

ACGS Level 1

A.1.1

Does the company pay (interim and final/annual) dividends in an equitable and timely manner; that is, all shareholders are treated equally and paid within 30 days after being (i) declared for interim dividends and (ii) approved by shareholders at general meetings for final dividends? In case the company has offered Scrip dividend, did the company paid the dividend within 60 days?

RESPONSE

YES. ICTSI pays dividends in an equitable and timely manner. Accordingly, dividends are paid within 30 days after being declared by the Board of Directors and ratified by the shareholders during the Annual Stockholders Meeting.

For the dividends declared out of the unrestricted retained earnings as of December 31, 2020:

Dividends Declaration Date: March 15, 2021

Date Record: March 30, 2021

Date Payment: April 12, 2021

Dividend amount: Php2.37 per common share (regular)

When the ASM was carried out on April 15, 2021, the shareholders gave due ratification.

In the Board Meeting held last, August 6, 2021, the Board of Directors of International Container Terminal Services, Inc. (ICTSI) approved the declaration of a regular cash dividend in the amount of Php1.01 per common share, alongside a special cash dividend in the amount of Php1.62 per common share. The total dividend (regular and special) of Php2.63 per common share is payable on September 1, 2021 to stockholders of record holding shares of ICTSI common stock at the close of business on August 20, 2021. Source of dividend payment is the total retained earnings available for dividend declaration as of June 30, 2021.

Dividends Declaration Date: August 6, 2021

Date Record: August 20, 2021

Date Payment: September 1, 2021

Dividend amount: Php2.63 per common share (Php1.01 regular and Php1.62 special)

Sources:

Declaration of Cash Dividends

SEC Form 17-C (Current Report): March 15, 2021

[click to open](#)

SEC Form 17-C (Current Report): August 6, 2021

[click to open](#)

[click to open](#)

Investors Section at Company Website

Shares and Financials, Dividends

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A.2.1

Do shareholders have the right to participate in amendments to the company's constitution?

RESPONSE

YES. Shareholders have the right to participate in amendments to the Company's constitution, or its Articles of Incorporation.

Sources:

[Revised Corporation Code of the Philippines](#)

All stockholders are mandated by law to vote in the Amendments to the company's constitution, among other critical matters, thus:

Section 6. Classification of Shares. -
XXX

Holders of nonvoting shares shall nevertheless be entitled to vote on the following matters: (a) **Amendment of the articles of incorporation**; (b) Adoption and amendment of by-laws; (c) Sale, lease, exchange, mortgage, pledge or other disposition of all or substantially all of the corporate property; (d) Incurring, creating or increasing bonded indebtedness; (e) Increase or decrease of capital stock; (f) Merger or consolidation of the corporation with another corporation or other corporations; (g) Investment of corporate funds in another corporation or business in accordance with this Code; and (h) Dissolution of the corporation. Except as provided in the immediately preceding paragraph, the vote necessary to approve a particular corporate act as provided in this Code shall be deemed to refer only to stocks with voting rights.

[Articles of Incorporation](#)

Article VII, page 5

[click to open](#)

[Manual on Corporate Governance \(“CG Manual”\)](#)

Item 6. Stockholders' Rights and Protection of Minority Stockholders' Interest, 6.5 Appraisal Right, page 18

[click to open](#)

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

Principle 13. Cultivating a Synergistic Relationship with Shareholders, pages 77-90

[click to open](#)

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

Synergistic Relationship with Stockholders, page 43

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A.2.2

Do shareholders have the right to participate in the authorisation of additional shares?

RESPONSE

YES. Shareholders have the right to participate in the authorisation of additional shares.

Under the Revised Corporation Code of the Philippines, all stockholders are mandated by law to vote in the authorisation of additional shares, among other critical matters, thus:

Section 6. Classification of Shares. -

xxx

Holders of nonvoting shares shall nevertheless be entitled to vote on the following matters:

(a) Amendment of the articles of incorporation; (b) Adoption and amendment of by-laws; (c) Sale, lease, exchange, mortgage, pledge or other disposition of all or substantially all of the corporate property; (d) Incurring, creating or increasing bonded indebtedness; (e) **Increase or decrease of capital stock**; (f) Merger or consolidation of the corporation with another corporation or other corporations; (g) Investment of corporate funds in another corporation or business in accordance with this Code; and (h) Dissolution of the corporation. Except as provided in the immediately preceding paragraph, the vote necessary to approve a particular corporate act as provided in this Code shall be deemed to refer only to stocks with voting rights.

Sources:

Revised Corporation Code of the Philippines

Section 6. Classification of Shares

Articles of Incorporation

Article VII, page 5

[click to open](#)

CG Manual

Stockholders' Rights and Protection of Minority Stockholders Interest, 6.5 Appraisal Right, page 18

[click to open](#)

CG Report

Synergistic Relationship with Stockholders, page 43

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A.2.3

Do shareholders have the right to participate in the transfer of all or substantially all assets, which in effect results in the sale of the company?

RESPONSE

YES. Shareholders have the right to participate in the transfer of all or substantially all assets of the Company.

Under the Revised Corporation Code of the Philippines, all stockholders are mandated by law to vote in the transfer of all or substantially all assets, among other critical matters, thus:

Section 6. Classification of shares. -

xxx

Holders of nonvoting shares shall nevertheless be entitled to vote on the following matters: (a) Amendment of the articles of incorporation; (b) Adoption and amendment of by-laws; (c) **Sale, lease, exchange, mortgage, pledge or other disposition of all or substantially all of the corporate property;** (d) Incurring, creating or increasing bonded indebtedness; (e) Increase or decrease of capital stock; (f) Merger or consolidation of the corporation with another corporation or other corporations; (g) Investment of corporate funds in another corporation or business in accordance with this Code; and (h) Dissolution of the corporation. Except as provided in the immediately preceding paragraph, the vote necessary to approve a particular corporate act as provided in this Code shall be deemed to refer only to stocks with voting rights.

Sources:

[Revised Corporation Code of the Philippines](#)

Section 6. Classification of Shares

[CG Manual](#)

Stockholders' Rights and Protection of Minority Stockholders Interest, 6.5 Appraisal Right, page 18

[click to open](#)

[CG Report](#)

Synergistic Relationship with Stockholders, page 43

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A.3.1

Do shareholders have the opportunity, evidenced by an agenda item, to approve remuneration (fees, allowances, benefit-in-kind and other emoluments) or any increases in remuneration for the non-executive directors/commissioners?

RESPONSE

YES. Shareholders have the opportunity to approve compensation or any increases in remuneration for the Non-Executive Directors.

Last date of approval by the shareholders: April 15, 2021

Sources:**Notice of 2021 Annual Stockholders' Meeting ("2021 ASM Notice")**

SEC Form 17-C (Current Report): February 16, 2021; Agenda, page 3

[click to open](#)

Definitive Information Statement

SEC Form 20-IS: March 8, 2021

Notice and Agenda

[click to open](#)

Part I.B. Control and Compensation Information, Item 6. Compensation of Directors and Executive Officers, pages 29-30

[click to open](#)

Results of the Annual Stockholders Meeting ("Results of the ASM")

SEC Form 17-C (Current Report): April 15, 2021; List of other material resolutions, transactions, and corporate actions approved by the stockholders, pages 2-3

[click to open](#)

Minutes of the 2021 Annual Stockholders Meeting ("2021 ASM Minutes")

April 15, 2021, Item 6. Approval/Ratification of Acts, Contracts, Investments and Resolutions of the Board of Directors and Management since the Last Annual Stockholders' Meeting, page 5

[click to open](#)

A.3.2

Does the company provide non-controlling shareholders a right to nominate candidates for board of directors/commissioners?

RESPONSE

YES. The Company allows non-controlling shareholders a right to nominate candidates for the Board of Directors.

In accordance with the By-Laws, every stockholder may nominate the Directors to be elected in a regular or special meeting of stockholders. The nomination should be submitted in writing to the Corporate Secretary at the Company's principal office not earlier than forty (40) days nor later than twenty (20) days prior to the date of the regular or special meeting of stockholders for the election of Directors.

Sources:**By-Laws**

Section 10, Article I, page 2

[click to open](#)

[CG Manual](#)

Item 6. Stockholders' Rights and Protection of Minority Stockholders' Interest, 6.6 Right to Nominate Directors, page 18

[click to open](#)

[2021 ASM Minutes](#)

Item 7. Election of Directors, pages 5-6

[click to open](#)

[CG Report](#)

Synergistic Relationship with Stockholders, page 43

[click to open](#)

A.3.3

Does the company allow shareholders to elect directors/commissioners individually?

RESPONSE

YES. The Company allows shareholders to elect Directors individually.

All stockholders of record at the close of business on March 11, 2021 are entitled to notice and to vote at the Annual Stockholders' Meeting. The common stock and preferred B stock will vote on matters scheduled to be taken up at the Annual Meeting with each share being entitled to cast one (1) vote.

For the election of Directors, Stockholders entitled to vote may vote such number of shares for as many persons as there are Directors to be elected, or may cumulate said shares and give one candidate as many votes as the number of Directors to be elected multiplied by the number of their shares shall equal or may distribute them on the same principle among as many candidates as they shall see fit.

Sources:

[By-Laws](#)

Sections 8 and 10, Article I, page 2

[click to open](#)

[CG Manual](#)

Item 6. Stockholders' Rights and Protection of Minority Stockholders' Interest, 6.1 Voting Right, page 17

[click to open](#)

[Definitive Information Statement](#)

SEC Form 20-IS: March 8, 2021, Part I.B. Control and Compensation Information, Item 4. Voting Securities and Principal Holders Thereof, page 8

[click to open](#)

2021 ASM Minutes

Item 7. Election of Directors, pages 5-6
[click to open](#)

i-ACGR

Principle 13. Supplement to Recommendation 13.1, Cultivating a Synergic Relationship with Shareholders, pages 78-81
[click to open](#)

CG Report

Voting Mechanism, pages 43-44
[click to open](#)

A.3.4

Does the company disclose the voting procedures used before the start of meeting?

RESPONSE

YES. The Company discloses the voting and vote tabulation procedures used, declaring both before the meeting proceeds.

Sources:

2021 ASM Notice

SEC Form 17-C (Current Report): February 16, 2021
With Appendix “A” – ICTSI Annual Stockholders Virtual Meeting Requirements and Procedure for Participation by Remote Communication and Voting *In Absentia*
[click to open](#)

Definitive Information Statement

SEC Form 20-IS: March 6, 2021, Part I.B. Control and Compensation Information, Item 4. Voting Securities and Principal Holders Thereof, page 8
[click to open](#)

Part I.D. Other Matters, Item 19. Voting Procedure, pages 45-46
[click to open](#)

A.3.5

Do the minutes of the most recent AGM record that the shareholders were given the opportunity to ask questions and the questions raised by shareholders and answers given recorded?

RESPONSE

YES. The minutes of the most recent Annual Stockholders Meeting, the 2021 ASM, records the opportunity allowing for shareholders to ask questions or raise issues.

Source:

[2021 ASM Minutes](#)

Item IX. Other Matters, page 7

[click to open](#)

A.3.6

Does the company disclose the voting results including approving, dissenting, and abstaining votes for all resolutions/each agenda item for the most recent AGM?

RESPONSE

YES. The Company discloses the voting results for each agenda item for the most recent Annual Stockholders Meeting.

Sources:

[2021 ASM Minutes](#)

Items III, V, VI, VII and VIII, Votes and Number of Votes Cast, pages 2-3, 5-6

[click to open](#)

A.3.7

Does the company disclose the list of board members who attended the most recent AGM?

RESPONSE

YES. The Company disclosed the attendance of members of the Board of Directors who attended the 2021 Annual Stockholders Meeting.

All the Directors were present during the said ASM, as follows:

The Company's Executive Director:
Enrique K. Razon Jr.

The Company's Non-Executive Directors:
Jose C. Ibazeta
Stephen A. Paradies
Andres Soriano III

The Company's Independent Directors:
Cesar A. Buenaventura
Octavio Victor R. Espiritu
Joseph R. Higdon

Also, the newly nominated and elected Independent Director was present during the said ASM:

The Company's newly elected Independent Director:
Carlos C. Ejercito (*vis-à-vis* Octavio Victor R. Espiritu)

Source:

[2021 ASM Minutes](#)

Item II. Determination of Quorum, Item VII. Election of Directors, pages 1-2, 5-6
[click to open](#)

A.3.8

Does the company disclose that all board members and the CEO (if he is not a board member) attended the most recent AGM?

RESPONSE

YES. The Company discloses that all the Board members and the CEO attended the 2021 Annual Stockholders Meeting, as follows:

ICTSI's Chairman and President:
Enrique K. Razon Jr.

The Company's Non-Executive Directors:
Jose C. Ibazeta
Stephen A. Paradies
Andres Soriano III

The Company's Independent Directors:
Cesar A. Buenaventura
Octavio Victor R. Espiritu
Joseph R. Higdon

Also, the newly nominated and elected Independent Director was present during the said ASM:

The Company's newly elected Independent Director:
Carlos C. Ejercito (*vis-à-vis* Octavio Victor R. Espiritu)

Source:

[2021 ASM Minutes](#)

Item II. Determination of Quorum, Item VII. Election of Directors, pages 1-2, 5-6
[click to open](#)

A.3.9

Does the company allow voting in absentia?

RESPONSE

YES. The Company allows for voting in absentia, through proxies.

Sources:

By-Laws

Article 1. Stockholders, Section 7, page 2
[click to open](#)

CG Manual

Item 6. Stockholders' Rights and Protection of Minority Stockholders' Interest, 6.7 Promotion of Shareholders' Rights, page 18-19
[click to open](#)

2021 ASM Notice

SEC Form 17-C (Current Report): February 16, 2021
With Appendix "A" – ICTSI Annual Stockholders Virtual Meeting Requirements and Procedure for Participation by Remote Communication and Voting *In Absentia*
[click to open](#)

Definitive Information Statement

SEC Form 20-IS: March 6, 2021, Part I.B. Control and Compensation Information, Item 4. Voting Securities and Principal Holders Thereof, page 8
[click to open](#)

Part I.D. Other Matters, Item 19. Voting Procedure, pages 45-46
[click to open](#)

2021 ASM Minutes

Items III, V, VI, VII and VIII, Votes and Number of Votes Cast, pages 2-3, 5-6
[click to open](#)

A.3.10

Did the company vote by poll (as opposed to by show of hands) for all resolutions at the most recent AGM?

RESPONSE

YES. In the election of Directors and in voting on any question on which a vote by ballot is required by law, or is demanded by any stockholder, the Company is ready to conduct a poll or voting by ballot. On all other questions, the voting was done viva voce.

Sources:**By-Laws**

Article I, Section 8, page 2
[click to open](#)

Definitive Information Statement

SEC Form 20-IS: March 8, 2021, Part I.B. Control and Compensation Information, Item 4. Voting Securities and Principal Holders Thereof, page 8
[click to open](#)

Part I.D. Other Matters, Item 19. Voting Procedure, pages 45-46
[click to open](#)

2021 ASM Minutes

Items III, V, VI, VII and VIII, Votes and Number of Votes Cast, pages 2-3, 5-6
[click to open](#)

A.3.11

Does the company disclose that it has appointed an independent party (scrutineers/inspectors) to count and/or validate the votes at the AGM?

RESPONSE

YES. The Company discloses that it has appointed an independent party to count and/or validate the votes to be considered in the Annual Stockholders Meeting, through the Company's stock transfer agent, Stock Transfer Service, Inc. (STSI), during the Proxy Validation Date.

Validation of proxies is primarily conducted by the Corporate Secretary, with the stock transfer agent present, 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 Company's By-Laws and Rule 20(11)(b) of the Amended Implementing Rules and Regulations of the Philippines' Securities Regulation Code.

Sources:**By-Laws**

Article I, Section 9, page 2
[click to open](#)

2021 ASM Notice

SEC Form 17-C (Current Report): February 16, 2021
With Appendix "A" – ICTSI Annual Stockholders Virtual Meeting Requirements and Procedure for Participation by Remote Communication and Voting In Absentia, Item 6. Voting, page 5
[click to open](#)

A.3.12

Does the company make publicly available by the next working day the result of the votes taken during the most recent AGM/EGM for all resolutions?

RESPONSE

YES. The results of the votes taken for all resolutions during the 2021 Annual Stockholders Meeting was made publicly available on the same day, April 15, 2021, immediately after the said Meeting.

Source:

[Results of the ASM](#)

SEC Form 17-C (Current Report): April 15, 2021

[click to open](#)

[click to open](#)

A.3.13

Does the company provide at least 21 days notice for all AGMs and EGMs?

RESPONSE

YES. The Notice of the 2021 Annual Stockholders' Meeting on April 15, 2021 was submitted to the Philippine Stock Exchange on February 16, 2021, 58 days before the meeting and more than the minimum 21 days recommendation.

Sources:

[PSE Disclosure for 2021 ASM Notice](#)

Notice for the ASM dated April 15, 2021

[click to open](#)

[2021 ASM Notice](#)

SEC Form 17-C (Current Report): February 16, 2021

[click to open](#)

[PSE Disclosure for SEC Form 20-IS](#)

Disclosure for the ASM dated April 15, 2021

[click to open](#)

A.3.14

Does the company provide the rationale and explanation for each agenda item which require shareholders' approval in the notice of AGM/circulars and/or the accompanying statement?

RESPONSE

YES. The Company provides the agenda items which require shareholders' approval in the Notice of Annual Meeting of Stockholders.

Source:

[2021 ASM Notice](#)

SEC Form 17-C (Current Report): February 16, 2021; Agenda, page 3

[click to open](#)

[Definitive Information Statement](#)

SEC Form 20-IS: March 8, 2021

[click to open](#)

A.3.15

Does the company give the opportunity for shareholder to place item/s on the agenda of AGM?

RESPONSE

YES. The Company gives opportunity for shareholder to place item/s on the Agenda for the Annual Stockholders Meeting.

Sources:

[CG Manual](#)

Item 6. Stockholders' Rights and Protection of Minority Stockholders' Interest, page 18

[click to open](#)

[CG Report](#)

Synergistic Relationship with Stockholders, page 43

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A.4.1

In cases of mergers, acquisitions and/or takeovers requiring shareholders' approval, does the board of directors/commissioners of the company appoint an independent party to evaluate the fairness of the transaction price?

RESPONSE

YES. The Board of Directors of the Company appoints an independent party to evaluate the fairness of the transaction price in case of mergers, acquisitions and/or takeovers requiring shareholders' approval.

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.

Sources:

[i-ACGR](#)

Principle 8, Recommendation 8.6 Disclosure and Transparency, page 53

[click to open](#)

[CG Report](#)

Disposal and Acquisition of Assets, page 31

[click to open](#)

A.5.1

Does the company disclose its practices to encourage shareholders to engage with the company beyond AGM?

RESPONSE

YES. The Company publicly discloses policies to encourage shareholders including institutional shareholders to engage with the Company even beyond the Annual Stockholders Meeting.

Sources:

[CG Manual](#)

Item 6. Stockholders' Rights and Protection of Minority Stockholders' Interest
page 17-19

[click to open](#)

[Investors Section at Company Website](#)

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