

ACGS Level 1 – C

C.1.1

Does the company disclose a policy and practices that address: the existence and scope of the company's efforts to address customers' welfare?

RESPONSE

YES. ICTSI continues to implement projects aimed at improving services for its customers. As the business continues to grow, ICTSI aims to develop more products and solutions for its valued customers. Through its Commercial arm, it continues to engage its customers through weekly client calls, 24/7 customer care service, regular conferences, and industry association meetings.

Online platform such as Transparency Tools in the company website and mobile applications, the ACTS Online Payment System, and the Terminal Appointment Booking System are continually made available and enhanced. This is to further promote visibility and provide access to the port and terminal services 24 hours a day and without the customers having to leave their offices. ICTSI continues to improve and provide digital transformation and solutions without compromising efficiency, safety and security.

Sources:

[ICTSI Website](#)

Investor Relations

[click to open](#)

Policies and Practices

[click to open](#)

[2020 Integrated Annual Corporate Governance Report](#)

Principle 14, Duties to Stakeholders, page 93

[click to open](#)

[2020 Corporate Governance Report](#)

Duties to Stakeholders, page 51

[click to open](#)

[2020 Sustainability Report](#)

Customers, pages 100-111

[click to open](#)

C.1.2

Does the company disclose a policy and practices that address: supplier/contractor selection procedures?

RESPONSE

YES. In the selection of suppliers, ICTSI ensures that suppliers are selected based on their ability to meet contract requirements including quality system and any specific quality assurance requirements. In every supplier accreditation, the required procedures are strictly observed from initial interview of potential suppliers, submission of the required accreditation documents, pre-visit activities to ensure the correctness and completeness of the required documents including financial statements submitted by the supplier, conduct of plant visit if applicable, preparation of final report and issuance of certificate of accreditation and updating of directory.

Source:

[2020 Integrated Annual Corporate Governance Report](#)

Principle 14, Duties to Stakeholders, pages 94

[click to open](#)

[2020 Corporate Governance Report](#)

Duties to Stakeholders, page 52

[click to open](#)

[2020 Sustainability Report](#)

Suppliers, page 55

[click to open](#)

C.1.3

Does the company disclose a policy and practices that address: the company's efforts to ensure that its value chain is environmentally friendly or is consistent with promoting sustainable development?

RESPONSE

YES. ICTSI continues to live up to its commitment to conduct its business activities in a manner that reduces the environmental implications of its activities and protect the environment of the sites and communities in which it operates. The ICTSI Group continues to adopt best practices and relevant international standards like ISO 14001 and World Bank/IFC guidelines for ports, harbors and terminals and ensures that it complies fully with local environment laws and regulations. Also, ICTSI is determined to uphold the principles of Sustainable Development in its operations, and its thrusts are documented in its Annual Sustainability Report.

Source:

[ICTSI Website](#)

Sustainability

[click to open](#)

[ICTSI Purpose and Value](#)

[click to open](#)

[2020 Integrated Annual Corporate Governance Report](#)

Principle 16, Duties to Stakeholders, pages 99-100

[click to open](#)

[2020 Corporate Governance Report](#)

Duties to Stakeholders, pages 60-62

[click to open](#)

[2020 Sustainability Report](#)

Environment Section, pages 30-43

[click to open](#)

C.1.4

Does the company disclose a policy and practices that address: the company's efforts to interact with the communities in which they operate?

RESPONSE

YES. Community interaction and establishing healthy relationships with the community are basic tenets of the operation of ICTSI wherever it operates. In the MICT and other ICTSI local and foreign subsidiaries, either through the ICTSI Foundation, the Sustainability and Development Unit (SDU), or designated Community Relations Officers, ICTSI seeks to contribute to the overall effort of addressing community concerns within its area of operations. The Company has always worked closely with barangay leaders and other government entities, as well as with non-government-organizations (NGOs), to converge ideas and efforts in the identification, planning and execution of projects for the marginalized sectors. These projects include scholarship programs, volunteerism programs, livelihood and technological education assistance, medical missions, outreach activities, support to sports programs, Christmas-related activities, construction of classrooms, donations, disaster response and disaster and environment related awareness programs, relief operations and various school-based assistance, among others.

Sources:

[ICTSI Website](#)

Sustainability

[click to open](#)

[2020 Integrated Annual Corporate Governance Report](#)

Principle 16, Duties to Stakeholders, page 100

[click to open](#)

[2020 Corporate Governance Report](#)

Duties to Stakeholders, page 62

[click to open](#)

[2020 Sustainability Report](#)

Society Section, pages 112 to 134

[click to open](#)

[2020 ICTSI Foundation Accomplishment Report](#)

[click to open](#)

C.1.5

Does the company disclose a policy and practices that address: the company's anti-corruption programmes and procedures?

RESPONSE

YES. The Code of Business Conduct serves as the framework of all the business values and principles of the Company which sets out what is expected of every employee, officer, director, consultant, contractors, business partners and other external third parties working or acting with, for or on behalf of ICTSI. Pursuant to the Code of Business Conduct, ICTSI rolled out an Anti-Bribery Compliance Policy and Procedure. This Policy sets out procedures specifically targeted at addressing corruption risks. ICTSI holds itself to the highest ethical standards and is committed to acting with integrity in business dealings and relationships, both locally and internationally. ICTSI employees are prohibited from asking for, accepting or receiving bribes, or any other personal benefit that would induce the employee to breach his/her duty to act in good faith, to act impartially or in accordance with a position of trust. ICTSI also strictly implements its programs against tipping and other similar acts.

Sources:

[ICTSI Website](#)

Corporate Governance, Policies

[click to open](#)

ICTSI Code of Business Conduct

[click to open](#)

[2020 Integrated Annual Corporate Governance Report](#)

a. Principle 7, The Board's Governance Responsibilities, pages 40-41

[click to open](#)

b. Principle 15, Duties to Stakeholders, pages 96-97

[click to open](#)

[Manual on Corporate Governance](#)

Responsibility of the Board and the Directors, page 7

[click to open](#)

[2020 Corporate Governance Report](#)

- a. Code of Business Conduct, page 27
[click to open](#)
- b. Anti-Corruption Policy, page 59
[click to open](#)

2020 Sustainability Report

Governance, pages 52 to 53
[click to open](#)

SEC Form 20-IS

Anti Bribery Policy and Procedure, pages 36 to 37
[click to open](#)

C.1.6

Does the company disclose a policy and practices that address: how creditors' rights are safeguarded?

RESPONSE

YES. ICTSI Group manages its liquidity profile to be able to finance its working capital and capital expenditure requirements including the timely servicing of debt, payment to regulators and suppliers and other corporate payables. As part of liquidity risk management, ICTSI maintains strict control of its cash and ensures that excess cash held by ICTSI subsidiaries are up streamed timely to ICTSI, the Parent Company. In line with this objective, ICTSI subsidiaries are allowed to maintain cash at a maximum equivalent to its working capital requirement. ICTSI monitors its receivables and payables to ensure positive position and optimize cash conversion cycle. In addition, it regularly updates and evaluates its projected versus actual cash flow information and continually assesses the conditions in the financial market to pursue fund raising initiatives when needed. To further mitigate liquidity risk, ICTSI ensures that it has sufficient credit lines from a broad list of local and foreign banks and it has diverse funding sources such as the capital market and loan market.

Source:

2020 Corporate Governance Report

Duties to Stakeholders, page 52
[click to open](#)

C.1.7

Does the company disclose a policy and practices that address: does the company have a separate report/section that discusses its efforts on environment/economy and social issues?

RESPONSE

YES. The matter of community impact has always been a vital concern for ICTSI, dating back to the Company's establishment and its bid for the then-newly-privatized MICT. As ICTSI has grown, its focus has remained largely on acquiring, building, or redeveloping international container terminal facilities with total annual throughput in the 50,000-3,350,000 TEU range. This is primarily in developing economies, where the Company can effectively parlay experience and expertise gained from and honed in the Philippines. In these markets, concerns over sustainable economic development often touch on providing greater opportunities for marginalized and vulnerable sectors—in particular, the youth. ICTSI sees the role that its port projects play in the accomplishment of national and even regional development goals for nations; it also sees the manifold impacts that ports, which are often located in port cities, may have on the quality of life in these communities, and in their hinterlands, as well.

ICTSI is determined to uphold the principles of Sustainable Development in its operations, and its thrusts are documented in its Annual Sustainability Report. This was launched in 2017, and its initial submission focused on the flagship Manila International Container Terminal. The Company's sustainability initiatives serve as both its compass and ballast and enable an accurate evaluation of its performance in terms of targets in social, environmental, and economic impacts.

The Report, currently in its fourth year, has a theme of Lifting Today, Upholding Tomorrow: For People, the Environment & Economies. It highlights our ports' 24/7 efforts to keep supply lines open, ensuring that food, medical supplies, and mission-critical resources reach families and communities, businesses and governments, and especially medical frontliners. The Report covers twenty four (24) terminals which were chosen based on their current status, size or scope of operations, strategic value to the nation and/or region where they operate, level of performance in key sustainability metrics such as impacts on the environment, on society, on the economy, and governance and their contribution to the overall business performance of the group.

Sources:

[2020 Sustainability Report](#)
[click to open](#)

C.2.1

Does the company provide contact details via the company's website or Annual Report which stakeholders (e.g. customers, suppliers, general public etc.) can use to voice their concerns and/or complaints for possible violation of their rights?

RESPONSE

YES. ICTSI provides contact details via the Company's website and Annual Report, which the stakeholders can use to voice their concerns and/or complaints.

Sources:

[ICTSI Website](#)
Contact Us
[click to open](#)

Investors
[click to open](#)

[2020 Corporate Governance Report](#)
Corporate Information, pages 64 to 65
[click to open](#)

[2020 Sustainability Report](#)
Corporate Information, page 140
[click to open](#)

C.3.1

Does the company explicitly disclose the policies and practices on health, safety, and welfare policy for its employees?

RESPONSE

YES. The well-being and health of all its stakeholders being its number one priority, ICTSI continues to implement enhancements in its various health, safety, and welfare policies and programs as part of its efforts to consistently provide a safe and healthy working environment for its employees.

As a matter of policy and practice, the Group generally does not hire contractual employees. Instead, ICTSI chooses to nurture a dedicated staff of permanent employees who grow familiar with the industry, the company, and operations; are willing to be trained to become productive professionals; and, desire to be empowered as better citizens. As a state of relations where management and labor work hand in hand to accomplish certain goals using mutually acceptable means, LMC is based on the belief that both parties have a common interest in the success and growth of the enterprise, and consequently the economy. The Labor Management/Workplace Cooperation mechanism brought about harmonious relations between the management and the employee group resulting to industrial peace, quality and productivity in the workplace. In terms of remuneration, ICTSI complies with and often exceeds the minimum wages set by the respective government agencies. Benefits for full-time employees in MICT include life insurance, free medical consultations, medical and dental benefits, Health Maintenance Organization (HMO), free annual physical examination.

ICTSI is also fully committed to promoting the most stringent safety culture across its business operations. It continues to implement safety programs and improvements across its terminals, which includes among others, various safety induction and training, regular safety engagements with workers, safety audits, establishment of safe working procedures based on risk assessments, usage of safety software application, and deployment of cargo-handling equipment with enhanced safety features.

In 2020, ICTSI responded well against the threat of COVID-19. As economic frontliners, ICTSI faced the pandemic head on and created several protocols and guidelines to help the employees deal with this present problem. Small group discussions, electronic posters, email blasts and

rapid antibody tests were done to alleviate the worries of the employees and keep them informed of the latest updates on COVID-19. The Medical Clinic promoted telemedicine and phone consultations to respond to employee concerns 24/7. The management also thought of helping the employees boost their immune system by providing free Vitamin C supplements daily.

A Health and Wellness section was also established. It deals with the holistic well-being of all employees. Different health programs were rolled out to address the top conditions that plague every employee. The hypertension and Diabetes program focused on each individual suffering from these conditions. Daily monitoring, consultations and free maintenance medicines are provided to participants to help improve their blood pressure and blood sugar levels. They are also given advice on how to improve their lifestyles, eating habits and physical activities. The Arthritis program focuses mainly on individuals that suffer from different types of musculoskeletal pains. Aside from giving free pain medications, the program also teaches proper ergonomics, diet restrictions and alternative treatments. The free Eye check-up and Eyeglasses program addressed the visual problems of employees suffering from refractory conditions. Eye experts were invited to do tests and prescribe appropriate corrective lenses to all participants. This will help them in their daily work and will also lead to a safer working environment. Lastly, a Mental health program was also put in place to help employees in need of psychiatric support.

Sources:

[ICTSI Website](#)

Governance, Policies

[click to open](#)

[2020 Integrated Annual Corporate Governance Report](#)

Principle 15, Duties to Stakeholders, pages 94-95

[click to open](#)

[2020 Corporate Governance Report](#)

Employee Participation, pages 54-55

[click to open](#)

[2020 Sustainability Report](#)

Employees, pages 74-99

[click to open](#)

[SEC Form 20-IS](#)

Health, Safety and Productivity of its Employees, pages 37-42

[click to open](#)

C.3.2

Does the company explicitly disclose the policies and practices on training and development programs for its employees?

RESPONSE

YES. ICTSI has a policy of providing training opportunities aligned with the requirements of the local operations, based on the principle of supporting for employee development and welfare. In MICT, the flagship operation, employees regularly undergo skills- and task-related training, as well as broader education on the profession/industry.

Training programs include:

1. Company Orientation Programs such as
 - a. Operations for Non-Operations;
 - b. Orientation for newly hired employees;
 - c. Outside Truck Driver's Orientation
 - d. Mandatory 8-hour Safety and Health Seminar for Workers
 - e. Orientation for HMI;
 - f. Claims for Non-Claims
 - g. Integrated Management System (IMS) Awareness Training
 - h. IMS Internal Audit
 - i. Orientation on SAP SuccessFactors Benefits Module
- 2.) Technical training programs for skills enhancement
 - a. Prime Movers, Reach Stackers, Quay Cranes, Rubber Tired Gantries, Sidelifter and refresher courses (for PM and RTG Operators)
 - b. Fire Fighting Seminar & Drill
 - c. Earthquake Drill
 - d. Terminal Executive Diploma
 - e. IMS Internal Audit Training
 - f. Udemy Online Training Access
 - g. TBA Training Portal for Navis
 - h. GPW Manual Handling
 - i. Accident Reporting – Pilot session
 - j. NCOS Training for Berth Planners
 - k. Administrative Due Process Training for Leaders
 - l. Mitsui RTG GPS Mapping and Auto Steering Orientation
 - m. Stack Profiling Orientation for Operators
 - n. Terberg Familiarization for Operators

Sources:

[ICTSI Website](#)

Governance, Policies

[click to open](#)

[2020 Integrated Annual Corporate Governance Report](#)

Principle 15, Duties to Stakeholders, pages 95 to 96

[click to open](#)

[2020 Corporate Governance Report](#)

Training and Development, pages 57-59

[click to open](#)

[2020 Sustainability Report](#)

Employees, Learning and Development, pages 94-98

[click to open](#)

[SEC Form 20-IS](#)

Employee Trainings, page 37

[click to open](#)

C.3.3

Does the company have a reward/compensation policy that accounts for the performance of the company beyond short-term financial measures?

RESPONSE

YES. ICTSI's reward/compensation policy that accounts for the performance of the company beyond short-term financial measures ICTSI is driven by an organization of competent and dedicated workforce who are in partnership with their customers/clients and other stakeholders. These dimensions result in a decisive difference in the pursuit of service excellence and professionalism. To recognize this, ICTSI is committed to provide fair, timely and equitable compensation that values the comparable worth of jobs and the contribution of individuals.

Source:

[2020 Integrated Annual Corporate Governance Report](#)

Principle 15, Duties to Stakeholders, pages 94 to 95

[click to open](#)

[SEC Form 17-A](#)

Share-based Payment Plan, pages 82-83

[click to open](#)

[2020 Corporate Governance Report](#)

Duties to Stakeholders, Rewards Policy page 54

[click to open](#)

C.4.1

Does the company have a whistle blowing policy which includes procedures for complaints by employees and other stakeholders concerning alleged illegal and unethical behavior and provide contact details via the company's website or annual report?

RESPONSE

YES. Every stakeholder and, most especially, employees of ICTSI are mandated to immediately report any concern and/or known or suspected violations of the Code of Business Conduct and other company policies. He/she may give such report through the Company's Compliance Officer and/or Global Human Resource Department or Human Resource Department of the business units with the full assurance that the informant's identity shall be treated with utmost confidentiality and he shall be protected from reprisal, retaliation and other forms of harassment and that his/her rights shall likewise be protected based on applicable policies and local laws.

Sources:

[ICTSI Website](#)

Whistleblowing Policy

[click to open](#)

[2020 Integrated Annual Corporate Governance Report](#)

Principle 15, Duties to Stakeholders, pages 97-99

[click to open](#)

[2020 Corporate Governance Report](#)

Employee Whistleblowing Policy, page 59

[click to open](#)

C.4.2

Does the company have a policy or procedures to protect an employee/person who reveals illegal/unethical behavior from retaliation?

RESPONSE

YES. A whistleblower or informant is given the option to give his/her report through the Company's Compliance Officer and/or Global Human Resource Department or Human Resource Department of the business units with the full assurance that the informant identity shall be treated with utmost confidentiality and his/her rights shall be protected based on applicable policies and local laws. Furthermore, once a complaint is received, ICTSI conducts an administrative due process, which a separate investigation and does not rely solely on the report of an employee. Thus, the identity of the reporting employee is protected.

Sources:

[ICTSI Website](#)

Whistleblowing Policy

[click to open](#)

[2020 Integrated Annual Corporate Governance Report](#)

Principle 15, Duties to Stakeholders, pages 97-99

[click to open](#)

[2020 Corporate Governance Report](#)

Employee Whistleblowing Policy, page 59

[click to open](#)