



SEC FORM – I-ACGR

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

1. For the fiscal year ended **2020**
2. SEC Identification Number **147212** 3. BIR Tax Identification No. **000-323-228**
4. Exact name of issuer as specified in its charter **International Container Terminal Services, Inc.**
5. **Manila, Philippines**
Province, Country or other jurisdiction of
incorporation or organization
6. (SEC Use Only)
Industry Classification Code:
7. **ICTSI Administration Building**
Manila International Container Terminal
South Access Road, Manila City, Philippines
Address of principal office
- Postal Code **1012**
8. **(632) 8 245-4101**
Issuer's telephone number, including area code
9. **Not applicable**
Former name, former address, and former fiscal year, if changed since last report.

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT			
	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
Principle 1: The company should be headed by a competent, working board to foster the long- term success of the corporation, and to sustain its competitiveness and profitability in a manner consistent with its corporate objectives and the long- term best interests of its shareholders and other stakeholders.			
Recommendation 1.1			
1. Board is composed of directors with collective working knowledge, experience or expertise that is relevant to the company's industry/sector.	Compliant	<p>The academic qualifications, industry knowledge, professional experience, expertise and relevant trainings of the members of the Board of Directors are provided in the submitted 2020 SEC Form 17-A ("SEC Form 17-A") and Corporate Governance Report ("2020 CG Report").</p> <p>The qualification standards for the Directors are provided under Sections 2.1 and 2.4 of the Company's Revised Manual on Corporate Governance ("CG Manual").</p> <p>References: *Page 80, SEC Form 17-A https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi-sec-form-17a-and-consolidated-fs-2020.pdf#page=84 *Page 12, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=7 *Page 3, CG Manual https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised-manual-on-corporate-governance-v3.0-may-31-2017-for-website-0_1.pdf#page=4 </p>	
2. Board has an appropriate mix of competence and expertise.	Compliant		
3. Directors remain qualified for their positions individually and collectively to enable them to fulfill their roles and responsibilities and respond to the needs of the organization.	Compliant		
1.		The Board is composed of seven (7) Directors and only one (1) is an Executive Director (Enrique K. Razon Jr.). Three (3) of the Directors are Independent Directors	

		<p>(Octavio Victor R. Espiritu, Joseph R. Higdon, and Cesar A. Buenaventura).</p> <p>References:</p> <p>*Page 79, SEC Form 17-A https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi-sec-form-17a-and-consolidated-fs-2020.pdf#page=83</p> <p>*Page 11, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=6</p>	
Recommendation 1.3			
1. Company provides in its Board Charter and Manual on Corporate Governance a policy on training of directors.			
2. Company has an orientation program for first time directors.	Compliant	The trainings and continuing education programs of the Directors for 2020, including the number of hours attended and topics covered, are provided under the 2020 CG Report as well as under SEC Form 17-A.	
3. Company has relevant annual continuing training for all directors.	Compliant	<p>References:</p> <p>*Page 14, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=8</p> <p>*Page 96, SEC Form 17-A https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi-sec-form-17a-and-consolidated-fs-2020.pdf#page=100</p>	
Recommendation 1.4			

1. Board has a policy on board diversity.	Compliant	<p>The Company's policy on board diversity is provided under Section 2.1.3 of the CG Manual.</p> <p>The members of the Board of Director each possess varied expertise and professional background. Also, the Company ensures that it promotes its gender diversity objectives in the management of the operations of the Company through the appointments of Caroline C. Causon as Vice President, Head of Financial Planning and Budgeting and Gigi Iluminada T. Miguel as the Company's Vice President and Treasurer in 2018.</p> <p>References:</p> <p>*Page 79, SEC Form 17-A https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi-sec-form-17a-and-consolidated-fs-2020.pdf#page=83</p> <p>*Page 3, CG Manual https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised-manual-on-corporate-governance-v3.0-may-31-2017-for-website-0-1.pdf#page=4</p> <p>*Page 15, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1-0.pdf#page=8</p>	
Optional: Recommendation 1.4			
1. Company has a policy on and discloses measurable objectives for implementing its board diversity and reports on progress in achieving its objectives.	Compliant	<p>The Company has a policy on and discloses measurable objectives for implementing its board diversity and reports on progress in achieving its objectives, as mentioned in the SEC Form 17-A, Section 2.1.3 of the CG Manual and Sustainability Report ("2020 Sustainability Report").</p> <p>References:</p>	

		<p>* Page 96, SEC Form 17-A https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi-sec-form-17a-and-consolidated-fs-2020.pdf#page=100</p> <p>*Page 3, CG Manual https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised-manual-on-corporate-governance-v3.0-may-31-2017-for-website-0-1.pdf#page=4</p> <p>*Pages 79-81, 2020 Sustainability Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-sustainability-report-v2-webfinal.pdf#page=40</p>	
Recommendation 1.5			
1. Board is assisted by a Corporate Secretary.	Compliant	<p>The Company's Corporate Secretary is Atty. Rafael T. Durian and its two Asst. Corporate Secretaries are Atty. Silverio Benny Tan and Atty. Benjamin M. Gorospe III; while Rafael D. Consing, Jr. is the Company's Compliance Officer as provided in the 2020 CG Report.</p> <p>Information on the Corporate Secretary and the Asst. Corporate Secretaries, including their qualifications are provided in the SEC Form 17-A and 2020 CG Report.</p> <p>The duties and functions of a Corporate Secretary are provided under Section 3.3, of the CG Manual.</p> <p>References:</p> <p>* Page 87-88, SEC Form 17-A https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi-sec-form-17a-and-consolidated-fs-2020.pdf#page=91</p> <p>* Page 84-85, SEC Form 17-A https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi-sec-form-17a-and-consolidated-fs-2020.pdf#page=88</p> <p>*Page 15-16, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1-0.pdf#page=8</p>	
2. Corporate Secretary is a separate individual from the Compliance Officer.	Compliant		
3. Corporate Secretary is not a member of the Board of Directors.	Compliant		

		<p>*Page 14, CG Manual https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised-manual-on-corporate-governance-v3.0-may-31-2017-for-website-0-1.pdf#page=15</p>	
4. Corporate Secretary attends training/s on corporate governance.	Compliant	<p>The corporate governance trainings, including number of hours and topics covered, attended by the Corporate Secretary and Asst. Corporate Secretaries, are detailed in the 2020 CG Report.</p> <p>Reference: *Page 14, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1-0.pdf#page=8</p>	
Optional: Recommendation 1.5			
1. Corporate Secretary distributes materials for board meetings at least five business days before scheduled meeting.	Compliant	<p>The Corporate Secretary distributed board meeting materials at least five (5) business days before scheduled meeting.</p> <p>Reference: *Page 25, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1-0.pdf#page=13</p>	
Recommendation 1.6			
1. Board is assisted by a Compliance Officer.	Compliant	<p>The Company's Compliance Officer is Rafael D. Consing, Jr. and he is a Senior Vice President.</p> <p>Information on the Compliance Officer, including his position and qualifications, is provided in the SEC Form 17-A and 2020 CG Report.</p>	
2. Compliance Officer has a rank of Senior Vice President or an equivalent position with adequate stature and authority in the corporation.	Compliant		
3. Compliance Officer is not a member of the board.	Compliant		

		<p>The duties and functions of a Compliance Officer are also provided under Section 3.4 of the CG Manual.</p> <p>References: * Page 87-88, SEC Form 17-A https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi-sec-form-17a-and-consolidated-fs-2020.pdf#page=91 *Pages 16, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=9 *Page 15, CG Manual https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised-manual-on-corporate-governance-v3.0-may-31-2017-for-website-0_1.pdf#page=16</p>	
4. Compliance Officer attends training/s on corporate governance.	Compliant	<p>The corporate governance trainings, including number of hours and topics covered, attended by the Compliance Officer, are detailed in the 2020 CG Report:</p> <p>Reference: *Page 14, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=8</p>	
Principle 2: The fiduciary roles, responsibilities and accountabilities of the Board as provided under the law, the company's articles and by-laws, and other legal pronouncements and guidelines should be clearly made known to all directors as well as to stockholders and other stakeholders.			
Recommendation 2.1			
1. Directors act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the company.	Compliant	<p>The Directors performed their duties as indicated in Sections 2.6 and 2.7 of the CG Manual.</p> <p>References: *Page 7-9, CG Manual https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised-manual-on-corporate-governance-v3.0-may-31-2017-for-website-0_1.pdf#page=8</p>	

		<p>*Page 11, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=6</p> <p>*Page 17, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=9</p>	
Recommendation 2.2			
1. Board oversees the development, review and approval of the company's business objectives and strategy.	Compliant	<p>The Directors performed this function as indicated in Section 2.6 of the CG Manual.</p> <p>The Board is mandated by the Manual on Corporate Governance to oversee the development of and approve the Company's business objectives and strategy, including its vision and mission (i.e. Purpose) as well its Values, and monitor their implementation in order to sustain the Company's long-term viability and strength. Hence, the Board reviews these Company Principles on a regular basis. The Board reviewed and revised the Company's Purpose and Values last October 10, 2019.</p>	
2. Board oversees and monitors the implementation of the company's business objectives and strategy.	Compliant	<p>References:</p> <p>*Page 16-17, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=9</p> <p>*Pages 7-9, CG Manual https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf#page=8</p> <p>*Page 11, 2019 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=6</p>	

Supplement to Recommendation 2.2			
1. Board has a clearly defined and updated vision, mission and core values.	Compliant	<p>On October 10, 2019, the Board approved the ICTSI's Purpose and Values to replace the Company's Mission, Vision and Values and updated the policies and procedures to guide its activities and effectively monitor the management's performance, and supervise the proper implementation of the same.</p> <p>References: * Page 93, 2019 SEC Form 17-A https://cdnweb.ictsi.com/s3fs-public/2020-03/ictsi_sec_form_17a_and_consolidated_fs_2019.pdf#page=97 *Page 17, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=9 *About ICTSI tab, ICTSI Website https://www.ictsi.com/about-ictsi</p>	
2. Board has a strategy execution process that facilitates effective management performance and is attuned to the company's business environment, and culture.	Compliant	<p>Information on the strategy execution process is indicated in the 2020 CG Report. The Company's Management's Discussion and Analysis or Plan of Operations is also outlined in Item 6 of SEC Form 17-A.</p> <p>References: *Page 17, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=9 * Page 40-78, SEC Form 17-A https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi-sec-form-17a-and-consolidated-fs-2020.pdf#page=44</p>	
Recommendation 2.3			

1. Board is headed by a competent and qualified Chairperson.	Compliant	<p>The Chairman of the Board's qualifications are indicated in the 2020 CG Report and SEC Form 17-A.</p> <p>References: *Page 18, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=10 * Pages 80, SEC Form 17-A https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi-sec-form-17a-and-consolidated-fs-2020.pdf#page=84</p>	
Recommendation 2.4			
1. Board ensures and adopts an effective succession planning program for directors, key officers and management.	Compliant	<p>The Board ensures that the Company has an effective succession planning program and retirement policy for the Directors, Key Officers and Management.</p> <p>References: *Pages 18, CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=10 *Sec. 2.6.3, Page 8, CG Manual https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised-manual-on-corporate-governance-v3.0-may-31-2017-for-website-0-1.pdf#page=9 *Sec. 2.8.1(v), Page 10, CG Manual https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised-manual-on-corporate-governance-v3.0-may-31-2017-for-website-0-1.pdf#page=11</p>	

2. Board adopts a policy on the retirement for directors and key officers.	Compliant		
Recommendation 2.5			
1. Board aligns the remuneration of key officers and board members with long-term interests of the company.	Compliant	Information on the Company's remuneration policy and its implementation, including the relationship between remuneration and performance is stated in Sec. 2.10 of the CG Manual.	
2. Board adopts a policy specifying the relationship between remuneration and performance.	Compliant	The Board and Executive Remuneration can be found in the 2020 CG Report.	
3. Directors do not participate in discussions or deliberations involving his/her own remuneration.	Compliant	<p>Compensation can be found in Item 6 and Share-Based Payment Plan in Item 8, of 2020 SEC Form 20-IS ("SEC Form 20-IS").</p> <p>The Executive Compensation can also be found in the SEC Form 17-A, and a detailed discussion of the Share-Based is on Item 19 of the Independent Auditor's Report attached to the SEC Form 17-A</p> <p>References: *Page 11, CG Manual https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised-manual-on-corporate-governance-v3.0-may-31-2017-for-website-0-1.pdf#page=12 *Page 18-19, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1-0.pdf#page=10 *Page 29, SEC Form 20-IS https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi-definitive-information-statement-with-annexes.pdf#page=30 *Page 31, SEC Form 20-IS</p>	

		https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi.definitive-information-statement-with-annexes.pdf#page=32 *Page 91, SEC Form 17-A https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi-sec-form-17a-and-consolidated-fs-2020.pdf#page=95 *Item 20 of Independent Auditor's Report, part of SEC Form 17-A https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi-sec-form-17a-and-consolidated-fs-2020.pdf#page=199	
Optional: Recommendation 2.5			
1. Board approves the remuneration of senior executives.	Compliant	Proof of board approval is provided in the SEC Form 17-A, where Executive compensation is discussed. This was approved by the Audit Committee before its submission to the SEC. References: *Page 91, SEC Form 17-A https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi-sec-form-17a-and-consolidated-fs-2020.pdf#page=199 *Statement of Management's Responsibility, SEC Form 17-A https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi-sec-form-17a-and-consolidated-fs-2020.pdf#page=105	
2. Company has measurable standards to align the performance-based remuneration of the executive directors and senior executives with long-term interest, such as claw back provision and deferred bonuses.	Compliant	The 2020 CG Report and SEC Form 17-A indicate measurable standards to align performance-based remuneration with the long-term interest of the company. References: *Page 30, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1.0.pdf#page=16 *Item 20 of Independent Auditor's Report, part of SEC Form 17-A	

		https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi-sec-form-17a-and-consolidated-fs-2020.pdf#page=199	
Recommendation 2.6			
1. Board has a formal and transparent board nomination and election policy.	Compliant	Nomination and election policy is stated in the CG Manual and in the Nomination Sub-Committee Charter disclosed in the Company website, and the 2020 CG Report.	
2. Board nomination and election policy is disclosed in the company's Manual on Corporate Governance.	Compliant	Shareholders' rights, including those of the minority and its right to nominate a director, are stated in the CG Manual.	
3. Board nomination and election policy includes how the company accepted nominations from minority shareholders.	Compliant	The information that states if there was an assessment of the effectiveness of the Board's processes in the nomination, election or replacement of a director is provided in the CG Manual.	
4. Board nomination and election policy includes how the board shortlists candidates.	Compliant		
5. Board nomination and election policy includes an assessment of the effectiveness of the Board's processes in the nomination, election or replacement of a director.	Compliant	References: *Nomination Sub-Committee Charter https://cdnweb.ictsi.com/s3fs-public/inline-files/nomination_committee_charter.pdf	
6. Board has a process for identifying the quality of directors that is aligned with the strategic direction of the company.	Compliant	*Sec. 2.6.11, Page 8, CG Manual https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf#page=9 *Sec. 2.12(a).i., Page 13, CG Manual https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf#page=14 *Sec. 6.6, Page 18, CG Manual https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf#page=19 *Page 22, 2020 CG Report	

		https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=12 *Page 22, SEC Form 20-IS https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi.definitive-infomation-statement-with-annexes.pdf#page=23	
Optional: Recommendation to 2.6			
1. Company uses professional search firms or other external sources of candidates (such as director databases set up by director or shareholder bodies) when searching for candidates to the board of directors.	Compliant	The process of using a professional search firm used or other external sources of candidates are indicated in the Nomination Sub-Committee Charter. Reference: *Nomination Sub-committee Charter https://cdnweb.ictsi.com/s3fs-public/inline-files/nomination_committee_charter.pdf	
Recommendation 2.7			
1. Board has overall responsibility in ensuring that there is a group-wide policy and system governing related party transactions (RPTs) and other unusual or infrequently occurring transactions.	Compliant	Information on the Board's responsibility over RPTs is stated in Sec. 2.6.13 of the CG Manual. The Board's RPT Committee Charter and the RPT Policy are made available in the Company website.	
2. RPT policy includes appropriate review and approval of material RPTs, which guarantee fairness and transparency of the transactions.	Compliant		
3. RPT policy encompasses all entities within the group, taking into account their size, structure, risk profile and complexity of operations.	Compliant	Transactions that were approved pursuant to the policy are stated in the SEC Form 17-A and 2020 CG Report. References: *Page 9, CG Manual https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised-manual-on-corporate-governance-v3.0-may-31-2017-for-website-0-1.pdf#page=10 *RPT Committee Charter	

		https://cdnweb.ictsi.com/s3fs-public/inline-files/ictsi_rpt_committee_charter.pdf *RPT Committee Policy https://d1gbtgue32gs0y.cloudfront.net/s3fs-public/2019-10/ictsi_related_party_transaction_policy_10242019_1.pdf *Pages 94-95 of SEC Form 17-A https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi-sec-form-17a-and-consolidated-fs-2020.pdf#page=98 *Item 23 of Independent Auditor's Report, SEC Form 17-A https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi-sec-form-17a-and-consolidated-fs-2020.pdf#page=98 *Page 20, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=11	
Supplement to Recommendations 2.7			
1. Board clearly defines the threshold for disclosure and approval of RPTs and categorizes such transactions according to those that are considered <i>de minimis</i> or transactions that need not be reported or announced, those that need to be disclosed, and those that need prior shareholder approval. The aggregate amount of RPTs within any twelve (12) month period should be considered for purposes of applying the thresholds for disclosure and approval.	Compliant	Information on a materiality threshold for RPT disclosure and approval, and information on RPT categories can be found on the RPT Policy, RPT Committee Charter and SEC Form 17-A. References: *Page 2, RPT Policy https://d1gbtgue32gs0y.cloudfront.net/s3fs-public/2019-10/ictsi_related_party_transaction_policy_10242019_1.pdf#page=5 *Page 1, RPT Committee Charter https://cdnweb.ictsi.com/s3fs-public/inline-files/ictsi_rpt_committee_charter.pdf *Page 20, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=11 *Pages 94-95 of SEC Form 17-A	

		https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi-sec-form-17a-and-consolidated-fs-2020.pdf#page=98 *Item 23 of Independent Auditor's Report, SEC Form 17-A https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi-sec-form-17a-and-consolidated-fs-2020.pdf#page=206	
2. Board establishes a voting system whereby a majority of non-related party shareholders approve specific types of related party transactions during shareholders' meetings.	Compliant	Should there be a transaction contemplated by this item which may arise, the Board shall be guided by the RPT Committee, as stated in the CG Manual and the RPT Committee Charter. References: *Page 13, CG Manual https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised-manual-on-corporate-governance-v3.0-may-31-2017-for-website-0-1.pdf#page=14 *Page 1, RPT Committee Charter https://cdnweb.ictsi.com/s3fs-public/inline-files/ictsi-rpt-committee-charter.pdf	
Recommendation 2.8			
1. Board is primarily responsible for approving the selection of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive).	Compliant	The information on or reference to the Board's policy and responsibility for approving the selection of management can be found on Sec. 2.6.3 of the CG Manual. The Management team has been appointed by the Board: References: *Page 8, CG Manual https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised-manual-on-corporate-governance-v3.0-may-31-2017-for-website-0-1.pdf#page=9 *Sec. 2.6.17, Page 9, CG Manual	

		https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised-manual-on-corporate-governance-v3.0-may-31-2017-for-website-0-1.pdf#page=10 *About ICTSI tab, ICTSI Website https://www.ictsi.com/leadership-team *Organizational Meeting Results https://cdnweb.ictsi.com/s3fs-public/2021-04/results-of-organizational-meeting-of-board-of-directors.pdf	
2. Board is primarily responsible for assessing the performance of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive).	Compliant	<p>The information on or reference to a document containing the Board's policy and responsibility for assessing the performance of management, and the information on the assessment process and indicate frequency of assessment of performance can be found on Sec. 2.5.4 and 2.6.4 of the CG Manual.</p> <p>References: *Pages 7-8, CG Manual https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised-manual-on-corporate-governance-v3.0-may-31-2017-for-website-0-1.pdf#page=8 *Sec. 2.6.3, Page 8, CG Manual https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised-manual-on-corporate-governance-v3.0-may-31-2017-for-website-0-1.pdf#page=9 *Sec. 2.6.11, Page 8, CG Manual https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised-manual-on-corporate-governance-v3.0-may-31-2017-for-website-0-1.pdf#page=9 *Sec. 2.6.17, Page 9, CG Manual https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised-manual-on-corporate-governance-v3.0-may-31-2017-for-website-0-1.pdf#page=10 </p>	
Recommendation 2.9			
1. Board establishes an effective performance management framework that ensures that	Compliant	The information containing the Board's performance management framework for	

Management's performance is at par with the standards set by the Board and Senior Management.		management and personnel can be found on Sec. 2.5.4 and 2.6.4 of the CG Manual.	
2. Board establishes an effective performance management framework that ensures that personnel's performance is at par with the standards set by the Board and Senior Management.	Compliant	References: *Pages 7-8, CG Manual https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised-manual-on-corporate-governance-v3.0-may-31-2017-for-website-0-1.pdf#page=8	
Recommendation 2.10			
1. Board oversees that an appropriate internal control system is in place.	Compliant	The information showing the Board's responsibility for overseeing that an appropriate internal control system is in place and what is included in the internal control system can be found on Sec. 2.8 of the CG Manual.	
2. The internal control system includes a mechanism for monitoring and managing potential conflict of interest of the Management, members and shareholders.	Compliant	References: *Page 10, CG Manual https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised-manual-on-corporate-governance-v3.0-may-31-2017-for-website-0-1.pdf#page=11	
3. Board approves the Internal Audit Charter.	Compliant	*Page 120 of Independent Auditor's Report, SEC Form 17-A https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi-sec-form-17a-and-consolidated-fs-2020.pdf#page=237 *Pages 20-21, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1-0.pdf#page=11 The Company's Internal Audit Charter was approved in August 2, 2018 and will be provided upon request.	
Recommendation 2.11			
1. Board oversees that the company has in place a sound enterprise risk management (ERM)	Compliant	The information showing the Board's oversight responsibility on the establishment of a sound enterprise risk	

<p>framework to effectively identify, monitor, assess and manage key business risks.</p>		<p>management framework and how the board was guided by the framework can be found on Sec. 2.6.9 of the CG Manual and the 2020 CG Report.</p> <p>The Board has the Board Risk Oversight Committee (BROC) that oversees the enterprise risk management framework. Refer to the link for the roles and responsibilities of the BROC based on the BROC Charter posted in the company website.</p> <p>The risks relating to the Company's business are outlined in the SEC Form 17-A under Risks Relating to the Group's Business.</p> <p>References: *Section 2.6.9, Page 8, CG Manual https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised-manual-on-corporate-governance-v3.0-may-31-2017-for-website-0-1.pdf#page=9 *Section 2.12, Page 13, CG Manual https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised-manual-on-corporate-governance-v3.0-may-31-2017-for-website-0-1.pdf#page=14 *Pages 20-21, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1-0.pdf#page=11 *Board Risk Oversight Committee Charter https://cdnweb.ictsi.com/s3fs-public/inline-files/broc-charter.pdf *Pages 20-23, SEC Form 17-A https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi-sec-form-17a-and-consolidated-fs-2020.pdf#page=24</p>	
<p>2. The risk management framework guides the board in identifying units/business lines and</p>	<p>Compliant</p>	<p>ICTSI has a formal ERM Policy that was approved and released in May 2016. There</p>	

enterprise-level risk exposures, as well as the effectiveness of risk management strategies.		<p>was a revision made in May 2018 and in May 2019. The revisions were approved by the BROC but the latest version is still for signing as of to date. (Document is available upon request)</p> <p>*Pages 36-41, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=19</p>	
Recommendation 2.12			
1. Board has a Board Charter that formalizes and clearly states its roles, responsibilities and accountabilities in carrying out its fiduciary role.	Compliant	The Board Charter is disclosed in the Company's website.	
2. Board Charter serves as a guide to the directors in the performance of their functions.	Compliant	<p>Reference: *CG Manual https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised-manual-on-corporate-governance-v3.0-may-31-2017-for-website-0-1.pdf</p>	
3. Board Charter is publicly available and posted on the company's website.	Compliant	<p>*ICTSI Website, Board Committees https://www.ictsi.com/governance/reports-and-compliance/board-committees</p>	
Additional Recommendation to Principle 2			
1. Board has a clear insider trading policy.	Compliant	<p>The Policy is disclosed in the Corporate Governance portion of the 2020 CG Report and the Company Website.</p> <p>References: *Page 21, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=11</p> <p>*Insider Trading Policy – Policies section, Governance tab, ICTSI Website https://ictsi.com/policies</p>	
Optional: Principle 2			
1. Company has a policy on granting loans to directors, either forbidding the practice or	Compliant	Loans to Directors are in the nature akin to additional compensation. For 2020, the	

ensuring that the transaction is conducted at arm's length basis and at market rates.		<p>members of the Board of Directors received Directors' Fees as compensation in accordance with the Company's By-Laws. There are no material terms of any other arrangements or contracts, such as through loans, where any Director of ICTSI was compensated or is to be compensated, directly or indirectly, in 2018 and 2019, or even for 2020, for any service provided as a Director.</p> <p>References: *Pages 18 to 19, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=10</p>	
2. Company discloses the types of decision requiring board of directors' approval.	Compliant	<p>Types of decision requiring board of directors' approval are disclosed in Article III of the Amended By-Laws, which is posted in the Company website.</p> <p>References: *Pages 4 to 7, Amended By-Laws https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi_amended_by-laws_23_june_2010.pdf#page=6</p>	
<p>Principle 3: Board committees should be set up to the extent possible to support the effective performance of the Board's functions, particularly with respect to audit, risk management, related party transactions, and other key corporate governance concerns, such as nomination and remuneration. The composition, functions and responsibilities of all committees established should be contained in a publicly available Committee Charter.</p>			
<p>Recommendation 3.1</p>			
1. Board establishes board committees that focus on specific board functions to aid in the optimal performance of its roles and responsibilities.	Compliant	Information on all the board committees established by the Company – Audit Committee, Board Risk Oversight Committee, Corporate Governance Committee, Nomination Sub-committee, Remuneration Sub-committee, and Related Party Transactions Committee – are provided in	

		<p>Sec. 2.11 and 2.12 of the CG Manual, identified in the 2020 CG Report, Results of the Organizational Meeting (List of Committees and Memberships) and the Charters of the said Board Committees uploaded in the Company's website.</p> <p>References:</p> <p>*Pages 11-13, CG Manual https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised-manual-on-corporate-governance-v3.0-may-31-2017-for-website-0-1.pdf#page=12</p> <p>*Board Committees section, Governance tab, ICTSI Website https://www.ictsi.com/governance/reports-and-compliance/board-committees</p> <p>*Results of ICTSI's Organizational Meeting https://cdnweb.ictsi.com/s3fs-public/2020-06/dc0018037-2020-ict-4-25-results-of-organizational-meeting-of-board-of-directors.pdf</p> <p>*Page 22-24, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1-0.pdf#page=12</p>	
Recommendation 3.2			
1. Board establishes an Audit Committee to enhance its oversight capability over the company's financial reporting, internal control system, internal and external audit processes, and compliance with applicable laws and regulations.	Compliant	<p>The role, composition, authority, responsibilities and operations of the Audit Committee are set out in the Audit Committee Charter last revised last November 3, 2020 (the "AC Charter"). The Audit Committee assists the Board in fulfilling its oversight responsibilities to the shareholders relating to the Company's financial statements and financial reporting process and internal control systems, the internal and external audit process, and the Company's process for monitoring compliance with contracts, laws and</p>	

		<p>regulations and the ICTSI Code of Business Conduct.</p> <p>The Audit Committee reviews and monitors the integrity, independence, objectivity, performance, rotation process of the external auditors and makes recommendations to the Board on their appointment or discharge on an annual basis.</p> <p>References: *Page 22, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=12</p> <p>*AC Charter https://cdnweb.ictsi.com/s3fs-public/inline-files/revised-audit-committee-charter-nov-3-2020_1.pdf</p> <p>*Page 78, SEC Form 17-A https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi-sec-form-17a-and-consolidated-fs-2020.pdf#page=82</p>	
2. Audit Committee is composed of at least three appropriately qualified non-executive directors, the majority of whom, including the Chairman is independent.	Compliant	<p>The Audit Committee consists of three (3) non-executive directors, as posted in the company website.</p> <ul style="list-style-type: none"> • Octavio Victor R. Espiritu – Chairman (Independent) • Cesar A. Buenaventura- Member (Independent) • Stephen A. Paradies – Member <p>The above information is stated in ICTSI SEC Form 17-A Part IV, Item 9, 2020 CG Report, Results of ICTSI's Organizational Meeting, and the AC Charter, Section I, as posted in the Company website.</p>	

		References: *Page 79, SEC Form 17-A https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi-sec-form-17a-and-consolidated-fs-2020.pdf#page=83 *Page 22-23, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=12 *Results of ICTSI's Organizational Meeting https://cdnweb.ictsi.com/s3fs-public/2020-06/dc0018037-2020_ict_4-25-results-of-organizational-meeting-of-board-of-directors.pdf#page=3 *AC Charter https://cdnweb.ictsi.com/s3fs-public/inline-files/revised-audit-committee-charter-nov-3-2020_1.pdf#page=2	
3. All the members of the committee have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance.	Compliant	All members of the Audit Committee have relevant background, knowledge and skills, and/or experience in the areas of accounting, auditing and finance, as mentioned in the SEC Form 17-A, 2020 CG Report and the AC Charter. References: *Page 81-83, 2020 SEC Form 17-A https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi-sec-form-17a-and-consolidated-fs-2020.pdf#page=85 *Pages 12-13, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=7 *Page 1, AC Charter https://cdnweb.ictsi.com/s3fs-public/inline-files/revised-audit-committee-charter-nov-3-2020_1.pdf#page=2	
4. The Chairman of the Audit Committee is not the Chairman of the Board or of any other committee.	Compliant	The Chairman of the Audit Committee is Octavio Victor R. Espiritu.	

		<p>The Chairman of the Audit Committee is not the Chairman of the Board or any other committees.</p> <p>References: *Page 23, 2020\ CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=12 *Page 81-82, SEC Form 17-A https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi-sec-form-17a-and-consolidated-fs-2020.pdf#page=85 *Page 1, AC Charter https://cdnweb.ictsi.com/s3fs-public/inline-files/revised-audit-committee-charter-nov-3-2020_1.pdf#page=2</p>	
Supplement to Recommendation 3.2			
1. Audit Committee approves all non-audit services conducted by the external auditor.	Compliant	<p>The Audit Committee reviews the nature of the non-audit related services rendered by the external auditors and the appropriate fees paid for these services.</p> <p>References: *Page 78, SEC Form 17-A https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi-sec-form-17a-and-consolidated-fs-2020.pdf#page=82 *Page 5, AC Charter https://cdnweb.ictsi.com/s3fs-public/inline-files/revised-audit-committee-charter-nov-3-2020_1.pdf#page=5</p>	
2. Audit Committee conducts regular meetings and dialogues with the external audit team without anyone from management present.	Compliant	<p>The Audit Committee, when sensitive matters are to be discussed, meet separately with the external auditors without anyone from management present. This happens on a regular basis.</p> <p>References: *Page 5, AC Charter https://cdnweb.ictsi.com/s3fs-public/inline-files/revised-audit-committee-charter-nov-3-2020_1.pdf#page=5</p>	

Optional: Recommendation 3.2			
1. Audit Committee meet at least four times during the year.	Compliant	<p>The Audit Committee conducted meetings for FY 2020 at least four times. The Audit Committee met on March 3, 2020, May 5, 2020, August 4, 2020, and November 3, 2020.</p> <p>References: *Page 2, AC Charter https://cdnweb.ictsi.com/s3fs-public/inline-files/revised-audit-committee-charter-nov-3-2020_1.pdf#page=2 *Page 24, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=13</p>	
2. Audit Committee approves the appointment and removal of the internal auditor.	Compliant	<p>The Audit Committee approves the appointment and removal of the internal auditor.</p> <p>References: *Page 4, AC Charter https://cdnweb.ictsi.com/s3fs-public/inline-files/revised-audit-committee-charter-nov-3-2020_1.pdf#page=5 *Page 35, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=18</p>	
Recommendation 3.3			
1. Board establishes a Corporate Governance Committee tasked to assist the Board in the performance of its corporate governance responsibilities, including the functions that were formerly assigned to a Nomination and Remuneration Committee.	Compliant	<p>Information on the Corporate Governance Committee, including its functions, are provided under Section 2.12 of the CG Manual and the 2020 CG Report</p> <p>The Corporate Governance Committee has two sub-committees: Remuneration and Nomination.</p> <p>References:</p>	

		<p>*Page 13, CG Manual https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf#page=14</p> <p>*Page 22, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=12</p>	
2. Corporate Governance Committee is composed of at least three members, all of whom should be independent directors.	Compliant	<p>The Corporate Governance Committee is entirely composed of three Independent Directors:</p> <ul style="list-style-type: none"> • Cesar A. Buenaventura (Independent), Chairman • Octavio Victor R. Espiritu (Independent), and • Joseph R. Higdon (Independent) <p>Their qualifications are provided in the 2020 CG Report and the SEC Form 17-A.</p> <p>References: *Pages 12-13, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=7 *Pages 81-82, SEC Form 17-A https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi-sec-form-17a-and-consolidated-fs-2020.pdf#page=85</p>	
3. Chairman of the Corporate Governance Committee is an independent director.	Compliant	<p>The Chairman of the Corporate Governance Committee is Cesar A. Buenaventura, who is an independent director. Information on his qualifications are provided in the 2020 CG Report and SEC Form 17-A.</p> <p>References: *Page 12, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=7</p>	

		<p>*Page 81, SEC Form 17-A https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi-sec-form-17a-and-consolidated-fs-2020.pdf#page=85</p>	
Optional: Recommendation 3.3.			
1. Corporate Governance Committee meet at least twice during the year.	Compliant	<p>The Corporate Governance Committee conducted meetings for FY 2019 two times on March 3, 2020 and June 18, 2020.</p> <p>References: *Page 24, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=13</p>	
Recommendation 3.4			
1. Board establishes a separate Board Risk Oversight Committee (BROC) that should be responsible for the oversight of a company's Enterprise Risk Management system to ensure its functionality and effectiveness.	Compliant	<p>The Company has an existing oversight committee at the Board level called the Board Risk Oversight Committee (BROC) who is responsible for the oversight of its Enterprise Risk Management system to ensure its functionality and effectiveness, as stated in the 2019 CG Report.</p> <p>References: *Page 24, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=13 *Board Risk Oversight Committee Charter https://cdnweb.ictsi.com/s3fs-public/inline-files/broc_charter.pdf</p>	
2. BROC is composed of at least three members, the majority of whom should be independent directors, including the Chairman.	Non-Compliant on the Chairmanship part	<p>As of June 18, 2020, the BROC is composed of four (4) members three (3) of whom are independent directors, namely:</p> <ul style="list-style-type: none"> • Octavio Victor R. Espiritu • Joseph R. Higdon • Cesar A. Buenaventura 	<p>Stephen A. Paradies, the Chairman, is not an Independent Director, but he is a Non-Executive Director and exercises independent judgment.</p> <p>References:</p>

		References: *Results of Organizational Meeting of Board of Directors on June 18, 2020 reported through SEC Form 17-C. https://cdnweb.ictsi.com/s3fs-public/2020-06/dc0018037-2020_ict_4-25-results-of-organizational-meeting-of-board-of-directors.pdf#page=3 *Page 12-13, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=7	*Results of Organizational Meeting of Board of Directors on June 18, 2020 reported through SEC Form 17-C. https://cdnweb.ictsi.com/s3fs-public/2020-06/dc0018037-2020_ict_4-25-results-of-organizational-meeting-of-board-of-directors.pdf#page=3 *Page 13, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=7 *Board Committees, ICTSI Website https://www.ictsi.com/governance/reports-and-compliance/board-committees
3. The Chairman of the BROC is not the Chairman of the Board or of any other committee.	Compliant	The Chairman of the BROC is Stephen A. Paradies, who is not the Chairman of the Board or of any other committee. References: * Results of Organizational Meeting of Board of Directors on June 18, 2020 reported through SEC Form 17-C. https://cdnweb.ictsi.com/s3fs-public/2020-06/dc0018037-2020_ict_4-25-results-of-organizational-meeting-of-board-of-directors.pdf#page=3 *Page 23, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=12	
4. At least one member of the BROC has relevant thorough knowledge and experience on risk and risk management.	Compliant	The information about the BROC members' background is provided in the SEC Form 17-A and the 2020 CG Report. References: *Pages 81-81, SEC Form 17-A https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi-sec-form-17a-and-consolidated-fs-2020.pdf#page=85 *Pages 12-13, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=7	

Recommendation 3.5			
1. Board establishes a Related Party Transactions (RPT) Committee, which is tasked with reviewing all material related party transactions of the company.	Compliant	<p>Information on the RPT Committee, including its functions, are provided under Section 2.12 of the CG Manual and the 2019 CG Report:</p> <p>References: *Page 13, CG Manual https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised-manual-on-corporate-governance-v3.0-may-31-2017-for-website-0-1.pdf#page=14 *Page 24, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1-0.pdf#page=13</p>	
2. RPT Committee is composed of at least three non-executive directors, two of whom should be independent, including the Chairman.	Compliant	<p>The RPT Committee has three (3) members: Cesar A. Buenaventura, who is the Chairman; Octavio Victor R. Espiritu; and Joseph R. Higdon. <u>All are Non-Executive Independent Directors</u>, including the Chairman. Their qualifications are provided in the 2020 CG Report and the SEC Form 17-A.</p> <p>References: *Results of ICTSI's Organizational Meeting https://cdnweb.ictsi.com/s3fs-public/2020-06/dc0018037-2020_ict-4-25-results-of-organizational-meeting-of-board-of-directors.pdf#page=3 *Pages 12-13, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1-0.pdf#page=7 *Pages 81-82, SEC Form 17-A https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi-sec-form-17a-and-consolidated-fs-2020.pdf#page=85</p>	
Recommendation 3.6			

1. All established committees have a Committee Charter stating in plain terms their respective purposes, memberships, structures, operations, reporting process, resources, and other relevant information.	Compliant	The Company's committee charters, containing all the required information, particularly the functions of the Committee that is necessary for performance evaluation purposes, are provided at the Company's website under the Governance tab.	
2. Committee Charters provide standards for evaluating the performance of the Committees.	Compliant	Reference: *Board Committees, ICTSI Website https://www.ictsi.com/governance/reports-and-compliance/board-committees	
3. Committee Charters were fully disclosed on the company's website.	Compliant		
Principle 4: To show full commitment to the company, the directors should devote the time and attention necessary to properly and effectively perform their duties and responsibilities, including sufficient time to be familiar with the corporation's business.			
Recommendation 4.1			
1. The Directors attend and actively participate in all meetings of the Board, Committees and shareholders in person or through tele-/videoconferencing conducted in accordance with the rules and regulations of the Commission.	Compliant	Information on the attendance and participation of the Directors to Board, Committee and shareholders' meetings are provided in the SEC Form 20-IS and the 2019 CG Report. References: *Page 21, SEC Form 20-IS https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi.definitive-infomation-statement-with-annexes.pdf#page=22 *Pages 24-25, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=13	
2. The directors review meeting materials for all Board and Committee meetings.	Compliant	The Directors are provided with meeting materials for all Board and Committee meetings for their review. Reference: *Page 25, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=13	

3. The directors ask the necessary questions or seek clarifications and explanations during the Board and Committee meetings.	Compliant	<p>The Directors in each meeting contributed to the discussion by raising questions, commenting and suggesting on the acts, contracts, investments and resolutions under the meeting agenda.</p> <p>Reference: *Pages 24-25, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=13</p>	
Recommendation 4.2			
1. Non-executive directors concurrently serve in a maximum of five publicly-listed companies to ensure that they have sufficient time to fully prepare for minutes, challenge Management's proposals/views, and oversee the long-term strategy of the company.	Non-Compliant (as to Mr. Cesar A. Buenaventura)	<p>The maximum directorships in other companies are stated in the CG Manual and SEC MC No. 9-2011, in so far as it is consistent with SEC MC No. 4-2017.</p> <p>Information on the directorships of the Company's Directors in both listed and non-listed companies are provided in SEC 17-A and 2020 CG Report.</p> <p>References: *Page 4, CG Manual https://www.ictsi.com/sites/default/files/2019-02/ictsi-revised-manual-on-corporate-governance-v3.0-may-31-2017-for-website_0.pdf#page=5 *Pages 80-83, SEC Form 17-A https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi-sec-form-17a-and-consolidated-fs-2020.pdf#page=84 *Pages 12-13, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=7</p>	<p>Mr. Buenaventura has a track record of expertise in various industries. Over the past year, his attendance in regular board meetings and board committee meetings manifest his ability to manage his time well. Mr. Buenaventura is a director in seven (7) publicly-listed companies.</p> <p>*Pages 85, SEC Form 17-A https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi-sec-form-17a-and-consolidated-fs-2020.pdf#page=85 *Page 12, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=7</p>
Recommendation 4.3			
1. The directors notify the company's board before accepting a directorship in another company.	Compliant	<p>Each Director has informed the Board of their directorships in other companies.</p> <p>Reference:</p>	

		<p>*Page 25, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=13</p>	
Optional: Principle 4			
1. Company does not have any executive directors who serve in more than two boards of listed companies outside of the group.	Compliant	<p>The only Executive Director in the Company is Enrique K. Razon Jr. who is serving as a Director in not more than two (2) listed companies.</p> <p>References: *Pages 80, SEC Form 17 – A https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi-sec-form-17a-and-consolidated-fs-2020.pdf#page=84 *Pages 12-13, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=7</p>	
2. Company schedules board of directors’ meetings before the start of the financial year.	Compliant	<p>The Company schedules Board of Directors’ meetings before the start of the financial year, as mentioned in the ratification of the resolutions of the Board in the SEC Form 20-IS, Section 3, Article III of the By-Laws and the 2020 CG Report.</p> <p>References: *Page 4, By-Laws https://www.ictsi.com/sites/default/files/2019-02/ictsi_amended_by-laws_23_june_2010.pdf#page=6 *Page 33, SEC Form 20-IS https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi.definitive-infomation-statement-with-annexes.pdf#page=34 *Page 25, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=13</p>	

3. Board of directors meet at least six times during the year.	Compliant	<p>The Board of Directors had a total of twenty (20) regular and special meetings in 2020.</p> <p>References: *Page 21, SEC Form 20-IS https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi.definitive-infomation-statement-with-annexes.pdf#page=22 *Page 25, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=13 </p>	
4. Company requires as minimum quorum of at least 2/3 for board decisions.	Compliant	<p>As shown by the Directors' attendance, the minimum quorum of at least 2/3 has been achieved in the 2020 Board meetings.</p> <p>References: *Page 21, SEC Form 20-IS https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi.definitive-infomation-statement-with-annexes.pdf#page=22 *Page 25, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=13 </p>	
Principle 5: The board should endeavor to exercise an objective and independent judgment on all corporate affairs			
Recommendation 5.1			
1. The Board has at least 3 independent directors or such number as to constitute one-third of the board, whichever is higher.	Compliant	<p>For 2020, the Company has three Independent Directors, namely:</p> <ol style="list-style-type: none"> 1. Cesar A. Buenaventura; 2. Octavio Victor R. Espiritu; and 3. Joseph R. Higdon. <p>They constitute more than 1/3 of the Board, which has seven (7) seats.</p> <p>References:</p>	

		<p>*Page 79-82, SEC Form 17-A https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi-sec-form-17a-and-consolidated-fs-2020.pdf#page=83</p> <p>*Page 26, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=14</p>	
Recommendation 5.2			
1. The independent directors possess all the qualifications and none of the disqualifications to hold the positions.	Compliant	<p>The qualifications of the Company's Independent Directors are stated in the submitted SEC Form 17-A.</p> <p>References: Cesar A. Buenaventura *Page 81, SEC Form 17-A https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi-sec-form-17a-and-consolidated-fs-2020.pdf#page=85</p> <p>Octavio Victor R. Espiritu *Pages 81-82, SEC Form 17-A https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi-sec-form-17a-and-consolidated-fs-2020.pdf#page=85</p> <p>Joseph R. Higdon *Page 82, SEC Form 17-A https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi-sec-form-17a-and-consolidated-fs-2020.pdf#page=86</p>	
Supplement to Recommendation 5.2			
1. Company has no shareholder agreements, by-laws provisions, or other arrangements that constrain the directors' ability to vote independently.	Compliant	<p>There is no provision in the Company's By-Laws nor in any agreement or arrangement that constrains the Directors' ability to vote independently.</p> <p>Reference: *By-Laws https://www.ictsi.com/sites/default/files/2019-02/ictsi_amended_by-laws_23_june_2010.pdf</p>	
Recommendation 5.3			

1. The independent directors serve for a cumulative term of nine years (reckoned from 2012).	Compliant	<p>The respective cumulative term of the Independent Directors does not exceed nine years reckoning from 2012.</p> <p>References: *Page 79-82, SEC Form 17-A https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi-sec-form-17a-and-consolidated-fs-2020.pdf#page=83</p> <p>*Page 26, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=14</p>	
2. The company bars an independent director from serving in such capacity after the term limit of nine years.	Compliant	<p>The Company has adopted as part of its internal policies SEC MC No. 4-2017, which provides that the tenure of Independent Directors is set to a cumulative term of nine years from 2012 as the reckoning year.</p> <p>Reference: *Page 26, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=14</p>	
3. In the instance that the company retains an independent director in the same capacity after nine years, the board provides meritorious justification and seeks shareholders' approval during the annual shareholders' meeting.	Compliant	<p>The Company has adopted as part of its internal policies SEC MC No. 4-2017, which provides that the Board of Directors of the Company shall provide meritorious justification and shall seek its stockholders' approval during its Annual Stockholders' Meeting in the instance that the Company will retain an Independent Director in the same capacity after nine (9) years.</p> <p>References: * Page 26, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=14</p>	

Recommendation 5.4

<p>1. The positions of Chairman of the Board and Chief Executive Officer are held by separate individuals.</p>	<p>Non-compliant</p>	<p>Chairman of the Board Enrique K. Razon Jr.</p> <p>President Enrique K. Razon Jr.</p> <p>References: *Page 18, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=10</p>	<p>With the nature of its business, the Company finds it practicable and most efficient to unify the positions of the Chairman of the Board and the President.</p> <p>As stated in the Company's CG Manual, under the 2nd par. of Section 2.3, if the positions of Chairman and President are unified, the proper checks and balances, as in the case of ICTSI, are in place to ensure that the Board gets the benefit of independent views and perspectives.</p> <p>References: *Page 4, CG Manual https://www.ictsi.com/sites/default/files/2019-02/ictsi-revised-manual-on-corporate-governance-v3.0-may-31-2017-for-website_0.pdf#page=5</p> <p>* Page 18, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=10</p>
<p>2. The Chairman of the Board and Chief Executive Officer have clearly defined responsibilities.</p>	<p>Compliant</p>	<p>The roles and responsibilities as well as the relationship between the Chairman of the Board and the President are stated in the CG Manual.</p> <p>References: *Page 4, CG Manual https://www.ictsi.com/sites/default/files/2019-02/ictsi-revised-manual-on-corporate-governance-v3.0-may-31-2017-for-website_0.pdf#page=5</p> <p>*Page 13, CG Manual https://www.ictsi.com/sites/default/files/2019-02/ictsi-revised-manual-on-corporate-governance-v3.0-may-31-2017-for-website_0.pdf#page=14</p>	

Recommendation 5.5

1. If the Chairman of the Board is not an independent director, the board designates a lead director among the independent directors.	Non-compliant		<p>In the Company's Board Structure, there are three (3) Independent Directors and <u>only one (1) Executive Director</u>. Such structure still ensures that the Board of Directors shall be able to practice board independence.</p> <p>References: *Pages 12-13, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=7</p>
Recommendation 5.6			
1. Directors with material interest in a transaction affecting the corporation abstain from taking part in the deliberations on the transaction.	Compliant	<p>The transactions of the Company during FY 2020 have no material interest to any one of the members of the Board of Directors.</p> <p>In case there will be a transaction in which a director has a material interest, the board shall ensure that there will be an independent judgment of the board and require that the affected director abstains from its discussions.</p>	
Recommendation 5.7			
1. The non-executive directors (NEDs) have separate periodic meetings with the external auditor and heads of the internal audit, compliance and risk functions, without any executive present.	Compliant	<p>The details of the meetings of the Non-Executive Directors can be found in the 2020 CG Report.</p> <p>Reference: *Page 25, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=13</p>	
2. The meetings are chaired by the lead independent director.	Non-compliant		<p>Despite the absence of a lead independent director in the board structure, board committee meetings are facilitated and headed by the Chairman in each committee, who is either an Independent Director or a non-executive director and who exercises independent judgment.</p>
Optional: Principle 5			

1. None of the directors is a former CEO of the company in the past 2 years.	-----	-----	-----
Principle 6: The best measure of the Board's effectiveness is through an assessment process. The Board should regularly carry out evaluations to appraise its performance as a body, and assess whether it possesses the right mix of backgrounds and competencies.			
Recommendation 6.1			
1. Board conducts an annual self-assessment of its performance as a whole.	Compliant	<p>The Board of Directors has a standard process and procedures for the conduct of self-assessment in compliance with the CG Manual.</p> <p>References: *Page 19, CG Manual https://www.ictsi.com/sites/default/files/2019-02/ictsi-revised-manual-on-corporate-governance-v3.0-may-31-2017-for-website-0.pdf#page=20</p> <p>*Page 26, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1-0.pdf#page=14</p>	
2. The Chairman conducts a self-assessment of his performance.	Compliant		
3. The individual members conduct a self-assessment of their performance.	Compliant		
4. Each committee conducts a self-assessment of its performance.	Compliant		
5. Every three years, the assessments are supported by an external facilitator.	Compliant	<p>The Assessment is done annually and, following the recommendation both under the SEC IACGR and the ACGS, the Company commits to engage the services of an external facilitator every three years to evaluate and support the results of the self-assessments. For this purpose, in 2020, the Company engaged the services of the Good Governance Advocates and Practitioners of the Philippines (GGAPP) to perform the evaluation.</p> <p>Reference: *Page 26-27, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1-0.pdf#page=14</p>	
Recommendation 6.2			

1. Board has in place a system that provides, at the minimum, criteria and process to determine the performance of the Board, individual directors and committees.	Compliant	The information on the system of the company to evaluate the performance of the board, individual directors and committees, including a feedback mechanism from shareholders is provided in the CG Manual.	
2. The system allows for a feedback mechanism from the shareholders.	Compliant	<p>The shareholders of the Company may give any feedback regarding their concerns about the Company during the Annual Stockholders' Meeting or through the platform provided in the Company's Website.</p> <p>References: *Page 16, CG Manual https://www.ictsi.com/sites/default/files/2019-02/ictsi-revised-manual-on-corporate-governance-v3.0-may-31-2017-for-website-0.pdf#page=17 *ICTSI Website https://www.ictsi.com/contact-us</p>	

Principle 7: Members of the Board are duty-bound to apply high ethical standards, taking into account the interests of all stakeholders.

Recommendation 7.1

1. Board adopts a Code of Business Conduct and Ethics, which provide standards for professional and ethical behavior, as well as articulate acceptable and unacceptable conduct and practices in internal and external dealings of the company.	Compliant	<p>The Board has adopted a Code of Business Conduct for ICTSI.</p> <p>Reference: *Code of Business Conduct https://www.ictsi.com/sites/default/files/inline-files/ictsi-code-of-business-conduct.pdf</p>	
2. The Code is properly disseminated to the Board, senior management and employees.	Compliant	<p>The Code is implemented and rolled out to all Directors, Senior Management, employees and all covered personnel, and is monitored by the Compliance Officer.</p> <p>Reference: *Page 27, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=14</p>	

3. The Code is disclosed and made available to the public through the company website.	Compliant	<p>The Company's Code of Business Conduct is available on its website.</p> <p>Reference: *Code of Business Conduct https://www.ictsi.com/policies https://www.ictsi.com/sites/default/files/inline-files/ictsi_-_code_of_business_conduct.pdf</p>	
Supplement to Recommendation 7.1			
1. Company has clear and stringent policies and procedures on curbing and penalizing company involvement in offering, paying and receiving bribes.	Compliant	<p>The Company has clear and stringent policies and procedures on curbing and penalizing company involvement in offering, paying and receiving bribes under its anti-corruption programs and procedures as well as its Code of Business Conduct.</p> <p>References: *Pages 3-5, Code of Business Conduct https://www.ictsi.com/sites/default/files/inline-files/ictsi_-_code_of_business_conduct.pdf#page=4 *Page 27, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=14</p>	
Recommendation 7.2			
1. Board ensures the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics.	Compliant	<p>The Company has a separate and independent Industrial Relations Section, which implements and monitors compliance with the Code of Business Conduct & Ethics, as well as the Company's internal policies and procedures.</p> <p>Further, the Internal Audit Department verifies and checks compliance as well.</p> <p>Company supervisors are also being trained to handle administrative cases, specifically</p>	
2. Board ensures the proper and efficient implementation and monitoring of compliance with company internal policies.	Compliant		

		<p>the observance of due process, through modules provided by the Human Resource Department.</p> <p>References: *Page 7, CG Manual https://www.ictsi.com/sites/default/files/2019-02/ictsi-revised-manual-on-corporate-governance-v3.0-may-31-2017-for-website-0.pdf#page=8 *Page 27, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1-0.pdf#page=14</p>	
Disclosure and Transparency			
Principle 8: The company should establish corporate disclosure policies and procedures that are practical and in accordance with best practices and regulatory expectations.			
Recommendation 8.1			
1. Board establishes corporate disclosure policies and procedures to ensure a comprehensive, accurate, reliable and timely report to shareholders and other stakeholders that gives a fair and complete picture of a company's financial condition, results and business operations.	Compliant	<p>The Company establishes corporate disclosure policies and procedures to ensure a comprehensive, accurate, reliable and timely report to shareholders and other stakeholders, and to give a fair and complete picture of a company's financial condition, results and business operations.</p> <p>The Company, through full, fair, timely and accurate disclosures, complies with all disclosure requirements under the law. ICTSI promptly makes available in the Company's website all information disclosed to the Philippine Stock Exchange ("PSE") and the SEC.</p> <p>References: *Disclosure and Transparency, Board Matters section, Governance tab, ICTSI Website</p>	

		https://www.ictsi.com/board-matters *Disclosures section, Investors tab, ICTSI Website https://www.ictsi.com/investors/reports-and-presentations/disclosures *Corporate Disclosure Rules and Policies Page 28, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=15 *2020 SEC Form 17-A https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi-sec-form-17a-and-consolidated-fs-2020.pdf	
Supplement to Recommendations 8.1			
1. Company distributes or makes available annual and quarterly consolidated reports, cash flow statements, and special audit revisions. Consolidated financial statements are published within ninety (90) days from the end of the fiscal year, while interim reports are published within forty-five (45) days from the end of the reporting period.	Compliant	<p>The Company submits, distributes or makes available annual and quarterly consolidated reports. Consolidated financial statements are published within ninety (90) days from the end of the fiscal year, while interim reports are published within forty-five (45) days from the end of the reporting period.</p> <p>Latest SEC 17-A (Annual Report for FY2020) was published, distributed or made available last March 4, 2021; 63 days after the end of reporting period (December 31, 2020).</p> <p>For the 1Q 2021 Quarterly Report, it was published, distributed or made available last May 6, 2021; 36 days after the end of reporting period (March 31, 2021).</p> <p>References: *PSE Edge website, 2020 SEC Form 17-A https://edge.pse.com.ph/openDiscViewer.do?edge_no=0f543e6a9dfe06825d542af6f1e997b9 1Q 2021 SEC Form 17-Q https://edge.pse.com.ph/openDiscViewer.do?edge_no=385a8e9cb12a72cc5d542af6f1e997b9 </p>	

		<p>*ICTSI website, SEC Form 17-A and SEC Form 17-Q Disclosures section, Investors tab, ICTSI Website https://www.ictsi.com/investors/reports-and-presentations/disclosures</p> <p>SEC Form 17 – A https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi-sec-form-17a-and-consolidated-fs-2020.pdf</p> <p>SEC Form 17 – Q https://cdnweb.ictsi.com/s3fs-public/2021-05/ictsi-sec-form-17q-q1-2021.pdf</p>	
2. Company discloses in its annual report the principal risks associated with the identity of the company's controlling shareholders; the degree of ownership concentration; cross-holdings among company affiliates; and any imbalances between the controlling shareholders' voting power and overall equity position in the company.	Compliant	<p>Risks are disclosed in the SEC 17-A and should there be risks associated to the identity of the Company's controlling shareholders; the degree of ownership concentration; cross-holdings among company affiliates; and any imbalances between the controlling shareholders' voting power and overall equity position in the company, these will also be disclosed.</p> <p>References: *Risks Relating to the Group's Business Page 20, 2020 SEC Form 17-A https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi-sec-form-17a-and-consolidated-fs-2020.pdf#page=24 Various market risks Page 75, 2020 SEC Form 17-A https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi-sec-form-17a-and-consolidated-fs-2020.pdf#page=79</p>	
Recommendation 8.2			
1. Company has a policy requiring all directors to disclose/report to the company any dealings in the company's shares within three business days.	Compliant	The Company requires all dealings of all Directors and principal officers in the Company's shares to be disclosed to the PSE and the SEC within three trading days from	

<p>2. Company has a policy requiring all officers to disclose/report to the company any dealings in the company's shares within three business days.</p>	<p>Compliant</p>	<p>the date of the transaction. The transactions include any acquisition, disposal, or change in the shareholdings (direct or indirect) of the Directors and principal officers. ICTSI also discloses the Company's purchase of its shares from the market (i.e. Share buy-back Transactions).</p> <p>All Forms 23-A (Initial Statement of Beneficial Ownership of Securities) and Forms 23-B (Statement of Changes in Beneficial Ownership of Securities) disclosures/reports are properly filed with the SEC and the PSE.</p> <p>References: *Dealings in Company Shares Page 30, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=16</p> <p>*Disclosure and Transparency, Board Matters section, Governance tab, ICTSI Website https://www.ictsi.com/board-matters</p> <p>* SEC Forms 23-A/B Disclosures section, Investors tab, ICTSI Website https://www.ictsi.com/investors/reports-and-presentations/disclosures</p>	
<p>Supplement to Recommendation 8.2</p>			
<p>1. 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</p>	<p>Compliant</p>	<p>The Company requires all dealings of all Directors and principal officers in the Company's shares to be disclosed to the PSE and the SEC within three trading days from the date of the transaction. The transactions include any acquisition, disposal, or change</p>	

<p>shares from the market (e.g. share buy-back program).</p>		<p>in the shareholdings (direct or indirect) of the Directors and principal officers.</p> <p>The Company promptly discloses purchase of its shares from the market (i.e. Share buy-back Transactions). The latest disclosure on Share Buy-Back Transaction was filed to PSE last October 9, 2019 https://edge.pse.com.ph/openDiscViewer.do?edge_no=abc3f9bf61bcf1c9efdfc15ec263a54d</p> <p>All Forms 23-A (Initial Statement of Beneficial Ownership of Securities) and Forms 23-B (Statement of Changes in Beneficial Ownership of Securities) disclosures/reports are properly filed with the SEC and the PSE.</p> <p>References:</p> <p>*Dealings in Company Shares Page 30, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=16</p> <p>* SEC Forms 23-A/B Disclosures section, Investors tab, ICTSI Website https://www.ictsi.com/investors/reports-and-presentations/disclosures</p> <p>*Latest SEC Form 23-A https://edge.pse.com.ph/openDiscViewer.do?edge_no=50483e040e28b9c25d542af6f1e997b9</p> <p>*PSE Edge – ICTSI’s List of Top 100 Stockholders as of March 31, 2021 https://edge.pse.com.ph/openDiscViewer.do?edge_no=145b43bbd6c50c615d542af6f1e997b9</p>	
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		<p>*ICTSI's Map of Operating Companies https://www.ictsi.com/ictsi-group-corporate-structure</p> <p>*Security Ownership of Certain Beneficial Owners and Management - Page 92, 2020 SEC Form 17-A https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi-sec-form-17a-and-consolidated-fs-2020.pdf#page=96</p>	
Recommendation 8.3			
1. Board fully discloses all relevant and material information on individual board members to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment.	Compliant	<p>All relevant and material information on individual board members to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment, are disclosed. This includes academic qualifications, share ownership in the Company, membership in other boards, other executive positions, professional experiences, expertise and relevant trainings attended.</p> <p>References:</p> <p>* Directors and Executive Officers Pages 12-22, 2021SEC Form 20 – IS https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi.definitive-infomation-statement-with-annexes.pdf#page=12</p> <p>* Directors and Executive Officers Pages 80-90, 2020 SEC Form 17 – A https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi-sec-form-17a-and-consolidated-fs-2020.pdf#page=84</p> <p>*Directors' Profile Pages 12-13, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=7</p>	

<p>2. Board fully discloses all relevant and material information on key executives to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment.</p>	<p>Compliant</p>	<p>All relevant and material information on key executives to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment, are disclosed. This includes academic qualifications, share ownership in the company, membership in other boards, other executive positions, professional experiences, expertise and relevant trainings attended.</p> <p>References: *Executive Officers Pages 15-18, 2021 SEC Form 20 – IS https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi.definitive-information-statement-with-annexes.pdf#page=12</p> <p>*Executive Officers Pages 84-90, 2020 SEC Form 17-A https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi-sec-form-17a-and-consolidated-fs-2020.pdf#page=88</p>	
<p>Recommendation 8.4</p>			
<p>1. Company provides a clear disclosure of its policies and procedure for setting Board remuneration, including the level and mix of the same.</p>	<p>Compliant</p>	<p>The Company provides a clear disclosure of its policies and procedure for setting Board remuneration, including the level and mix of the same, as provided in the Section 2.10.1 of the CG Manual, the 2020 CG Report, and the Compensation and Remuneration Committee Charter.</p> <p>References: *Remuneration of Directors and Officers Page 11, CG Manual https://www.ictsi.com/sites/default/files/2019-02/ictsi-revised-manual-on-corporate-governance-v3.0-may-31-2017-for-website-0.pdf#page=12</p> <p>* Policies for Board and Executive Remuneration</p>	

		<p>Page 18-19, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=10</p> <p>*Compensation and Remuneration Committee Charter https://www.ictsi.com/sites/default/files/inline-files/remunerations_committee_charter.pdf</p>	
2. Company provides a clear disclosure of its policies and procedure for setting executive remuneration, including the level and mix of the same.	Compliant	<p>The Company provides a clear disclosure of its policies and procedure for setting executive remuneration, including the level and mix of the same, as provided in Section 2.10.1 of the CG Manual and the Compensation and Remuneration Committee Charter.</p> <p>References: *Remuneration of Directors and Officers Page 11, CG Manual https://www.ictsi.com/sites/default/files/2019-02/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0.pdf#page=12</p> <p>*Page 18, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=10</p> <p>*Compensation and Remuneration Committee Charter https://www.ictsi.com/sites/default/files/inline-files/remunerations_committee_charter.pdf</p>	
3. Company discloses the remuneration on an individual basis, including termination and retirement provisions.	Non-compliant		<p>The Company discloses the aggregate board and executive compensation but mentions the individual names of the 5 executives, who receive the highest compensation.</p> <p>Further, we disclose in an aggregate manner for confidentiality, safety and security</p>

			<p>purposes of ICTSI's executives in the 2020 SEC Form 17-A (under Executive Compensation) and Section 2.4.5 of the CG Manual.</p> <p>References:</p> <p>*Executive Compensation Page 91, 2020 SEC Form 17-A</p> <p>https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi-sec-form-17a-and-consolidated-fs-2020.pdf#page=95</p> <p>* Section 2.4.5 of the CG Manual, Page 6, CG Manual</p> <p>https://www.ictsi.com/sites/default/files/2019-02/ictsi-revised-manual-on-corporate-governance-v3.0-may-31-2017-for-website-0.pdf#page=7</p> <p>* Board and Executive Remuneration, Page 19, 2020 CG Report</p> <p>https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1-0.pdf#page=10</p>
Recommendation 8.5			
1. Company discloses its policies governing Related Party Transactions (RPTs) and other unusual or infrequently occurring transactions in their Manual on Corporate Governance.	Compliant	<p>The Company provides a mode on how to disclose its policies governing Related Party Transactions (RPTs) and other unusual or infrequently occurring transactions, as mentioned in Section 2.6.13 in the CG Manual.</p> <p>References:</p> <p>* Section 2.6.13, Page 9, CG Manual</p> <p>https://www.ictsi.com/sites/default/files/2019-02/ictsi-revised-manual-on-corporate-governance-v3.0-may-31-2017-for-website-0.pdf#page=10</p> <p>* Related Party Transaction Policy Page 20, 2020 CG Report</p> <p>https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1-0.pdf#pafe=11</p>	

		<p>*Material Related Party Transaction policy, Governance Section, ICTSI website https://d1gbtgue32gs0y.cloudfront.net/s3fs-public/2019-10/ictsi_related_party_transaction_policy_10242019_1.pdf#page=11</p>	
2. Company discloses material or significant RPTs reviewed and approved during the year.	Compliant	<p>The information on all RPTs for the previous year are found and disclosed in the 2020 SEC Form 17-A and the Company's website.</p> <p>References: *Page 94, 2020 SEC Form 17 – A https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi-sec-form-17a-and-consolidated-fs-2020.pdf#page=98</p> <p>*Related Party Transactions, page 20, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#pafe=11</p> <p>*Disclosures section, Investors tab, ICTSI Website https://www.ictsi.com/investors/reports-and-presentations/disclosures</p>	
Supplement to Recommendation 8.5			
1. Company requires directors to disclose their interests in transactions or any other conflict of interests.	Compliant	<p>Section 2.7 of the CG Manual and the 2020 CG Report states that ICTSI requires all dealings of all Directors and principal officers in the Company's shares (including their nature, number/percentage and date of transaction) to be disclosed to the PSE and the SEC within 3 trading days from the date of the transaction.</p> <p>References: *Duties and Responsibilities of a Director Page 9, CG Manual https://www.ictsi.com/sites/default/files/2019-02/ictsi-revised-manual-on-corporate-governance-v3.0-may-31-2017-for-website_0.pdf#page=10</p>	

		<p>* Disclosure and Transparency, Board Matters section, Governance tab, ICTSI Website https://www.ictsi.com/board-matters</p> <p>* Dealings in Company Shares and Conflict of Interest Page 30, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=16</p>	
Optional : Recommendation 8.5			
1. Company discloses that RPTs are conducted in such a way to ensure that they are fair and at arms' length.	Compliant	<p>The Company discloses that RPTs are conducted in such a way to ensure that they are fair and at arms' length.</p> <p>References: * Page 20, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=11</p> <p>*Related Party Transaction Policy, Policies section, Governance tab, ICTSI Website https://www.ictsi.com/policies</p>	
Recommendation 8.6			
1. Company makes a full, fair, accurate and timely disclosure to the public of every material fact or event that occur, particularly on the acquisition or disposal of significant assets, which could adversely affect the viability or the interest of its shareholders and other stakeholders.	Compliant	<p>The Company makes a full, fair, accurate and timely disclosure to the public of every material fact or event that occurs, particularly on the acquisition or disposal of significant assets, which could adversely affect the viability or the interest of its shareholders and other stakeholders.</p> <p>References: *Disclosure and Transparency, Page 19, CG Manual</p>	

		https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf#page=20 * Disposal and Acquisition of Assets, Page 28, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=15 * Disclosure and Transparency, Board Matters section, Governance tab, ICTSI Website https://www.ictsi.com/board-matters *Disclosures section, Investors tab, ICTSI Website https://www.ictsi.com/investors/reports-and-presentations/disclosures	
2. Board appoints an independent party to evaluate the fairness of the transaction price on the acquisition or disposal of assets.	Compliant	<p>The Board appoints an independent party to evaluate the fairness of the transaction price on the acquisition or disposal of assets.</p> <p>The independent party appointed by the Board to evaluate the fairness of the transaction price may vary per transaction. As in the previous years, independent parties were appointed for this kind of transactions.</p> <p>References: *Page 31, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=16 </p>	
Supplement to Recommendation 8.6			
1. Company discloses the existence, justification and details on shareholder agreements, voting trust agreements, confidentiality agreements, and such other agreements that may impact on	Compliant	Should there be shareholder agreements, voting trust agreements, confidentiality agreements and similar agreements, which may impact on the control, ownership, and strategic direction of the company, such will	

the control, ownership, and strategic direction of the company.		be disclosed pursuant to 8.2 of the CG Manual. References: *Page 19, CG Manual https://www.ictsi.com/sites/default/files/2019-02/ictsi-revised-manual-on-corporate-governance-v3.0-may-31-2017-for-website-0.pdf#page=20	
Recommendation 8.7			
1. Company's corporate governance policies, programs and procedures are contained in its Manual on Corporate Governance (MCG).	Compliant	The Company's corporate governance policies, programs and procedures are contained in the CG Manual, was submitted to SEC and PSE last May 31, 2017 (with SEC stamp received date) and posted in the company website. References: *PSE Edge http://edge.pse.com.ph/openDiscViewer.do?edge_no=9a9317e64b6b774f3318251c9257320d#sthash.vY4yynd3.lsls3RNF.dpbs *ICTSI Manual on Corporate Governance https://www.ictsi.com/sites/default/files/2019-02/ictsi-revised-manual-on-corporate-governance-v3.0-may-31-2017-for-website-0.pdf	
2. Company's MCG is submitted to the SEC and PSE.	Compliant		
3. Company's MCG is posted on its company website.	Compliant		
Supplement to Recommendation 8.7			
1. Company submits to the SEC and PSE an updated MCG to disclose any changes in its corporate governance practices.	Compliant	ICTSI's CG Manual was submitted to SEC (with stamp received date) and to PSE last May 31, 2017. References: *PSE Edge http://edge.pse.com.ph/openDiscViewer.do?edge_no=9a9317e64b6b774f3318251c9257320d#sthash.Dtypl4d0.dpbs *ICTSI Website	

		https://www.ictsi.com/sites/default/files/inline-files/ictsi_revised_manual_on_corporate_governance_letter_to_sec_31_may_2017.pdf	
Optional: Principle 8			
1. Does the company's Annual Report disclose the following information:		Below are the links to the following information.	
a. Corporate Objectives	Compliant	a. Corporate Objectives	
b. Financial performance indicators	Compliant	References: *2020 Integrated Annual Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-annual-reports-v2.pdf#page=5	
c. Non-financial performance indicators	Compliant		
d. Dividend Policy	Compliant	*Page 17, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=9	
e. Biographical details (at least age, academic qualifications, date of first appointment, relevant experience, and other directorships in listed companies) of all directors	Compliant	b. Financial Performance Indicators	
f. Attendance details of each director in all directors meetings held during the year	Compliant	References: *Results of Operations and Key Performance Indicators, Page 44-45, 2020 SEC Form 17-A https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi-sec-form-17a-and-consolidated-fs-2020.pdf#page=48	
g. Total remuneration of each member of the board of directors	Compliant	c. Non-financial performance indicators References: * Key Performance Indicators, Page 45, 2020 SEC Form 17-A https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi-sec-form-17a-and-consolidated-fs-2020.pdf#page=49 *Management Review & Continual Improvement, * Page 57, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page29	

		<p>d. Dividend Policy</p> <p>References: *Page 38, 2020 SEC Form 17-A https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi-sec-form-17a-and-consolidated-fs-2020.pdf#page=42</p> <p>* Page 44, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=23</p> <p>*Policies section, Governance tab, ICTSI Website https://www.ictsi.com/policies</p> <p>e. Biographical details of all directors</p> <p>References: *Pages 80-83, 2020 SEC Form 17-A https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi-sec-form-17a-and-consolidated-fs-2020.pdf#page=84</p> <p>* Pages 12-13, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=7</p> <p>f. Attendance details of each director in all directors meetings held during the year</p> <p>References: *Pages 21, SEC Form 20 – IS https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi.definitive-infomation-statement-with-annexes.pdf#page=22</p> <p>*Page 25, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=13</p>	
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		<p>g. Total remuneration of each member of the board of directors</p> <p>References: *Executive Compensation Page 95, 2020 SEC Form 17-A https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi-sec-form-17a-and-consolidated-fs-2020.pdf#page=91</p> *Board and Executive Remuneration Page 18-19, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi-sec-form-17a-and-consolidated-fs-2020.pdf#page=10	
<p>2. The Annual Report contains a statement confirming the company's full compliance with the Code of Corporate Governance and where there is non-compliance, identifies and explains reason for each such issue.</p>	Compliant	<p>The statement confirming the company's full compliance with the Code of Corporate Governance and where there is non-compliance, identifies and explains reason for each such issue are found in Item 13 of the 2020 SEC Form 17-A and the 2020 CG Report.</p> <p>References: *Compliance with Leading Practice on Corporate Governance Page 96, 2020 SEC Form 17-A https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi-sec-form-17a-and-consolidated-fs-2020.pdf#page100</p> *Compliance with Leading Practice on Corporate Governance Page 15, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=8 *Reports and Compliance section, Governance tab, ICTSI Website https://www.ictsi.com/governance/reports-and-compliance	

<p>3. The Annual Report/Annual CG Report discloses that the board of directors conducted a review of the company's material controls (including operational, financial and compliance controls) and risk management systems.</p>	<p>Compliant</p>	<p>The 2020 CG Report disclose that the Board of Directors conducted a review of the Company's material controls (including operational, financial and compliance controls) and risk management systems, in accordance with the CG Manual.</p> <p>References: *Page 15, CG Manual https://www.ictsi.com/sites/default/files/2019-02/ictsi-revised-manual-on-corporate-governance-v3.0-may-31-2017-for-website-0.pdf#page=16</p> <p>*Page 35, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1-0.pdf#page=18</p> <p>*Page 36, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1-0.pdf#page=36</p>	
<p>4. The Annual Report/Annual CG Report contains a statement from the board of directors or Audit Committee commenting on the adequacy of the company's internal controls/risk management systems.</p>	<p>Compliant</p>	<p>The 2020 CG Report and the 2020 SEC Form 17-A contain a statement from the Board of Directors / Audit Committee commenting on the adequacy of the Company's internal controls/risk management systems.</p> <p>References: *Page 75, 2020 SEC Form 17-A ictsi-sec-form-17a-and-consolidated-fs-2020.pdf#page=79</p> <p>*Page 36, 2020 CG Report ictsi-2020-corporate-governance-report-v1-0.pdf#page=37</p>	
<p>5. The company discloses in the Annual Report the key risks to which the company is materially exposed to (i.e. financial, operational including IT, environmental, social, economic).</p>	<p>Compliant</p>	<p>The 2020 SEC Form 17 –A and the 2020 CG Report contain a statement from the Board of Directors / Audit Committee commenting on the adequacy of the Company's internal</p>	

		<p>controls/risk management systems, in accordance with Section 2.11.1 of the CG Manual.</p> <p>References:</p> <p>*Page 75, 2020 SEC Form 17-A https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi-sec-form-17a-and-consolidated-fs-2020.pdf#page=79</p> <p>*Page 36, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=19</p> <p>*Page 11, CG Manual https://www.ictsi.com/sites/default/files/2019-02/ictsi-revised-manual-on-corporate-governance-v3.0-may-31-2017-for-website_0.pdf#page=12</p>	
<p>Principle 9: The company should establish standards for the appropriate selection of an external auditor, and exercise effective oversight of the same to strengthen the external auditor's independence and enhance audit quality.</p>			
<p>Recommendation 9.1</p>			
<p>1. Audit Committee has a robust process for approving and recommending the appointment, reappointment, removal, and fees of the external auditors.</p>	<p>Compliant</p>	<p>The information on the process for approving and recommending the appointment, reappointment, removal and fees of the company's external auditor can be found on Section 2.11 and 5.2 of the CG Manual.</p> <p>The Audit Committee reviews and monitors the integrity, independence, objectivity, performance, rotation process of the external auditors and makes recommendations to the Board on their appointment or discharge on an annual basis.</p> <p>References:</p> <p>*Page 16, CG Manual</p>	

		<p>https://cdnweb.ictsi.com/s3fs-public/2019-02/ictsi-revised-manual-on-corporate-governance-v3.0-may-31-2017-for-website-0.pdf#page=17</p> <p>*Page 11, CG Manual https://cdnweb.ictsi.com/s3fs-public/2019-02/ictsi-revised-manual-on-corporate-governance-v3.0-may-31-2017-for-website-0.pdf#page=12</p> <p>*Pages 4 to 5, AC Charter https://cdnweb.ictsi.com/s3fs-public/inline-files/revised-audit-committee-charter-nov-3-2020-1.pdf#page=5</p> <p>*Page 81, 2020 SEC Form 17-A https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi-sec-form-17a-and-consolidated-fs-2020.pdf#page=81</p>	
2. The appointment, reappointment, removal, and fees of the external auditor is recommended by the Audit Committee, approved by the Board and ratified by the shareholders.	Compliant	<p>The Stockholders of The Company present at the 2020 Annual Stockholders' Meeting, either in person or in proxy, owning 2,009,888,002 shares voted in favor of the reappointment of Sycip, Gorres Velayo & Co. as external auditor of the Corporation for calendar year 2020.</p> <p>References:</p> <p>*Notice of ASM on the 2020 SEC Form 20-IS https://cdnweb.ictsi.com/s3fs-public/2020-05/dc0015339-2020-ict-7-1-amended-4-notice-of-ictsi-asm-2020-0.pdf#page=5</p> <p>*Page 5, Minutes of the 2020 ASM https://cdnweb.ictsi.com/s3fs-public/2020-06/ictsi-minutes-asm-18jun2020-final.pdf#page=5</p> <p>*Pages 4-5, AC Charter https://cdnweb.ictsi.com/s3fs-public/inline-files/revised-audit-committee-charter-nov-3-2020-1.pdf#page=5</p> <p>*Page 81, 2020 SEC Form 17-A</p>	

		https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi-sec-form-17a-and-consolidated-fs-2020.pdf#page=81	
3. For removal of the external auditor, the reasons for removal or change are disclosed to the regulators and the public through the company website and required disclosures.	Compliant	Should there be an instance of removal of an external auditor, it shall be disclosed to the regulators and the public and the Company shall follow the applicable process.	
Supplement to Recommendation 9.1			
1. Company has a policy of rotating the lead audit partner every five years.	Compliant	<p>The policy of rotating the lead audit partner every five years can be found in item 7 of the 2021 SEC Form 20-IS.</p> <p>Reference: *Page 31, 2021 SEC Form 20-IS https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi.definitive-infomation-statement-with-annexes.pdf#page=31</p>	
Recommendation 9.2			
<p>1. Audit Committee Charter includes the Audit Committee's responsibility on:</p> <ul style="list-style-type: none"> i. assessing the integrity and independence of external auditors; ii. exercising effective oversight to review and monitor the external auditor's independence and objectivity; and iii. exercising effective oversight to review and monitor the effectiveness of the audit process, taking into consideration relevant Philippine professional and regulatory requirements. 	Compliant	<p>The Audit Committee Charter stating these responsibilities are found in the link below.</p> <p>Reference: *Page 3, AC Charter https://cdnweb.ictsi.com/s3fs-public/inline-files/revised-audit-committee-charter-nov-3-2020_1.pdf#page=4</p>	
2. Audit Committee Charter contains the Committee's responsibility on reviewing and monitoring the external auditor's suitability and effectiveness on an annual basis.	Compliant	<p>The Audit Committee Charter stating this responsibility is found in the link below.</p> <p>Reference: *Page 3, AC Charter</p>	

		https://cdnweb.ictsi.com/s3fs-public/inline-files/revised-audit-committee-charter-nov-3-2020_1.pdf#page=4	
Supplement to Recommendations 9.2			
1. Audit Committee ensures that the external auditor is credible, competent and has the ability to understand complex related party transactions, its counterparties, and valuations of such transactions.	Compliant	<p>The Audit Committee Charter stating this responsibility is found in the link below.</p> <p>Reference: *Page 3, AC Charter https://cdnweb.ictsi.com/s3fs-public/inline-files/revised-audit-committee-charter-nov-3-2020_1.pdf#page=4</p>	
2. Audit Committee ensures that the external auditor has adequate quality control procedures.	Compliant	<p>The Audit Committee Charter stating this responsibility is found in the link below.</p> <p>Reference: *Page 3, AC Charter https://cdnweb.ictsi.com/s3fs-public/inline-files/revised-audit-committee-charter-nov-3-2020_1.pdf#page=4</p>	
Recommendation 9.3			
1. Company discloses the nature of non-audit services performed by its external auditor in the Annual Report to deal with the potential conflict of interest.	Compliant	<p>The nature of non-audit services performed by the external auditors were disclosed in the Annual Report. Non-audit services include the review of interim financial statements and issuance of comfort letters for the capital market raising transactions of the Group, tax compliance and advisory services, transfer-pricing studies, sustainability reporting assistance, and other various one-time engagements like due diligence services related to business development.</p> <p>Reference: *Page 81, 2020 SEC Form 17-A https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi-sec-form-17a-and-consolidated-fs-2020.pdf#page=81</p>	

2. Audit Committee stays alert for any potential conflict of interest situations, given the guidelines or policies on non-audit services, which could be viewed as impairing the external auditor's objectivity.	Compliant	<p>Guidelines or policies on non-audit services can be found on the Audit Committee Charter.</p> <p>Reference: *Page 3, AC Charter https://cdnweb.ictsi.com/s3fs-public/inline-files/revised-audit-committee-charter-nov-3-2020_1.pdf#page=4</p>	
Supplement to Recommendation 9.3			
1. Fees paid for non-audit services do not outweigh the fees paid for audit services.	Compliant	<p>Fees paid for non-audit services do not outweigh the fees paid for audit services.</p> <p>Reference: *Page 81, 2020 SEC Form 17-A https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi-sec-form-17a-and-consolidated-fs-2020.pdf#page=81</p>	
Additional Recommendation to Principle 9			
1. Company's external auditor is duly accredited by the SEC under Group A category.	Compliant	<p>The information of the Company's 2020 external auditor are as follows:</p> <ol style="list-style-type: none"> 1. Name of the audit engagement partner – Roel E. Lucas; 2. Accreditation number – SEC Accreditation No. 1079-AR-3 (Group A); BIR Accreditation No. 08-001998-095-2019; 3. Date Accredited – SEC - October 17, 2019; BIR – November 7, 2019; 4. Expiry date of accreditation – SEC – October 16, 2022; BIR – November 6, 2022; and 5. Name, address, contact number of the audit firm SyCip Gorres Velayo & Co. 6760 Ayala Avenue, 1226 Makati City, Philippines (632) 8891 0307. 	

		<p>The information of the Company's 2021 external auditor are as follows:</p> <ol style="list-style-type: none"> 1. Name of the audit engagement partner – Roel E. Lucas; 2. Accreditation number – SEC Accreditation No. 1079-AR-3 (Group A); BIR Accreditation No. 08-001998-095-2019; 3. Date Accredited – SEC - October 17, 2019; BIR – November 7, 2019; 4. Expiry date of accreditation – SEC – October 16, 2022; BIR – November 6, 2022; and 5. Name, address, contact number of the audit firm <p>SyCip Gorres Velayo & Co. 6760 Ayala Avenue, 1226 Makati City, Philippines (632) 8891 0307.</p>	
2. Company's external auditor agreed to be subjected to the SEC Oversight Assurance Review (SOAR) Inspection Program conducted by the SEC's Office of the General Accountant (OGA).	Compliant	SyCip Gorres Velayo & Co., was subjected to SOAR on November 12-23, 2018.	
Principle 10: The company should ensure that the material and reportable non-financial and sustainability issues are disclosed.			
Recommendation 10.1			
1. Board has a clear and focused policy on the disclosure of non-financial information, with emphasis on the management of economic, environmental, social and governance (EESG) issues of its business, which underpin sustainability.	Compliant	The Board has a clear and focused policy on the disclosure of non-financial information, with emphasis on the management of economic, environmental, social and governance (EESG) issues of its business,	

		<p>which underpin sustainability. The Company has issued its third Sustainability Report.</p> <p>This commitment has been further deepened and cascaded to all its stakeholders through ICTSI's reshaped Purpose which moves the Company, particularly the leadership, as it reaches 32 years of operations and embark on the next goal for the years to come: the goal to make ports around the world a driver for positive and sustainable growth.</p> <p>The Company established its Environmental, Social and Governance (ESG) Sub-Committee under the Corporate Governance Committee. The ESG Sub-Committee is responsible for formulating policies and implementing programs which aim to develop and operate efficient and sustainable port facilities and deliver the highest possible benefits to Company's customers, partners, people, shareholders, and to the communities it serves.</p> <p>The ESG Sub-Committee is composed of one Non-Executive Director and two Independent Directors who meet periodically to review the Company's ESG policies, targets and achievements towards its commitment to sustainability, as follows:</p> <p>Chairman: Joseph R. Higdon (Independent Director) Member: Stephen A. Paradies Member: Cesar A. Buenaventura (Independent Director)</p> <p>References: * ICTSI Sustainability Reports</p>	
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		https://www.ictsi.com/what-we-do/sustainability *Page 8, CG Manual https://cdnweb.ictsi.com/s3fs-public/2019-02/ictsi-revised-manual-on-corporate-governance-v3.0-may-31-2017-for-website-0.pdf#page=9 *Page 22, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1-0.pdf#page=12 *Page 32, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1-0.pdf#page=32	
2. Company adopts a globally recognized standard/framework in reporting sustainability and non-financial issues.	Compliant	The company has adopted the Global Reporting Initiative (GRI) standards starting in 2017 to enable it to report on its various sustainability initiatives and will be adopted in future sustainability reports. References: *Page 26 (Framework, standards and materiality), 2020 Sustainability Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-sustainability-report-v2-webfinal.pdf#page=14 *Pages 135-139 (GRI Content Index), 2020 Sustainability Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-sustainability-report-v2-webfinal.pdf#page=68	
Principle 11: The company should maintain a comprehensive and cost-efficient communication channel for disseminating relevant information. This channel is crucial for informed decision-making by investors, stakeholders and other interested users.			
Recommendation 11.1			
1. Company has media and analysts' briefings as channels of communication to ensure the timely and accurate dissemination of public, material	Compliant	The Company has media, analysts' and investors' briefings as channels of communication to ensure the timely and accurate dissemination of public, material	

<p>and relevant information to its shareholders and other investors.</p>		<p>and relevant information to its shareholders and other investors.</p> <p>Notice of analysts'/investors' briefings is made available at least five days before the conference. The Notice is uploaded in the Company's website, under the Disclosures tab of Investor Relations section, immediately after filing with the Philippine Stock Exchange and the Securities and Exchange Commission.</p> <p>The First Quarter 2021 Investors' Briefing was held last May 6, 2021 via Microsoft TEAMS conference. All participants who registered to the event were given a meeting link to be able to join to the conference call. A Q&A segment commenced immediately after the brief presentation where participants were given the opportunity to raise questions about the company and its interim performance.</p> <p>Presentation materials for the briefing calls are also available at the Company's website, under Investors' Briefing tab of the Investor Relations section. All materials – notices, earnings results, and presentation materials – are also distributed to all investors and analysts through e-mail from the Investor Relations Department. Schedule of the briefing calls for the past years can be viewed under the Investor Relations section of the Company's website.</p> <p>Media briefings are done thru press releases uploaded in the ICTSI website, as well as thru informal set-ups.</p>	
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Supplemental to Principle 11			
1. Company has a website disclosing up-to-date information on the following:	Compliant	Here is the link to the Company's website: www.ictsi.com	
a. Financial statements/reports (latest quarterly)	Compliant	a. Financial statements/reports (latest quarterly)	

b. Materials provided in briefings to analysts and media	Compliant	References: * SEC Forms 17-A and SEC Forms 17-Q, https://www.ictsi.com/investors/reports-and-presentations/disclosures *Latest annual report – 2020 https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf *Latest quarterly report – 1Q 2021 https://cdnweb.ictsi.com/s3fs-public/2021-05/ictsi-sec-form-17q_q1-2021.pdf	
c. Downloadable annual report	Compliant		
d. Notice of ASM and/or SSM	Compliant		
e. Minutes of ASM and/or SSM	Compliant		
f. Company's Articles of Incorporation and By-Laws	Compliant		
		b. Materials provided in briefings to analysts and media Reference: *Investors' Briefing presentations Reports and Presentations section, Investors tab, ICTSI Website https://www.ictsi.com/investors/reports-and-presentations/investors-briefing c. Downloadable annual report References: *SEC Form 17-A Reports and Presentations, Disclosures section, Investors tab, ICTSI Website https://www.ictsi.com/investors/reports-and-presentations/disclosures *2020 Annual Report https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi-sec-form-17a-and-consolidated-fs-2020.pdf *Annual Reports, Reports and Presentations, Investors section https://www.ictsi.com/reports-and-presentations/annual-reports d. Notice of ASM and/or SSM	

		<p>Reference: *Notice of Annual Stockholders' Meetings Reports and Presentations, Disclosures section, Investors tab, ICTSI Website https://www.ictsi.com/investors/reports-and-presentations/disclosures</p> <p>*2021 ASM Notice https://cdnweb.ictsi.com/s3fs-public/2021-02/ictsi-notice-of-2021-asm-02.16.21.pdf</p> <p>e. Minutes of ASM and/or SSM</p> <p>Reference: * Minutes of Annual Stockholders' Meetings Reports and Presentations, Disclosures section, Investors tab, ICTSI Website https://www.ictsi.com/investors/reports-and-presentations/disclosures</p> <p>*2021 ASM Minutes https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi_minutes_asm_15apr2021.v8wbmg-sjt-v2_redacted-signed_0.pdf</p> <p>f. Company's Articles of Incorporation and By-Laws</p> <p>References: *ICTSI Articles of Incorporation and By-Laws Governance section, ICTSI Website https://www.ictsi.com/governance</p>	
Additional Recommendation to Principle 11			
1. Company complies with SEC-prescribed website template.	Compliant	The Company complies with SEC-prescribed website template: www.ictsi.com	

Internal Control System and Risk Management Framework			
Principle 12: To ensure the integrity, transparency and proper governance in the conduct of its affairs, the company should have a strong and effective internal control system and enterprise risk management framework.			
Recommendation 12.1			
1. Company has an adequate and effective internal control system in the conduct of its business.	Compliant	<p>The Audit & Compliance Group works to improve ICTSI's operations by providing timely feedback and appropriate recommendations for the improvement of risk management, control and governance processes.</p> <p>The Board of Directors and the Audit Committee regularly reviews the Company's internal control. As of March 2, 2021, the Board of Directors and the Audit Committee have reviewed ICTSI's internal control, as Management have determined as necessary, to enable the preparation of the Company's consolidated financial statements free from material misstatement, whether due to fraud or error.</p> <p>Sycip Gorres Velayo & Co., ICTSI's independent auditors, have audited the consolidated financial statements 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 audit.</p> <p>References: *Page 35, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=18 *Page 3, AC Charter</p>	

		https://cdnweb.ictsi.com/s3fs-public/inline-files/revised-audit-committee-charter-nov-3-2020_1.pdf#page=4	
2. Company has an adequate and effective enterprise risk management framework in the conduct of its business.	Compliant	<p>The Company established the Enterprise Risk Management (ERM) System to be readily responsive to the dynamic business environment in which we operate.</p> <p>The ERM System helps identify and manage the ICTSI Group's key risks in support of the Company's Purpose to achieve its overall strategy and business objectives.</p> <p>Effective last August 2018, the Company's ERM Methodology follows the Committee of Sponsoring Organizations of the Treadway Commission's 2017 ERM Framework: Enterprise Risk Management – Integrating with Strategy and Performance..</p> <p>Reference: **Page 36, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=19</p>	
Supplement to Recommendations 12.1			
1. Company has a formal comprehensive enterprise-wide compliance program covering compliance with laws and relevant regulations that is annually reviewed. The program includes appropriate training and awareness initiatives to facilitate understanding, acceptance and compliance with the said issuances.	Compliant	<p>Semi-annually, the corporate functions, business development/regional offices and business units performs risk assessment based on the Key Business Risks as identified in the Company's risk profile applicable to each of the respective business functions and areas.</p> <p>The ERM system is quarterly reviewed by the ERM Committee and Board Risk Oversight Committee. The importance of managing key business risks has significantly increased considering the heightened volatility in both</p>	

		<p>the Philippine and international financial markets.</p> <p>References: *Page 38, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=20</p>	
Optional: Recommendation 12.1			
<p>1. Company has a governance process on IT issues including disruption, cyber security, and disaster recovery, to ensure that all key risks are identified, managed and reported to the board.</p>	Compliant	<p>The Company recognizes that it operates in a world where Cyber Risks are considerable and present a clear and present danger in terms of both data security and system resilience to cyber-attacks. As such, the Company, through the Office of the VP - Chief Information Officer, takes a leading approach to its information and cyber security on multiple levels.</p> <p>Furthermore, recognizing that exposure to an incident despite all measures of protection is likely, the Company has developed a global Incident Response Plan along with Business Continuity and Disaster Recovery Plans.</p> <p>References: *Data Privacy Policy https://www.ictsi.com/governance/policies</p> <p>*Page 36, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=19</p>	
Recommendation 12.2			
<p>1. Company has in place an independent internal audit function that provides an independent and objective assurance, and consulting services designed to add value and improve the company's operations.</p>	Compliant	<p>The Company has an in-house internal audit function, the Audit and Compliance Group, as provided in the Section 2.11.1 of the CG Manual.</p>	

		References: *Page 11, CG Manual https://cdnweb.ictsi.com/s3fs-public/2019-02/ictsi-revised-manual-on-corporate-governance-v3.0-may-31-2017-for-website-0.pdf#page=12 *Page 4, Part CAC Charter https://cdnweb.ictsi.com/s3fs-public/inline-files/revised-audit-committee-charter-nov-3-2020-1.pdf#page=5	
Recommendation 12.3			
1. Company has a qualified Chief Audit Executive (CAE) appointed by the Board.	Compliant	<p>Effective October 1, 2020, Ms. Catherine R. Castro was appointed as head of Internal Audit. Ms. Castro joined ICTSI's Audit and Compliance Group in September 2014. The CAE has direct management responsibility for ICTSI's Audit and Compliance Group, providing independent, objective assurance and consulting services designed to add value and improve ICTSI's operations.</p> <p>References: *Page 35, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1-0.pdf#page=19</p>	
2. CAE oversees and is responsible for the internal audit activity of the organization, including that portion that is outsourced to a third party service provider.	Compliant	<p>As stated in the Internal Audit Charter, the Head of Audit and Compliance Group has direct management responsibility for the internal audit activity of ICTSI.</p> <p>Reference document available upon request.</p> <p>Reference: *Page 4, AC Charter https://cdnweb.ictsi.com/s3fs-public/inline-files/revised-audit-committee-charter-nov-3-2020-1.pdf#page=5</p>	

3. In case of a fully outsourced internal audit activity, a qualified independent executive or senior management personnel is assigned the responsibility for managing the fully outsourced internal audit activity.	Compliant	As stated in Section 2.11.1 of the Company's CG Manual, ICTSI does not outsource its internal audit activity. Reference: *Page 11, CG Manual https://cdnweb.ictsi.com/s3fs-public/2019-02/ictsi-revised-manual-on-corporate-governance-v3.0-may-31-2017-for-website-0.pdf#page=12	
Recommendation 12.4			
1. Company has a separate risk management function to identify, assess and monitor key risk exposures.	Compliant	Based on the Company's CG Manual, the Company has a Director for Enterprise Risk Management. Refer to 2019 ERM Policy (page 6) for the roles and responsibilities. Reference document is available upon request. References: *Page 37, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1-0.pdf#page=20 *Page 13, CG Manual https://cdnweb.ictsi.com/s3fs-public/2019-02/ictsi-revised-manual-on-corporate-governance-v3.0-may-31-2017-for-website-0.pdf#page=14	
Supplement to Recommendation 12.4			
1. Company seeks external technical support in risk management when such competence is not available internally.	Compliant	Since ICTSI has a separate risk management function, the Company has not sought external technical risk management support as of this date.	
Recommendation 12.5			
1. In managing the company's Risk Management System, the company has a Chief Risk Officer (CRO), who is the ultimate champion of Enterprise Risk Management (ERM).	Compliant	Effective October 1, 2020, Mr. Christian R. Gonzalez was appointed by the Board of Directors as CRO concurrent to his role as Executive Vice President. As CRO, his roles	

		<p>and responsibilities are in the 2019 ERM Policy (page 5). (Reference document is available upon request.)</p> <p>The qualifications and background of the CRO can be seen in the 2020 SEC Form 17-A and the 2020 CG Report.</p> <p>References:</p> <p>*Page 37, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=19</p> <p>*Page 84, 2020 SEC Form 17-A https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi-sec-form-17a-and-consolidated-fs-2020.pdf#page=88</p> <p>*Page 13, CG Manual https://cdnweb.ictsi.com/s3fs-public/2019-02/ictsi-revised-manual-on-corporate-governance-v3.0-may-31-2017-for-website_0.pdf#page=14</p>	
2. CRO has adequate authority, stature, resources and support to fulfill his/her responsibilities.	Compliant	<p>The CRO has adequate authority, stature, resources and support to fulfill his responsibilities. Mr. Gonzalez has a rank of an Executive Vice-President,</p> <p>The qualifications and background of the CRO can be seen in the 2020 SEC Form 17-A.</p> <p>References:</p> <p>*Page 37, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=19</p> <p>*Page 84, 2020 SEC Form 17-A https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi-sec-form-17a-and-consolidated-fs-2020.pdf#page=88</p>	
Additional Recommendation to Principle 12			

1. Company's Chief Executive Officer and Chief Audit Executive attest in writing, at least annually, that a sound internal audit, control and compliance system is in place and working effectively.	Compliant	<p>The Company's Chief Executive Officer and Chief Audit Executive attest in writing, at least annually, that a sound internal audit, control and compliance system is in place and working effectively.</p> <p>Reference: *Attestation on Internal Control and Compliance Systems, ICTSI Website https://cdnweb.ictsi.com/users/user63/2019-attestation.jpg</p>	
Cultivating a Synergic Relationship with Shareholders			
Principle 13: The company should treat all shareholders fairly and equitably, and also recognize, protect and facilitate the exercise of their rights.			
Recommendation 13.1			
1. Board ensures that basic shareholder rights are disclosed in the Manual on Corporate Governance.	Compliant	<p>The Company ensures that basic shareholder rights are disclosed in the Company's CG Manual.</p> <p>Reference: *Stockholders' Rights and Protection of Minority Stockholders' Interest Page 17, CG Manual https://www.ictsi.com/sites/default/files/2019-02/ictsi-revised-manual-on-corporate-governance-v3.0-may-31-2017-for-website-0.pdf#page=18</p>	
2. Board ensures that basic shareholder rights are disclosed on the company's website.	Compliant	<p>The Company ensures that the basic shareholder rights are disclosed on the company's website through the posting of the CG Manual & By-Laws where basic shareholder rights were discussed</p> <p>References: *Stockholders' Rights and Protection of Minority Stockholders' Interest Page 17, CG Manual https://www.ictsi.com/sites/default/files/2019-02/ictsi-revised-manual-on-corporate-governance-v3.0-may-31-2017-for-website-0.pdf#page=19</p>	

		<p>*Sec. 7, By-Laws https://www.ictsi.com/sites/default/files/2019-02/ictsi_amended_by-laws_23_june_2010.pdf#page=4</p>	
Supplement to Recommendation 13.1			
1. Company's common share has one vote for one share.	Compliant	<p>The common stock will vote on matters scheduled to be taken up at the Annual Meeting with each share being entitled to cast one (1) vote.</p> <p>Reference: *Appendix A, Item 6 – Voting Pages 5-6, SEC Form 20-IS https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi_definitive-infomation-statement-with-annexes.pdf#page=6</p> <p>* Item 4 – Voting Securities and Principal Holders Thereof, Page 8, SEC Form 20-IS https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi_definitive-infomation-statement-with-annexes.pdf#page=9</p>	
2. Board ensures that all shareholders of the same class are treated equally with respect to voting rights, subscription rights and transfer rights.	Compliant	<p>The Board ensures that all shareholders of the same class are treated equally with respect to voting rights, subscription rights and transfer rights, as evident in Sec. 6.7 of the CG Manual.</p> <p>References: *Stockholders' Rights and Protection of Minority Stockholders' Interest Page 17, CG Manual https://www.ictsi.com/sites/default/files/2019-02/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0.pdf#page=18</p> <p>*Appendix A, Item 6 – Voting Pages 5-6, SEC Form 20-IS</p>	

		https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi.definitive-infomation-statement-with-annexes.pdf#page=6	
3. Board has an effective, secure, and efficient voting system.	Compliant	<p>The Company's Voting Procedure is defined in Item 19 of its submitted SEC Form 20-IS.</p> <p>During the 2021 Virtual Annual Shareholders' Meeting, ICTSI used the services of Azeus, a leading IT services provider with years of experience in successfully delivering IT solutions to various clients worldwide. The Azeus system ensured that the electronic voting in absentia was done in a secure manner.</p> <p>In ICTSI's Annual Stockholders' Virtual Meeting requirements and procedure for participation by remote communication and voting in absentia, ICTSI's stockholders were informed that they can register to be able to participate and vote during the 2021 Virtual Annual Stockholders' Meeting.</p> <p>References: *Item 19 - Voting Procedures Pages 45-46, SEC Form 20-IS https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi.definitive-infomation-statement-with-annexes.pdf#page=46</p> <p>*Appendix "A", ICTSI Annual Stockholders' Virtual Meeting Requirements and Procedure for Participation by Remote Communication and Voting in Absentia Page 4, SEC Form 20-IS https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi.definitive-infomation-statement-with-annexes.pdf#page=5</p>	

4. Board has an effective shareholder voting mechanisms such as supermajority or “majority of minority” requirements to protect minority shareholders against actions of controlling shareholders.	Compliant	<p>The Company has an effective voting mechanism, as discussed in its CG Manual, where cumulative voting is allowed in certain instances.</p> <p>References: *Pages 17-18, CG Manual https://www.ictsi.com/sites/default/files/2019-02/ictsi-revised-manual-on-corporate-governance-v3.0-may-31-2017-for-website-0.pdf#page=18</p>	
5. Board allows shareholders to call a special shareholders’ meeting and submit a proposal for consideration or agenda item at the AGM or special meeting.	Compliant	<p>The Board allows shareholders to call a special shareholders’ meeting and submit a proposal for consideration or agenda item at the AGM or special meeting.</p> <p>Reference: *Sec. 3, By-Laws https://www.ictsi.com/sites/default/files/2019-02/ictsi-amended-by-laws-23-june-2010.pdf#page=3</p>	
6. Board clearly articulates and enforces policies with respect to treatment of minority shareholders.	Compliant	<p>The Board clearly articulates and enforces policies with respect to treatment of minority shareholders, as referred to in Part VI of the CG Manual.</p> <p>Reference: *Page 17, CG Manual https://www.ictsi.com/sites/default/files/2019-02/ictsi-revised-manual-on-corporate-governance-v3.0-may-31-2017-for-website-0.pdf#page=18</p>	
7. Company has a transparent and specific dividend policy.	Compliant	<p>The Company’s Dividend Policy are stated in its reportorial requirements & further disclosed in the Company’s website</p> <p>References: *Pages 38-39, SEC Form 17-A https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi-sec-form-17a-and-consolidated-fs-2020.pdf#page=42</p>	

		<p>*Page 44, SEC Form 20-IS https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi.definitive-infomation-statement-with-annexes.pdf#page=45</p> <p>*Dividend Policy, ICTSI Website https://www.ictsi.com/policies https://www.ictsi.com/dividends</p>	
Optional: Recommendation 13.1			
1. Company appoints an independent party to count and/or validate the votes at the Annual Shareholders' Meeting.	Compliant	<p>The Company's transfer agent, Stock Transfer Services, Inc. (STSI) validates the votes during the Proxy Validation date.</p> <p>Validation of proxies will be done by the Corporate Secretary and persons designated by the Corporate Secretary who shall be under his supervision and control, in accordance with the procedure and guidelines set out in the ICTSI's By-Laws and Rule 20(11)(b) of the Amended Implementing Rules and Regulations of the Securities Regulation Code.</p> <p>Reference: *Appendix A, Item 6 – Voting Page 5, SEC 20-IS https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi.definitive-infomation-statement-with-annexes.pdf#page=6</p> <p>*Requirements under Section 49 of the Revised Corporation Code of the Philippines Page 34, SEC 20-IS https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi.definitive-infomation-statement-with-annexes.pdf#page=35</p>	
Recommendation 13.2			
1. Board encourages active shareholder participation by sending the Notice of Annual	Compliant	The Notice of the 2021 Annual Stockholders' Meeting was submitted to the Philippine	

and Special Shareholders' Meeting with sufficient and relevant information at least 28 days before the meeting.		<p>Stock Exchange (PSE) via PSE Edge and uploaded to the company's website (www.ictsi.com) on February 16, 2021, 58 days before the meeting.</p> <p>The Notice and the SEC Form 20-IS Information Statement were also made available through QR Code which were mailed last March 18, 2021 to Stockholders entitled to notice and to vote at the Annual Stockholders' Meeting. This was 28 days before the meeting.</p> <p>References: *2021 Notice of Annual Stockholders' Meeting submitted to the Exchanges https://edge.pse.com.ph/openDiscViewer.do?edge_no=29214f3e5fbb0b755d542af6f1e997b9 *2021 Notice of Annual Stockholders' Meeting Pages 2-3, SEC Form 20-IS https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi.definitive-information-statement-with-annexes.pdf#page=3</p>	
Supplemental to Recommendation 13.2			
1. Company's Notice of Annual Stockholders' Meeting contains the following information:	Compliant	<p>The Notice of Annual Stockholders' Meeting can be found on the Company's submitted SEC Form 20-IS.</p> <p>Reference: *2021 Notice of Annual Stockholders' Meeting Pages 2-3, SEC Form 20-IS https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi.definitive-information-statement-with-annexes.pdf#page=3</p>	

a. The profiles of directors (i.e., age, academic qualifications, date of first appointment, experience, and directorships in other listed companies)	Compliant	<p>The profiles of the directors can be found on the SEC Form 20-IS.</p> <p>References: *Pages 11-14, SEC Form 20-IS https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi.definitive-infomation-statement-with-annexes.pdf#page=12</p>	
b. Auditors seeking appointment/re-appointment	Compliant	<p>The profile of the auditors seeking appointment/re-appointment can be found on the SEC Form 20-IS.</p> <p>Reference: *Pages 30-31, SEC Form 20-IS https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi.definitive-infomation-statement-with-annexes.pdf#page=31</p>	
c. Proxy documents	Compliant	<p>The Proxy documents and the instructions required for them can be found on the Schedule1 - Proxy Forms provided in the SEC Form 20-IS.</p> <p>Reference: *Page 47, SEC 20-IS https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi.definitive-infomation-statement-with-annexes.pdf#page=48</p>	
Optional: Recommendation 13.2			
1. Company provides rationale for the agenda items for the annual stockholders meeting	Compliant	<p>The reference to the rationale for the agenda items can be found in the Notice of Annual Stockholders' Meeting, included in the submitted SEC Form 20-IS.</p> <p>References: *2021 Notice of Annual Stockholders' Meeting Pages 2-3, SEC Form 20-IS</p>	

		https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi.definitive-infomation-statement-with-annexes.pdf#page=3	
Recommendation 13.3			
1. Board encourages active shareholder participation by making the result of the votes taken during the most recent Annual or Special Shareholders' Meeting publicly available the next working day.	Compliant	<p>Results of the ASM was uploaded in the website and was made publicly available on the same day as the ASM.</p> <p>References: *SEC Form 17-C Disclosures tab, Investors section, ICTSI Website https://cdnweb.ictsi.com/s3fs-public/2021-04/results-of-annual-stockholders-meeting.pdf</p> <p>*SEC Form 17-C submitted to PSE https://edge.pse.com.ph/openDiscViewer.do?edge_no=e69cb2202d2bb9b15d542af6f1e997b9</p> <p>*Minutes of the 2021 ASM Disclosures tab, Investors section, ICTSI Website https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi_minutes_asm_15apr2021.v8wbmg-sjt-v2_redacted-signed_0.pdf</p>	
2. Minutes of the Annual and Special Shareholders' Meetings were available on the company website within five business days from the end of the meeting.	Compliant	<p>Minutes of the ASM uploaded in the website and was made publicly available the next working day after the ASM.</p> <p>Reference: *Minutes of the 2021 ASM Disclosures tab, Investors section, ICTSI Website https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi_minutes_asm_15apr2021.v8wbmg-sjt-v2_redacted-signed_0.pdf</p>	
Supplement to Recommendation 13.3			

1. Board ensures the attendance of the external auditor and other relevant individuals to answer shareholders questions during the ASM and SSM.	Compliant	<p>The Company's external auditor and other relevant individuals were present during the ASM and/or special meeting.</p> <p>Attendance of the external auditor and other relevant individuals are included in the Minutes of the ASM.</p> <p>Reference: *Page 9, Minutes of the 2021 ASM https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi_minutes_asm_15apr2021.v8wbmg-sit-v2_redacted-signed_0.pdf#page=9</p>	
Recommendation 13.4			
1. Board makes available, at the option of a shareholder, an alternative dispute mechanism to resolve intra-corporate disputes in an amicable and effective manner.	Compliant	<p>The Company ensures that any dispute between ICTSI and its stockholders as well as ICTSI and third parties, including the regulatory authorities, shall be resolved in accordance with Republic Act 9285, otherwise known as "Alternative Dispute Resolution Act of 2004" with the approval or consent of such other parties in compliance with law. This is mentioned in Section 2.6.15 of the CG Manual.</p> <p>Reference: *Page 9, CG Manual https://www.ictsi.com/sites/default/files/2019-02/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0.pdf#page=10</p>	
2. The alternative dispute mechanism is included in the company's Manual on Corporate Governance.	Compliant	<p>The Company's Alternative Dispute Mechanism is found on Section 2.6.15 of the CG Manual.</p> <p>Reference:</p>	

		<p>*Page 9, CG Manual https://www.ictsi.com/sites/default/files/2019-02/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0.pdf#page=10</p>	
Recommendation 13.5			
1. Board establishes an Investor Relations Office (IRO) to ensure constant engagement with its shareholders.	Compliant	<p>The Company has established an Investor Relations Office (IRO) and a policy on communicating or relating with stockholders and other stakeholders of ICTSI through an effective investors relations program. The CFO or another senior officer designated by the Board shall exercise oversight responsibility over this program. This is referred to in Section 2.6.6 of the CG Manual.</p> <p>The Investor Relations Office is headed by Arthur Tabuena. The contact details of the Investor Relations Office can be found on the Company's website.</p> <p>References: *Section 2.6.6, Page 8 of the CG Manual https://www.ictsi.com/sites/default/files/2019-02/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0.pdf#page=9 *Pages 46-47, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=24 *Investor Relations – IR Contacts https://www.ictsi.com/investors</p>	
2. IRO is present at every shareholder's meeting.	Compliant	<p>The Investor Relations Officer is always present during the shareholders' meeting. He is responsible for filing all the necessary disclosures to the PSE and SEC.</p> <p>Attendance of the Investor Relations Officer is included in the Minutes of the ASM.</p>	

		<p>References:</p> <p>*Page 2, Minutes of the 2021 ASM https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi_minutes_asm_15apr2021.v8wbmg-sjt-v2_redacted-signed_0.pdf#page=2</p> <p>*Results of the Annual Stockholders' Meeting SEC Form 17-C, Disclosures tab, Investors section, ICTSI Website https://cdnweb.ictsi.com/s3fs-public/2021-04/results-of-annual-stockholders-meeting.pdf</p> <p>*SEC Form 17-C submitted to PSE https://edge.pse.com.ph/openDiscViewer.do?edge_no=e69cb2202d2bb9b15d542af6f1e997b9</p>	
Supplemental Recommendations to Principle 13			
1. Board avoids anti-takeover measures or similar devices that may entrench ineffective management or the existing controlling shareholder group	Compliant	<p>There are no anti-takeover measures or similar devices in place. Sections 2.5 and 2.6 of the CG Manual effectively bars the enacting of such anti-takeover measures.</p> <p>Qualifications and disqualifications of the Board of Directors as well as of the Independent Directors are provided in the CG Manual and By-Laws of the Company.</p> <p>References:</p> <p>*Pages 7-9, CG Manual https://www.ictsi.com/sites/default/files/2019-02/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0.pdf#page=8</p> <p>*Page 4, CG Manual https://www.ictsi.com/sites/default/files/2019-02/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0.pdf#page=5</p> <p>*Page 7, By- Laws https://www.ictsi.com/sites/default/files/2019-02/ictsi_amended_by-laws_23_june_2010.pdf#page=9</p>	

2. Company has at least thirty percent (30%) public float to increase liquidity in the market.	Compliant	<p>The Company's public float as of March 31, 2021 is 51.24% (of total common shares only); 38.17% (of total voting shares).</p> <p>References: *Public Ownership Report, PSE Edge https://edge.pse.com.ph/openDiscViewer.do?edge_no=8d2b943dda0351145d542af6f1e997b9 *Public Ownership Report Disclosures tab, Investors section, ICTSI website https://cdnweb.ictsi.com/s3fs-public/2021-05/ict_por-ao-3.31.2021.pdf</p>	
Optional: Principle 13			
1. Company has policies and practices to encourage shareholders to engage with the company beyond the Annual Stockholders' Meeting	Compliant	<p>The Company has policies and practices to encourage shareholders to engage with the company beyond the Annual Stockholders' Meeting. This can be found on the Sustainability Report and Part VI. – Promotion of Shareholders Right of the CG Manual.</p> <p>The Company has quarterly media, analysts' and investors' briefings as channels of communication to ensure the timely and accurate dissemination of public, material and relevant information to its shareholders and other investors.</p> <p>Management presents and discusses the financial and operational performance of the Company. A Q&A segment commences immediately after the presentation where participants are given the opportunity to raise questions about the Company and its interim performance.</p>	

		<p>The Company's website has "Contact Us" section to connect with the Company and share feedback, concerns or provide suggestions.</p> <p>References: *Promotion of Shareholders Right Page 18, CG Manual https://www.ictsi.com/sites/default/files/2019-02/ictsi-revised-manual-on-corporate-governance-v3.0-may-31-2017-for-website-0.pdf#page=19</p> <p>*Stakeholders Engagement Map Page 29, 2020 Sustainability Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-sustainability-report-v2-webfinal.pdf#page=15</p> <p>*1Q 2021 Notice of Investors' Briefing, PSE Edge https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-notice-of-1q2021-investors-briefing.pdf</p> <p>*Schedule of Investors' Briefing, Earnings Release, Investors section, ICTSI Website https://www.ictsi.com/investors</p> <p>*ICTSI Website – Contact Us https://www.ictsi.com/contact-us</p>	
2. Company practices secure electronic voting in absentia at the Annual Shareholders' Meeting.	Compliant	<p>During the 2021 Virtual Annual Shareholders' Meeting, ICTSI used the services of Azeus, a leading IT services provider with years of experience in successfully delivering IT solutions to various clients worldwide. The Azeus system ensured that the electronic voting in absentia was done in a secure manner.</p> <p>In ICTSI's Annual Stockholders' Virtual Meeting requirements and procedure for participation by remote communication and</p>	

		<p>voting in absentia (Appendix “A” of the Notice of ICTSI Annual Stockholders’ Meeting attached to SEC Form 20-IS), ICTSI’s stockholders were informed that they can register to be able to participate and vote during the 2021 Virtual Annual Stockholders’ Meeting.</p> <p>References:</p> <p>*Appendix “A”, ICTSI Annual Stockholders’ Virtual Meeting Requirements and Procedure for Participation by Remote Communication and Voting in Absentia Pages 4-6, SEC Form 20-IS https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi.definitive-infomation-statement-with-annexes.pdf#page=5</p>	
Duties to Stakeholders			
Principle 14: The rights of stakeholders established by law, by contractual relations and through voluntary commitments must be respected. Where stakeholders’ rights and/or interests are at stake, stakeholders should have the opportunity to obtain prompt effective redress for the violation of their rights.			
Recommendation 14.1			
1. Board identifies the company’s various stakeholders and promotes cooperation between them and the company in creating wealth, growth and sustainability.	Compliant	<p>Guided by the CG Manual, the Company’s Sustainability Report puts forth the Company’s policies and programs for its various stakeholders.</p> <p>References:</p> <p>*Page 7, CG Manual, Section 2.5.1. General Responsibility https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised-manual-on-corporate-governance-v3.0-may-31-2017-for-website-0-1.pdf#page=8</p> <p>*Page 8, CG Manual, Section 2.6.7. EESG https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised-manual-on-corporate-governance-v3.0-may-31-2017-for-website-0-1.pdf#page=9</p>	

		<p>*Pages 8-9, CG Manual, Section 2.6.12 Identify ICTSI's stakeholders https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised-manual-on-corporate-governance-v3.0-may-31-2017-for-website-0-1.pdf#page=9</p> <p>* Pages 28-29, Stakeholder Engagement, 2020 Sustainability Report, https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-sustainability-report-v2_webfinal.pdf#page=15</p>	
Recommendation 14.2			
1. Board establishes clear policies and programs to provide a mechanism on the fair treatment and protection of stakeholders.	Compliant	<p>Guided by the CG Manual, the Company regularly engages the stakeholders where legitimate concerns regarding the fair treatment of all concerned are addressed.</p> <p>Moreover, stakeholder welfare is also addressed by the Company through different projects.</p> <p>References: *Pages 8-9, CG Manual https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised-manual-on-corporate-governance-v3.0-may-31-2017-for-website-0-1.pdf#page=9</p> <p>*Pages 48-63, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1-0.pdf#page=25</p>	
Recommendation 14.3			
1. Board adopts a transparent framework and process that allow stakeholders to communicate with the company and to obtain redress for the violation of their rights.	Compliant	<p>The stakeholder can communicate with the Company through the Investor Relations Office to obtain redress for the violation of their rights.</p> <p>References: *Page 33, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1-0.pdf#page=17</p>	

		<p>*Investors Tab, ICTSI Website https://www.ictsi.com/investors</p> <p>*Page 64, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=33</p>	
Supplement to Recommendation 14.3			
1. Company establishes an alternative dispute resolution system so that conflicts and differences with key stakeholders is settled in a fair and expeditious manner.	Compliant	<p>The Company's alternative dispute resolution system is in accordance with the Republic Act 9285, otherwise known as the Alternative Dispute Resolution Act of 2004. This can be found on Sec. 2.6.15 of the CG Manual.</p> <p>References: *Page 9, CG Manual https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised-manual-on-corporate-governance-v3.0-may-31-2017-for-website-0-1.pdf#page=10</p> <p>*Page 51, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=26</p>	
Additional Recommendations to Principle 14			
1. Company does not seek any exemption from the application of a law, rule or regulation especially when it refers to a corporate governance issue. If an exemption was sought, the company discloses the reason for such action, as well as presents the specific steps being taken to finally comply with the applicable law, rule or regulation.	Compliant	<p>ICTSI and its Board of Directors, officers and employees are committed to sound, prudent, and effective overall management, effective risk management, provision of efficient management information systems, providing access to reliable financial and operational information, cost-effective and profitable business operations, alongside with compliance with laws, rules, regulations, and contracts.</p> <p>The Company did not seek any exemption from the application of a law, rule or regulation especially when it refers to a corporate governance issue.</p>	

		References: *Page 10, CG Manual https://cdnweb.ictsi.com/s3fs-public/2019-02/ictsi-revised-manual-on-corporate-governance-v3.0-may-31-2017-for-website-0.pdf#page=11 *Page 49, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1-0.pdf#page=25	
2. Company respects intellectual property rights.	Compliant	<p>The Company complies with all laws, regulations, and contract, including, but not limited to, intellectual property laws. The Company has not violated any intellectual property law as demonstrated by the fact that it has no pending cases filed against it for the violation of intellectual property laws.</p> References: *Page 10, CG Manual https://www.ictsi.com/sites/default/files/2019-02/ictsi-revised-manual-on-corporate-governance-v3.0-may-31-2017-for-website-0.pdf#page=11 *Page 51, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1-0.pdf#page=26	
Optional: Principle 14			
1. Company discloses its policies and practices that address customers' welfare	Compliant	<p>Policies, programs and practices that address customers' welfare are discussed in the 2020 CG Report and 2020 Sustainability Report.</p> References: *Page 51, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1-0.pdf#page=26 *Pages 100-111, 2020 Sustainability Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-sustainability-report-v2-webfinal.pdf#page=51	

2. Company discloses its policies and practices that address supplier/contractor selection procedures	Compliant	<p>Policies, programs and practices that address supplier/contractor selection procedures are provided through the link/reference to the documents containing the same:</p> <p>References: *Page 52, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=27 *Pages 54-55, 2020 Sustainability Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-sustainability-report-v2_webfinal.pdf#page=28</p>	
Principle 15: A mechanism for employee participation should be developed to create a symbiotic environment, realize the company's goals and participate in its corporate governance processes.			
Recommendation 15.1			
1. Board establishes policies, programs and procedures that encourage employees to actively participate in the realization of the company's goals and in its governance.	Compliant	<p>The Company recognizes that employees are a major stakeholder and as such, are engaged in order to reach the Company's goals.</p> <p>References: *Pages 74-99, 2020 Sustainability Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-sustainability-report-v2_webfinal.pdf#page=38 *Pages 53-54, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=27</p>	
Supplement to Recommendation 15.1			
1. Company has a reward/compensation policy that accounts for the performance of the company beyond short-term financial measures.	Compliant	<p>The Company has a reward/compensation policy that accounts for the performance of the company beyond short-term financial measures.</p> <p>References: *Pages 82-83, SEC Form 17-A</p>	

		https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi-sec-form-17a-and-consolidated-fs-2020.pdf#page=199 *Page 54, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=28	
2. Company has policies and practices on health, safety and welfare of its employees.	Compliant	The Company has policies and practices on health, safety and welfare of its employees. References: *Health, Safety and Environmental Policies, ICTSI Website https://ictsi.com/policies *Employee Welfare, ICTSI Website https://ictsi.com/policies *Pages 74-99, 2020 Sustainability Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-sustainability-report-v2_webfinal.pdf#page=38 *Pages 54-55, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=28 *Pages 37-42, SEC Form 20-IS https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi.definitive-infomation-statement-with-annexes.pdf#page=38	
3. Company has policies and practices on training and development of its employees.	Compliant	The Company implements policies and practices on training and development of employees. Reference: *Pages 57-59, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=29 *Pages 94-98, 2020 Sustainability Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-sustainability-report-v2_webfinal.pdf#page=48 *Page 37, SEC Form 20-IS	

		https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi.definitive-infomation-statement-with-annexes.pdf#page=38	
Recommendation 15.2			
1. Board sets the tone and makes a stand against corrupt practices by adopting an anti-corruption policy and program in its Code of Conduct.	Compliant	<p>The Company sets the tone and makes a stand against corrupt practices by adopting an anti-corruption policy and program in its Code of Business Conduct.</p> <p>References: *Pages 3- 4, Code of Business Conduct https://www.ictsi.com/sites/default/files/inline-files/ictsi_-_code_of_business_conduct.pdf#page=4 *Page 59, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=30 *Pages 52-53, 2020 Sustainability Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-sustainability-report-v2_webfinal.pdf#page=27 *Pages 36-37, SEC Form 20-IS https://cdnweb.ictsi.com/s3fs-public/2021-03/ictsi.definitive-infomation-statement-with-annexes.pdf#page=37</p>	
2. Board disseminates the policy and program to employees across the organization through trainings to embed them in the company's culture.	Compliant	<p>This Code is implemented and rolled out to all Directors, Senior Management, employees and all covered personnel, and is monitored by the Compliance Officer.</p> <p>The Company conducts an orientation program and relevant annual continuing training for all directors as well as information campaigns, orientation program or workshops on corporate governance available to its directors, officers and employees.</p> <p>References: *Page 20, CG Manual</p>	

		https://cdnweb.ictsi.com/s3fs-public/2019-02/ictsi-revised-manual-on-corporate-governance-v3.0-may-31-2017-for-website-0.pdf#page=21 *Page 27, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1-0.pdf#page=14	
Supplement to Recommendation 15.2			
1. Company has clear and stringent policies and procedures on curbing and penalizing employee involvement in offering, paying and receiving bribes.	Compliant	<p>The Company's policy and procedures on penalizing employees involved in corrupt practices are referred in the following documents:</p> <p>References: *Code of Business Conduct https://ictsi.com/policies</p> <p>*Page 27, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1-0.pdf#page=14</p> <p>*Page 59, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1-0.pdf#page=30</p>	
Recommendation 15.3			
1. Board establishes a suitable framework for whistleblowing that allows employees to freely communicate their concerns about illegal or unethical practices, without fear of retaliation	Compliant	<p>The Board through the Code of Business Conduct and other related policies provides employees direct access to the Company's Compliance Officer to report any violations. If the subject person of the report is a Director, the report may be made directly to the Board.</p> <p>The identity of the employee-informant is treated with confidentiality. Rights of the employee-informant are protected based on applicable policies and local laws. Employee-informants are always encouraged to voice out their concerns and report violations of</p>	

		<p>the Code during Labor Management Councils.</p> <p>References: *Whistleblowing Policy, ICTSI Website https://ictsi.com/policies</p> <p>*Page 59, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=30</p>	
2. Board establishes a suitable framework for whistleblowing that allows employees to have direct access to an independent member of the Board or a unit created to handle whistleblowing concerns.	Compliant	<p>The Board through the Code of Business Conduct and other related policies gives employees direct access to the Company's Compliance Officer.</p> <p>The Compliance Office is created to handle "whistleblowing" or reports of any violations of the Code of Business Conduct and the Company's policies and procedures.</p> <p>References: *Whistleblowing Policy, ICTSI Website https://ictsi.com/policies</p> <p>*Page 59, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=30</p>	
3. Board supervises and ensures the enforcement of the whistleblowing framework.	Compliant	<p>The Board through the Code of Business Conduct and other related policies puts forth a whistleblowing framework or mechanism for reporting of violations of the Code and the Company's policies and procedures.</p> <p>References: *Whistleblowing Policy, ICTSI Website https://ictsi.com/policies</p> <p>*Page 59, 2020 CG Report</p>	

		https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=30	
Principle 16: The company should be socially responsible in all its dealings with the communities where it operates. It should ensure that its interactions serve its environment and stakeholders in a positive and progressive manner that is fully supportive of its comprehensive and balanced development.			
Recommendation 16.1			
1. Company recognizes and places importance on the interdependence between business and society, and promotes a mutually beneficial relationship that allows the company to grow its business, while contributing to the advancement of the society where it operates.	Compliant	<p>The Company's Sustainability Report outlines the Company's social & community programs & initiatives.</p> <p>Reference: *Pages 112 to 134, Society Section, 2020 Sustainability Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-sustainability-report-v2_webfinal.pdf#page=57</p>	
Optional: Principle 16			
1. Company ensures that its value chain is environmentally friendly or is consistent with promoting sustainable development	Compliant	<p>The Company's value chain is environmentally friendly and consistent with promoting sustainable development.</p> <p>This commitment has been further deepened and cascaded to all its stakeholders through ICTSI's reshaped Purpose which moves the Company, particularly the leadership, as it reaches 33 years of operations and embark on the next goal for the years to come: the goal to make ports around the world a driver for positive and sustainable growth.</p> <p>References: *ICTSI Purpose and Values https://www.ictsi.com/about-ictsi *Pages 30-43, Environment Section, 2020 Sustainability Report</p>	

		https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-sustainability-report-v2_webfinal.pdf#page=16 *Pages 60-62, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2020-06/2019-ictsi-corporate-governance-report_final_0.pdf#page=31	
2. Company exerts effort to interact positively with the communities in which it operates	Compliant	The Company has various community and sectoral development initiatives with the communities in which the Company operates. References: *Pages 112 to 134, Society Section, 2020 Sustainability Report https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-sustainability-report-v2_webfinal.pdf#page=57 *Page 62, 2020 CG Report https://cdnweb.ictsi.com/s3fs-public/2020-06/2019-ictsi-corporate-governance-report_final_0.pdf#page=32 ICTSI Foundation Accomplishment Report 2020 https://ictsi.com/what-we-do/ictsi-foundation-inc	

Pursuant to the requirement of the Securities and Exchange Commission, this Integrated Annual Corporate Governance Report is signed on behalf of the registrant by the undersigned, thereunto duly authorized, in the City of Manila on 31 day of May 2021.

ENRIQUE K. RAZON, JR.
Chairman of the Board
and President

CESAR A. BUENAVENTURA
Independent Director

CARLOS DE CASTRO EJERCITO
Independent Director

RAFAEL D. CONSING, JR.
Compliance Officer

RAFAEL T. DURIAN
Corporate Secretary

SUBSCRIBED AND SWORN to before me this 31 day of May 2021, affiants exhibiting to me their passports, as follows:

	PASSPORT NO.	DATE OF ISSUE	PLACE OF ISSUE
Enrique K. Razon, Jr.	Passport No. F		DFA Manila
Carlos De Castro Ejercito	Passport No. F		DFA NCR EAST
Rafael D. Consing, Jr.	Passport No. F		DFA Manila
Rafael T. Durian	Passport No. F		DFA NCR Northeast
Cesar A. Buenaventura	Passport No. F		DFA Manila

Doc No. 941;
Page No. 61;
Book No. 24
Series of 2021.

ATTY. PEDRO D. GENATO
Notary Public Until Dec. 31, 2021
Notarial Commission 2020 – 044 Mla.
IBP # 092833 Pasig – 10-7-2019
PTR # 9823043 Mla. 1-4-2021
Roll # 12088, TIN # 132-436-687
MCLE Compl. No. VI -0021170 until 4-14-2022