the website

Sources:

[ICTSI website](#)

Governance Section, Articles of Incorporation, By-Laws

[click to open](#)

D.9.1

Does the company disclose the contact details (e.g. telephone, fax, and email) of the officer / office responsible for investor relations?

RESPONSE

YES. The complete contact details responsible for investor relations are disclosed in the company's website

Sources:

[ICTSI website](#)

Investor tab, Contact Us

[click to open](#)