



# Delivering a Resilient Future

ICTSI 2021 CORPORATE GOVERNANCE REPORT

## About our Theme

The global business sector has been blindsided by the COVID-19 pandemic in more ways than one, and ICTSI is no exception. While some social and professional aspects of the Company were initially affected, we were able to swiftly pivot and recover. We were able to steer through the rough waters with confidence borne out of our track record of resilience amid difficult times. We have remained faithful to our customers, steadfast with our employees, and reliable for the communities whose lives we touch. With COVID-19 not only being a public health crisis but an economic one, the need for sustainable progress and harmonious existence with nature has only been underscored. The challenge is in creating lasting value for our stakeholders and bringing positive change to the industry. Sustainability priorities have seemingly become even more difficult to pursue amid the demands of the “new normal” but we recognize that these are social investments with far-reaching and long-term returns not only to our business but to our planet. Thus, we rise to the task of delivering a resilient future for all.

# Delivering a Resilient Future

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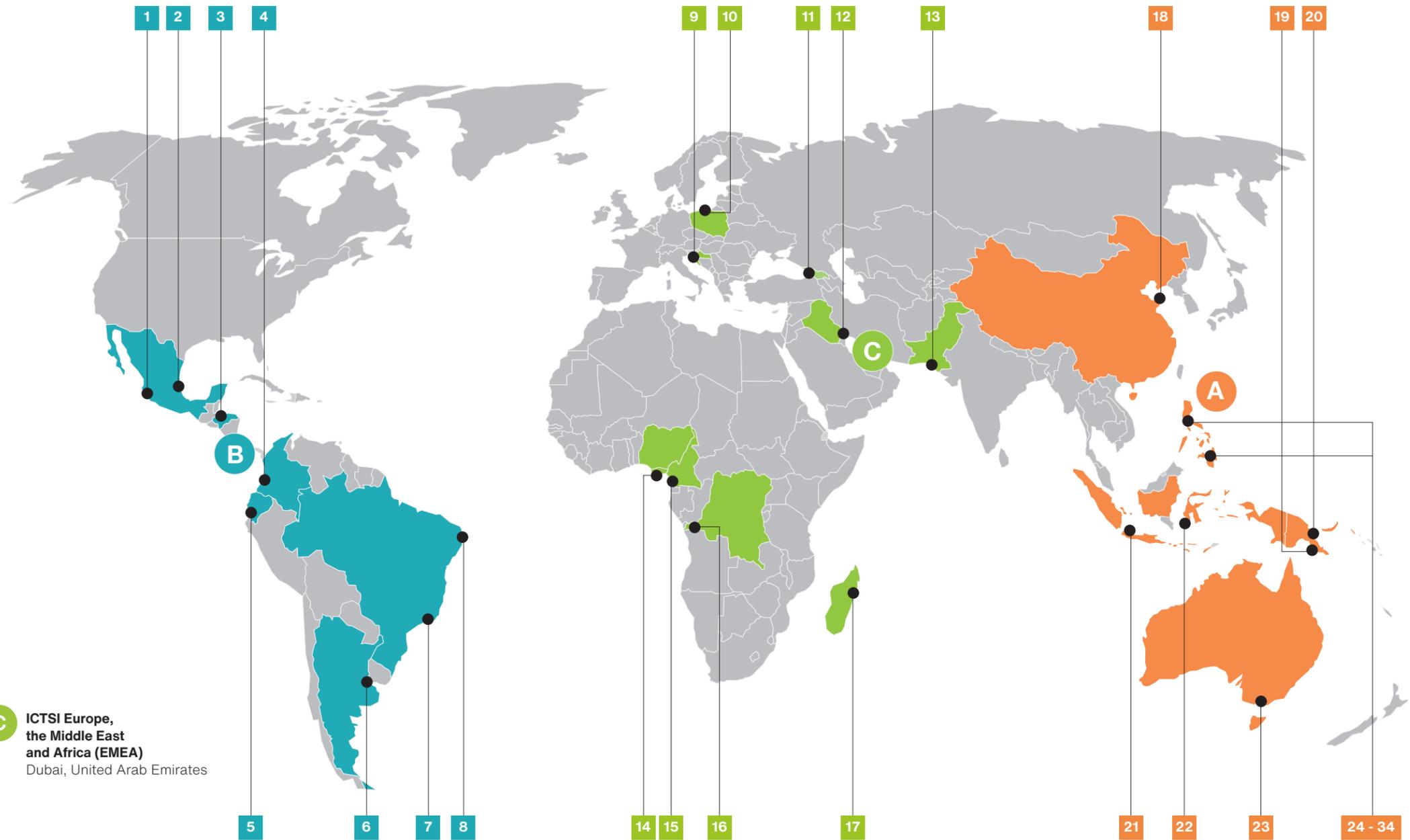
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1. **Contecon Manzanillo**  
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2. **Tuxpan Maritime Terminal**  
Veracruz, Mexico
3. **Puerto Cortés**  
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4. **Puerto Aguadulce**  
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### EUROPE, THE MIDDLE EAST & AFRICA

9. **Adriatic Gate Container Terminal**  
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10. **Baltic Container Terminal**  
Gdynia, Poland
11. **Batumi International Container Terminal**  
Adjara, Georgia
12. **Basra Gateway Terminal**  
Umm Qasr, Iraq
13. **Pakistan International Container Terminal**  
Karachi, Pakistan
14. **Onne Multipurpose Terminal**  
Port Harcourt, Nigeria
15. **Kribi Multipurpose Terminal**  
Kribi, Cameroon
16. **Matadi Gateway Terminal**  
Kongo Central, D.R. Congo
17. **Madagascar International Container Terminal**  
Toamasina, Madagascar

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18. **Yantai International Container Terminals**  
Shandong, China
19. **Motukea International Terminal**  
Port Moresby, Papua New Guinea
20. **South Pacific International Container Terminal**  
Lae, Papua New Guinea
21. **Tanjung Priok Berths 300-303**  
Jakarta, Indonesia
22. **Makassar Container Terminal**  
South Sulawesi, Indonesia
23. **Victoria International Container Terminal**  
Melbourne, Australia
24. **Manila International Container Terminal**
25. **NorthPort**
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- 27-28. **Subic Bay International Terminals (NCT 1 and 2)**  
Olongapo City
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Tanza, Cavite
31. **Bauan International Port**  
Bauan, Batangas
32. **Mindanao Container Terminal**  
Tagoloan, Misamis Oriental
33. **Sasa Wharf**  
Davao City
34. **Makar Wharf**  
General Santos City

The 2021 Corporate Governance Report covers milestones and accomplishments by the Company in corporate governance for the year 2021, including material and significant events in the first quarter of 2022.

## 2021 Awards



**December:** ICTSI was recognized by *The Asset* ESG Corporate Awards as one of the elite companies in Asia showing All-Round Excellence in Financial Performance, Management, Corporate Governance, Social Responsibility, Environmental Responsibility and Investor Relations, earning the Platinum citation. ICTSI's Global Corporate Investor Relations Department was also recognized as among the Best Investor Relations team.



**November:** *Corporate Governance Asia* recognizes ICTSI as having one of Asia's Best Corporate Social Responsibility and one of the Best Investor Relations Companies in the Philippines during the 11th Asian Excellence Award. Key Officers were likewise recognized, including Chairman and President Enrique K. Razon Jr. as Asia's Best CEO (Investor Relations); Senior Vice President and Chief Financial Officer Rafael D. Consing, Jr. as Asia's Best CFO (Investor Relations); and Treasury Director and Head of Investor Relations Arthur R. Tabuena as Best Investor Relations Professional.



**August:** ICTSI was recognized by *Alpha Southeast Asia Awards 2021* with the Most Consistent Dividend Policy, Best Strategic Corporate Social Responsibility and second best in having the Best Senior Management IR Support in Southeast Asia.

## Institutional Investor

**July:** ICTSI was one of the Honored Companies and with the Best IR Professional in the *Institutional Investor All Asia Executive Team Awards Recognition 2021*.



**March:** The International Association of Business Communicators – Philippines gives ICTSI Awards of Recognition for its 2019 Annual Report books and the Foundation's Wildlife Conservation project at the Victoria Anepa'an Mountain Range.



# The Board's Governance Responsibilities

The Board of Directors of ICTSI is responsible for promoting good corporate governance and ensures accountability, fairness, and transparency in the Company's dealings and relationships with stakeholders. The Board oversees the development of and approves the Company's business objectives and strategy; and monitors the implementation of the same in order to sustain the Company's long-term viability and strength. The Board acts on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the Company and all our stakeholders.

To achieve an appropriate mix of competence and expertise, the composition of the Board is checked against prevailing requirements. The Board is filled up by six (6) Non-Executive Directors and one (1) Executive Director. There are three (3) Independent Directors out of the seven (7) seats. The Board is characterized by a right combination in age, ethnicity, culture,

and knowledge to ensure diversity and allow a healthy balance of ideas, wisdom and experience on the management and business of the Company. The competence of the Board is enhanced by the conduct of annual continuing training for all the Directors and orientation program for first-time Directors.

**Table 1** BOARD OF DIRECTORS 2021-2022

<b>ENRIQUE K. RAZON JR.</b> Executive Director	
<b>Chief Justice Diosdado M. Peralta (ret.)</b> Non-Executive Director / Independent Director	<b>Jose C. Ibazeta</b> Non-Executive Director
<b>Cesar A. Buenaventura</b> Non-Executive Director / Independent Director	<b>Stephen A. Paradies</b> Non-Executive Director
<b>Carlos C. Ejercito</b> Non-Executive Director / Independent Director	<b>Andres Soriano III</b> Non-Executive Director

## Composition

The Board is composed of seven (7) Directors elected by the stockholders during the Annual Stockholders' Meeting (ASM) in accordance with prevailing laws as well as the Company's By-Laws. Per the Company's By-Laws, the ASM will be held on the third Thursday of April for each year.

The current set of Directors were elected during the 2021 ASM virtually held last April 15, 2021, except for Chief Justice M. Diosdado Peralta (ret.) who was elected on August 6, 2021 after Mr. Joseph R. Higdon resigned as director effective July 31, 2021.

Each member of the Board possesses wide knowledge, experience, and expertise in the business industry of the Company, which is cargo handling and related services market.

## Qualifications

Table 2 Directors' Profile	
NAME OF DIRECTOR	AS OF APRIL 2022 DIRECTORSHIPS
<p><b>ENRIQUE K. RAZON JR.</b>  <i>Filipino, 62 years old</i>  <b>Director of ICTSI since 1987 and its Chairman since 1995</b></p> <p><b>Member of the US-Philippine Society and the ASEAN Business Club Philippines, Inc.</b></p> <p><i>Doctor of Science in Logistics Honoris Causa</i>  <b>De La Salle University</b></p>	<ul style="list-style-type: none"> <li>▪ ICTSI*</li> <li>▪ IWI Container Terminal Holdings, Inc.</li> <li>▪ Razon Industries, Inc.</li> <li>▪ Sureste Realty Corporation</li> <li>▪ Quasar Holdings, Inc.</li> <li>▪ Falcon Investco Holdings, Inc.</li> <li>▪ Achillion Holdings, Inc.</li> <li>▪ Collingwood Investment Company Ltd.</li> <li>▪ Bravo International Port Holdings, Inc.</li> <li>▪ Provident Management Group, Inc.</li> <li>▪ Bloomberry Resorts Corporation*</li> <li>▪ Manila Water Company, Inc.*</li> <li>▪ Sureste Properties, Inc.</li> <li>▪ Monte Oro Resources and Energy, Inc.</li> <li>▪ Bloomberry Resorts &amp; Hotels, Inc.,</li> <li>▪ Prime Strategic Holdings, Inc.</li> <li>▪ Pilipinas Golf Tournament, Inc.</li> <li>▪ ICTSI (Hongkong) Ltd.</li> <li>▪ Australian Container Terminals Ltd.</li> <li>▪ Pentland International Holdings Ltd.</li> <li>▪ CLSA Exchange Capital</li> <li>▪ Xcell Property Ventures, Inc.</li> <li>▪ ICTSI Foundation, Inc.</li> </ul>
<p><b>CHIEF JUSTICE DIOSDADO M. PERALTA (ret.)</b>  <i>Filipino, 69 years old</i>  <b>Independent Director of ICTSI since August 2021</b></p> <p><i>Appointed by President Rodrigo Roa Duterte as the Chief Justice of the Supreme Court from October 23, 2019 until his retirement on March 27, 2021</i></p> <p><i>Bachelor of Science</i>  <b>San Juan de Letran</b></p> <p><i>Bachelor of Laws</i>  <b>University of Santo Tomas</b></p> <p><i>Doctor of Laws Honoris Causa</i>  <b>Northwestern University, Laoag City, Ilocos Norte</b></p>	<ul style="list-style-type: none"> <li>▪ ICTSI*</li> <li>▪ Bloomberry Resorts Corporation*</li> <li>▪ Philippine Business Bank*</li> <li>▪ San Miguel Corporation*</li> <li>▪ The Manila Hotel</li> </ul>

### CESAR A. BUENAVENTURA

*Filipino, 92 years old*  
**Independent Director of ICTSI since 2019**

**Honorary Officer of the Order of the British Empire (OBE) by Her Majesty Queen Elizabeth**

*Bachelor of Science in Civil Engineering*  
**University of the Philippines**

*Master's degree in Civil Engineering*  
*Major in Structures*  
**Lehigh University Bethlehem**

- ICTSI\*
- Mitsubishi Hitachi Power Systems Phils., Inc.
- Buenaventura Echauz and Partners, Inc.
- DMCI Holdings, Inc.\*
- Semirara Mining and Power Corp.\*
- iPeople, Inc.\*
- Petroenergy Resources Corp.\*
- Concepcion Industrial Corp.\*
- Pilipinas Shell Petroleum Corp.\*
- Pilipinas Shell Foundation, Inc.
- DM Consunji Inc.
- The Country Club
- Manila Water Company, Inc.\*
- Bloomberry Cultural Foundation, Inc.
- ICTSI Foundation, Inc.

### CARLOS C. EJERCITO

*Filipino, 76 years old*  
**Independent Director of ICTSI since 2021**

*Bachelor's Degree in Business Administration - Cum Laude*  
**University of the East**

*Master's Degree in Business Administration*  
**Ateneo Graduate School of Business**

*Program for Management Development*  
**Harvard Business School**

- ICTSI\*
- Aboitiz Power Corporation\*
- Century Properties Group, Inc.\*
- Mount Grace Hospitals, Inc. and its affiliates and subsidiaries
- Pinehurst Medical Services, Inc.
- Silvermed Corporation
- Medical Center Manila
- Dr. Victor R. Potenciano Medical Center
- Tagaytay Medical Center
- Grace General Hospital
- Healthserv Medical Center
- Mother Teresa of Calcutta Medical Center
- Nueva Ecija Good Samaritan Hospital
- Westlake Medical Center

### JOSE C. IBAZETA

*Filipino, 79 years old*  
**Director of ICTSI since 2009**

**Member of the Board of Trustees of Radio Veritas and St. James the Great Parish Foundation**

*Bachelor of Science in Economics*  
**Ateneo de Manila University**

*Master's Degree in Business Administration*  
**University of San Francisco**

*MBC in Banking and Finance*  
**New York University**

- ICTSI\*
- ICTSI Foundation, Inc.
- A. Soriano Corporation\*
- Anscor Consolidated Corporation
- AFC Agribusiness Corporation
- Anscor Holdings, Inc.
- Minuet Realty Corporation
- Phelps Dodge Philippines Energy Products Corporation
- Island Aviation, Inc.
- Pamalican Resort Inc.
- Vicinetum Holdings, Inc.
- Philippine Stratbase Consultancy Incorporated
- AGP Group Holdings, PTE, Ltd
- AG&P Estate Management, Inc.
- Atlantic, Gulf & Pacific Company of Manila, Inc.
- AG&P FieldCOM, Inc.
- Gas Entec Co, Ltd.
- AGP Philippines Holdings, Inc.
- Radio Veritas
- St. James the Great Parish Foundation, Inc.

### STEPHEN A. PARADIES

*Filipino, 68 years old*  
**Director of ICTSI since 1987**

*Bachelor of Science Degree, Major in Business Management*  
**The Santa Clara University, California**

- ICTSI\*
- IWI Container Terminal Holdings, Inc.
- Sociedad Puerto Industrial Aguadulce S.A.
- Apex Mining Co. Inc.\*
- Union Investments Corp.
- Sureste Properties, Inc.
- Prime Metro BMD Corp.
- Prime Metro Power Holdings, Inc.
- Prime Metro Infrastructure Holdings, Inc.
- MORE Palawan Power Corp.
- Amber Electric & Power Corp.
- The Country Club Inc.
- Bloomberry Cultural Foundation, Inc.
- Napagapa Beverages, Inc.
- MORE Electric & Power Corp.

### ANDRES SORIANO III

*Filipino, 70 years old*  
**Director of ICTSI since 1992**

*Bachelor of Science in Economics Major in Finance and International Business*  
**Wharton School of Finance and Commerce - University of Pennsylvania**

- ICTSI\*
- A. Soriano Corporation\*
- Anscor Consolidated Corp.
- The Andres Soriano Foundation, Inc.
- Phelps Dodge International Philippines, Inc.
- Phelps Dodge Philippines Energy Products Corp.
- Seven Seas Resorts and Leisure, Inc.
- Pamalican Resort, Inc.

\*Publicly-listed company



Virtual 2021 Corporate Governance Training

Amidst the challenging and extraordinary situations brought by the still ongoing COVID-19 pandemic, the Company had conducted a training for 2021 through a virtual platform for the second time in a row. This 7th in-house Corporate Governance Training entitled "Reframe the Future: Focusing on Long Term Value, Sustainable Transformation and Decarbonization" was facilitated by SyCip, Gorres, Velayo & Co. (SGV) last December 14, 2021.

The Board of Directors led by the Chairman, Enrique K. Razon Jr. was also joined by the Executive Officers, including Mr. Christian R. Gonzalez, Executive Vice President and Chief Risk Officer; Mr. Rafael D. Consing, Jr., Compliance Officer; Ms. Catherine R. Castro, Director, Head of Internal Audit; and Attys. Rafael T. Durian, Silverio Benny J. Tan, and Benjamin Edison M. Gorospe III, Corporate Secretaries.

For the election of the new Independent Directors for the year 2021, virtual sessions for the On-Boarding Orientation Program were conducted with Mr. Carlos C. Ejercito and Chief Justice Diosdado M. Peralta (ret.). The sessions were led by Mr. Rafael D. Consing, Jr., Compliance Officer; Mr. Arthur R. Tabuena, Treasury Director and Head of Investor Relations; and Atty. Lirene C. Mora-Suarez, Director for GCLA.

**Executive Director**

An Executive Director is an officer of the Company who performs work related to the Company's operations. Mr. Enrique K. Razon Jr. is the only Executive Director in the ICTSI Board. He serves as Director in two (2) publicly listed companies other than ICTSI: Bloomberry Resort Corporation, the developer of Solaire Resorts and Casino, and Manila Water Company, Inc.

**Non-Executive Directors**

A Non-Executive Director is not an officer or head of a unit in ICTSI and does not perform any work related to the Company's operation. Of the seven (7) Directors in ICTSI, six (6) members are Non-Executive Directors.

**Orientation and Training**

**Orientation for First-Time Directors**

In the event of an election or appointment of a Director new to ICTSI, the Office of the Compliance Officer through the Global Corporate Legal Affairs ("GCLA") and the Office of the Corporate Secretary provide an On-Boarding Orientation Program.

The Program module includes, among others, an introduction to the Company's business, its Articles of Incorporation, By-Laws, Vision, Mission and Values, Code of Conduct, the composition of the Board and Management teams, the Company's financial achievements and its operations growth, the Company's social responsibilities and employee engagements.

**Corporate Governance Training**

Each ICTSI Director undergoes a minimum of at least four (4) hours of trainings, programs, seminars, and roundtable discussions on Corporate Governance with service providers or private/government institutions accredited by the Philippine Securities and Exchange Commission to ensure that the Company complies with the

adopted leading practices on good governance and recommendations by the SEC under its Memorandum Circular No. 19-2016 or the Code of Corporate Governance for Publicly Listed Companies.

Section 9.3 of ICTSI's CG Manual provides that the Company shall conduct 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.

**Board Diversity**

The mix of Non-Executive Directors, Independent Directors and Executive Director in ICTSI ensures that no Director or small group of Directors dominates in the decision-making process. The Board is also diverse in terms of age, ethnicity, culture, and knowledge. In this way, the protection of the interest of the Company is assured to be balanced with the interest of all stakeholders.

In 2021, in our effort toward strengthening our corporate governance and leading with integrity, we continue to take the Human Capital Statement we launched last November 2020, and see through its practical outworking in human right, health and safety, and diversity and inclusion, among others.

**Corporate Secretaries**

The Office of the Corporate Secretary is responsible for assisting the Board in the fulfillment of its responsibilities. Its key roles include preparing the agenda for the Board and Board Committee Meetings; recording and safekeeping of minutes of meetings; overseeing the drafting of amendments to the Articles of Incorporation and By-Laws, if necessary; and ensuring that the Company complies with the regulatory and reportorial requirements issued by the Philippine Securities and Exchange Commission. The Office of the Corporate Secretary distributes materials for board meetings at least five (5) business days before the scheduled meeting. Together with the Board of Directors, the Corporate Secretaries attend the in-house annual Corporate Governance Training (see Table 3).

**Atty. Rafael T. Durian** has been the Company's Corporate Secretary since 1987. He earned his Bachelor of Laws from San Beda College and was a Partner at Cruz Durian Alday & Cruz-Matters Law Office.

**Table 3 2021 Advanced Corporate Governance Training**

	NAME	HOURS	TOPIC DISCUSSED	ORGANIZER	DATE
<b>DIRECTORS</b>	Enrique K. Razon Jr.	4	Overview of Corporate Governance, Reframe the Future: Sustainable Transformation and Decarbonization, and Long Term Value	SyCip, Gorres, Velayo & Co.	December 14, 2021
	Chief Justice Diosdado M. Peralta (ret.)				
	Jose C. Ibazeta				
	Carlos C. Ejercito	4	The Board Agenda 2020: The Business of Building Back Better	Aboitiz & Company	September 8, 2021
	Cesar A. Buenaventura	4	2021 In-House Corporate Governance Training	Pilipinas Shell Petroleum Corporation	November 24-25, 2021
	Andres Soriano III	4	Corporate Governance	SyCip, Gorres, Velayo & Co.	September 20, 2021
Stephen A. Paradies	4	Briefing on the Latest Developments on Cybersecurity, Operationalizing Data Science and Artificial Intelligence, Enterprise Agility, and Capitalizing on ESG Assessments/ Initiative	Aboitiz & Company	September 8, 2021	
<b>OFFICERS</b>	Christian R. Gonzalez Executive Vice President, Chief Risk Officer	4	Overview of Corporate Governance, Reframe the Future: Sustainable Transformation and Decarbonization, and Long Term Value	SyCip, Gorres, Velayo & Co.	December 14, 2021
	Rafael D. Consing, Jr. Senior Vice President, Chief Financial Officer, Compliance Officer				
	Rafael T. Durian Corporate Secretary				
	Silverio Benny J. Tan Assistant Corporate Secretary				
	Benjamin M. Gorospe III Assistant Corporate Secretary				
	Catherine R. Castro Head of Internal Audit				

The Assistant Corporate Secretaries share the same roles and responsibilities of the Corporate Secretary.

**Atty. Silverio Benny J. Tan** has been the Company's Assistant Corporate Secretary since 2011. He is a partner in and was managing partner from 2013 to 2015 in the law firm of Picazo Buyco Tan Fider & Santos. Atty. Tan holds a Bachelor of Laws, *cum laude*, from the University of the Philippines - College of Law and a Bachelor of Arts Major in Political Science, *cum laude*, from the University of the Philippines College Iloilo. Atty. Tan placed third in the 1982 Philippine Bar exams.

**Atty. Benjamin M. Gorospe III** has been the Company's Assistant Corporate Secretary since September 2013 and the Global Head for Tax. Atty. Gorospe joined ICTSI in 2003 as a Tax Manager. Prior to this, he worked with the Tax Department of SyCip Gorres Velayo & Co. (a member firm of Ernst & Young Global Limited) for five years and with its Audit Department for one year. Atty. Gorospe completed his law degree at the University of the Philippines, Diliman. He is also a Certified Public Accountant. He graduated from Xavier University with a degree of Bachelor of Science in Commerce, Major in Accounting.

The ICTSI Diversity and Equal Opportunities Policy creates a work environment where respect for inclusion and diversity is maintained and where people do not discriminate or are discriminated against due to disability, age, sexual orientation or preference, civil status, race, origin, religious or political beliefs, socio-economic status and other aspects that make the employees unique. The Policy was formulated in 2021. This is set for approval by the Board of Directors and roll out to the ICTSI Group in 2022.

**SEC Official Contact Persons and Information**

In addition to the reportorial requirements for PLCs, the Board of Directors approved the designations of Attys. Benjamin Edison M. Gorospe III and Lirene C. Mora-Suarez as official and alternate contact persons before the Philippine Securities and Exchange Commission ("SEC") and submitted the relevant email addresses and mobile numbers. This is in compliance with the SEC's Memorandum Circular No. 28-2020 to create/and or designate official contact person and contact information for the Company's transactions with the SEC.

Atty. Gorospe is the Assistant Corporate Secretary, as well as the Global Head for Tax. Atty. Mora-Suarez is the Director for the Global Corporate Legal Affairs.

**SEC Online Submission Tool**

The Board authorized the Company to enroll in the SEC Online Submission Tool and designate its authorized filers for online submissions of General Information Sheet, Audited Financial Statements and other reports in compliance with SEC Memorandum Circular No. 3-2021.

### Compliance Program

As explicitly stated in the Company's Code of Business Conduct, it is a policy of ICTSI to comply with all applicable laws and regulations in every country it operates in.

As a port/terminal operator, ICTSI complies with all the Philippine Ports Authority regulations, customs issuances, and all other laws related to port management and operations. The Company also faithfully observes the provisions of existing Collective Bargaining Agreements, the Labor Code of the Philippines and other relevant labor and social legislation.

The Company's Code of Conduct states that if a Director, Officer or employee becomes aware of any potential or actual violations of the law or the said Code, he/she is required to immediately disclose any relevant information to the Company's Compliance Officer. The Company's Policy on Fraud Reporting provides for specific process in handling and investigating any complaint or disclosure. Any complaint or disclosure must be filed with the respective Human Resource Department (HRD) of the Business Unit (BU) or with the Global Corporate Human Resource (GCHR) for Corporate Functions through appropriate channels such as personal reporting, mail, electronic mail, telephone or website. It may also be filed with the Compliance Officer should any personnel from the HRD or GCHR be compromised. The complaint shall preferably be in writing and the whistleblower may elect to identify himself in the complaint or maintain his anonymity. The GCHR/HRD shall make the initial evaluation of the complaint to determine its sufficiency and to determine whether the complaint pertains to

an issue or matter that is within the scope of the policy. A committee shall then be formed as the formal body to conduct extensive investigation on the complaint. The committee shall ensure that reporting of all complaints, investigations and resolutions are conducted in conformity with existing company procedures, laws and regulations. It shall submit to the EVP, for Corporate Functions or to the Head of the BU for complaint at the BU level a comprehensive written report of its findings, together with all the evidence gathered and submitted, its conclusions based on its assessment of facts presented and the recommendation on further actions to take against the respondent within thirty (30) days from the time all the relevant and material evidence and documents necessary for the resolution of the case are submitted.

#### Compliance Officer

**Mr. Rafael D. Consing, Jr.** has been the Company's Compliance Officer since February 2016. As Compliance Officer, he is responsible in ensuring that the Company is in full compliance with its Manual of Corporate Governance and the rules, circulars, and administrative orders of regulatory agencies. Together with the Board of Directors, the Compliance Officer attends the in-house annual Corporate Governance Training (see Table 3).

Mr. Consing is holding directorships and is a Treasurer in several local and international subsidiaries of ICTSI. His career started at the Multinational Investment Bancorporation in June 1989. From 1999 to 2007, he assumed various roles in HSBC, including Director and the Head of Debt Capital Markets for the Philippines, and

subsequently for South East Asia. He later became the Managing Director and the Head of the Financing Solutions Group, Asia Pacific. In HSBC, Mr. Consing was involved in strategic and situational financing and advisory activities, including acquisition, and leveraged finance, debt capital markets, credit ratings and capital advisory. He also held positions in investment banking with Bankers Trust NY, Deutsche Bank, and ING Barings. In 1993 to 1995, Mr. Consing served as the Vice President and the Treasurer of Aboitiz & Company, Inc. and Aboitiz Equity Ventures, Inc\*.

Mr. Consing received his A.B. degree, major in Political Science, from the De La Salle University, Manila, in 1989. He is an alumnus of the Emerging CFO: Strategic Financial Leadership Program of the Stanford Graduate School of Business.

### Fiduciary Roles and Accountabilities

It is the Board's responsibility to foster ICTSI's long-term success, and to sustain its competitiveness and profitability in a manner consistent with its business objectives and the best interests of its stockholders and other stakeholders.

Throughout the year, our Directors stood by their duty to make informed decisions and carry out actions in good faith and with reasonable diligence, care and prudence.

#### Company Principles

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, mission, and core values, and monitor their implementation in order to sustain the Company's long-term viability and strength.

The Board reviews Company Principles at least once a year with the most recent review on December 21, 2021 and the last revision having been made last October 10, 2019.

Among its initiatives and routine checks for the Company's Compliance Program, the Office of the Compliance Officer rolled out in 2019 a **Terminal Health Check Program** for all ICTSI Philippine terminals. The Program included training and monitoring on selected areas: Data Privacy, ICTSI Code of Business Conduct, Standard Trading Conditions, Terminal Services Agreement and Insurance Claims Procedure. For 2020-2021, in view of the COVID-19 pandemic, the Program was continued via online and virtual platforms.

The Office of the Compliance Officer likewise made initiatives in order to further reinforce the Company's Compliance Program. It will launch new policies for the business units across all operating and support functions and departments. The Supplement to the Anti-Bribery Compliance Policy and Procedure strengthened the penalty for any violation committed by contractors, subcontractors and other third parties. The Policy on Fraud Reporting reinforced the existing one by providing confidentiality of any disclosed information, protection from retaliation, providing for different forms of reporting channels and providing for the specific procedure for handling complaints. The Diversity and Equal Opportunities Policy is a new formal policy which highlights ICTSI Group's value of respect for all by giving utmost importance to diversity, inclusion and respect for human rights as embodied in ICTSI Group's Global Principles on Human Capital. It also strengthens the Employee Relations provision of the Code of Business Conduct.



### Business Objectives and Strategy

#### Focused and Expansive.

We are singularly focused on our core competencies: port development, operations and management.

We are actively exploring new opportunities in strategically located ports, in both developed and developing economies, diversifying geographically across the world's continents. Specifically, we seek to develop, acquire, own, and operate common use container terminals in these new markets.

#### Our Purpose

**To make ports around the world a driver for positive and sustainable growth.**

At ICTSI, we work tirelessly to develop and operate efficient and sustainable port facilities and deliver the highest possible benefits to our customers, partners, people, stockholders, and to the communities we serve.

#### Our Values

ICTSI's commitment to our partners and communities began more than three decades ago in the Philippines. Our projects and terminals now extend across six continents and are anchored around many of the same

founding values that have underpinned our sustainable approach to growing our business and our host economies. Our five values guide our behavior and form the foundation of our purpose:

- **Respect for All.** We place the utmost importance on safety, community, and diversity. The well-being and health of all our stakeholders is our number one priority. We strive to have the highest standards in place to ensure our people and stakeholders are safe, respected, and treated fairly.
- **Trust.** We lead with integrity, respect, and compassion for our people, partners, communities, and our environment. We take great pride in working responsibly to earn trust and keep it.
- **Collaboration.** We are a diverse and inclusive company working together and exploring new ways of doing things to deliver the best possible outcome for all stakeholders. As a responsible business, we embrace equality of opportunity and empower all our people to adapt, collaborate, and innovate across borders.
- **Tenacity.** Our people work tirelessly with utmost determination to achieve their goals and deliver on commitments to partners, stockholders, host communities, and the environment.
- **Passion.** We are pioneers in an industry with deep linkages to the host economies and communities in which we operate. Our people relish the challenge of exploring new opportunities, operating terminals, creating sustainable benefits for our host communities, protecting the environment while also delivering returns to our stockholders.

### Competent Chairperson

The Chairman of the Board is Mr. Enrique K. Razon Jr. The Chairman of the Board presides during all meetings of the stockholders and of the Board of Directors; has general supervision, administration, and management of the business of the Company; and maintains qualitative and timely lines of communication and information between the Board and Management.

**Mr. Enrique K. Razon Jr.** belongs to the third generation of a family involved in the business of marine cargo handling. The Razon Group has a long-standing reputation of being pioneers and innovators in the management and development of ports, terminals, and related facilities. The Razon Group's proven track record stems from more than 90 years' experience in integrated cargo handling, stevedoring and other port services in the Philippines and abroad.

In 1987, the Razon Group and the Soriano Group incorporated ICTSI, initially to bid for the Manila International Container Terminal (MICT) in the Philippines. After winning the MICT contract in 1988, Mr. Razon spearheaded the MICT's development program. The MICT today is the country's premier international gateway. ICTSI also operates nine other ports and terminals in the Philippines.

After consolidating and strengthening its base and flagship operation at the MICT, ICTSI launched an international and domestic expansion program in 1994. Today, the Company is recognized as a world-leading operator, innovator, and pioneer in the field of port management, operating 34 ports and terminals in 20 countries.

Mr. Razon sits on the board of most ICTSI subsidiaries worldwide and of several leading foreign and Philippine corporations. Mr. Razon also chairs the ICTSI Foundation, Inc., which oversees and implements the corporate social responsibility advocacies of ICTSI and its subsidiaries ("ICTSI Group"). He is also chairman of Pilipinas Golf Tournaments, Inc., which stages the Philippine Golf Tour, Southeast Asia's largest professional golfing circuit.

Mr. Razon's other investments are in power, mining, water, oil and gas exploration, and leisure facilities. Mr. Razon is a member of the Management Association of the Philippines, the US Philippines Society, ASEAN Business Club, and Philippines, Inc.

The De La Salle University in the Philippines has conferred on Mr. Razon the degree of Doctor of Science in Logistics *honoris causa*.

### Succession Planning and Retirement

In accordance with the Manual on Corporate Governance, part of the Board's responsibility is to ensure that the Company has an effective succession planning program and retirement policy for the Directors and Key Officers to ensure growth and continued increase in stockholders' value. These programs and policies are regularly reviewed by the Audit Committee and the ICTSI Audit & Compliance Group.

### Board and Executive Remuneration

ICTSI has established a formal and transparent procedure for developing a policy on Board and Executive remuneration for purposes of fixing the remuneration packages of the individual Directors and Executive Officers. Remuneration packages may include share schemes, incentive performance packages, fringe benefits and any other items considered appropriate by the Committee. In developing such policy, a Director does not participate in discussions or deliberations involving such Director's own remuneration.

Named Executive Officers are covered by Letters of Appointment with the Company stating their respective terms of employment. There are no existing compensatory plans or arrangements, including payments to be received from ICTSI by any named Executive Officer from a change-in-control in the Company, except for the automatic vesting of awarded shares under the Company's Stock Incentive Plan.

### Nomination and Election Policy

ICTSI's Nomination Sub-Committee reviews and evaluates the qualifications of all individuals nominated to its Board of Directors and other appointments that require Board approval. The Committee has the following functions that focus in determining the qualifications of the Board of Directors being nominated and elected:

- Recommend the appropriate size and composition of the Board, the number of independent directors and the committee structure;
- Undertake the process of identifying the quality of the Directors aligned with ICTSI's strategic direction;

**Table 4 Executive Compensation**

NAME AND PRINCIPAL POSITION	YEAR	SALARY	BONUS AND OTHERS <sup>2</sup>	TOTAL <sup>3</sup>
<b>Enrique K. Razon, Jr.</b> <i>Chairman of the Board and President</i>				
<b>Christian R. Gonzalez<sup>4</sup></b> <i>Executive Vice President &amp; Chief Risk Officer</i>				
<b>Rafael D. Consing, Jr.</b> <i>Senior Vice-President, Chief Financial Officer and Compliance Officer</i>				
<b>Jose Joel M. Sebastian<sup>5</sup></b> <i>Senior Vice-President, Finance</i>				
<b>Sandy A. Alipio<sup>6</sup></b> <i>Vice-President, Global Financial Controller</i>				
<b>Gigi I luminada T. Miguel</b> <i>Vice-President and Treasurer<sup>7</sup></i>				
<b>Benjamin M. Gorospe III</b> <i>Assistant Corporate Secretary</i>				
Chairman of the Board and President and four (4) highest paid executive officers, as a group	<b>2022 (Estimate)</b>	<b>US\$0.4M</b>	<b>US\$3.3M</b>	<b>US\$3.7M</b>
	<b>2021 (Actual)</b>	<b>0.4M</b>	<b>2.5M</b>	<b>2.9M</b>
	<b>2020 (Actual)</b>	<b>0.4M</b>	<b>2.2M</b>	<b>2.6M</b>
All officers and Directors, as a group, Unnamed <sup>1</sup>	<b>2022 (Estimate)</b>	<b>1.4M</b>	<b>13.1M</b>	<b>14.5M</b>
	<b>2021 (Actual)</b>	<b>1.4M</b>	<b>8.9M</b>	<b>10.3M</b>
	<b>2020 (Actual)</b>	<b>1.6M</b>	<b>8.4M</b>	<b>10.0M</b>

<sup>1</sup>Including four (4) highest paid executive officers.

<sup>2</sup>Mainly includes non-cash compensation based on Stock Incentive Plan paid out of the allocated Treasury Shares of ICTSI.

<sup>3</sup>Includes total compensation paid in the Philippines by the registrant and its subsidiaries.

<sup>4</sup>Promoted as Executive Vice President of ICTSI effective March 20, 2020.

<sup>5</sup>Retired effective October 1, 2020.

<sup>6</sup>Appointed to the new position effective October 1, 2020.

<sup>7</sup>Resigned effective September 15, 2021.

- Assess that Directors have the appropriate mix of competencies to enable the Board to discharge its responsibilities effectively;
- Develop board succession plans so that an appropriate balance of skills, experience, expertise, and diversity is maintained;
- Oversee due diligence as to candidates for nomination or re-nomination as Board members;
- Recommend to the Board relating to the appointment, re-election and retirement of Directors;
- Recommend candidates for new directors who have the appropriate range of skills, experience and expertise that will best complement the other members of the Board; and
- Recommend to the Board definitions of "independence" and "conflicts of interest" for Board members, as well as guidance on time commitments and other directorships.

In searching for candidates for new Directors, the Company uses professional search firms or other external sources of candidates.

The aggregate compensation paid to the Chairman of the Board and President, and four (4) highest paid executive officers named below, as a group, for 2021 amounted to US\$3.0 million (2020: US\$2.6 million). The estimated amount of compensation expected to be paid in 2022 to the Chairman of the Board and President and four (4) highest paid executive officers as a group, amounted to US\$3.8 million.

#### Sec. 10, Article I of ICTSI By-Laws:

"All nominations for directors to be elected by the stockholders of the corporation shall be submitted in writing to the corporate secretary of the corporation at the principal office of the corporation not earlier than forty (40) days not later than twenty (20) days prior to the date of the regular or special meeting of the stockholders for the election of directors. Nominations which are not submitted within such nomination period shall be valid. Only stockholder of record entitled to notice of and to vote at the regular or special meeting of stockholders for the election of directors shall be qualified to be nominated and elected a director of the corporation."

For 2021, the members of the Board of Directors each received as Directors' Fees a total compensation equivalent to a certain percentage of the profits obtained during the year after deducting therefrom general expenses, remuneration to officers and employees, depreciation to buildings, machineries, transportation units, furniture and other properties. This is in accordance with the Company's By-Laws. There are no material terms of any other arrangements or contracts where any Director of ICTSI was compensated or is to be compensated, directly or indirectly, in 2020 and 2021 for any service provided as a Director.

### Related Party Transaction Policy

In accordance with the revised Philippine Securities and Exchange Commission Code of Corporate Governance, the Board of Directors, together with the Related Party Transaction Committee, exercise the function of formulating and implementing policies and procedures that would ensure the integrity and transparency of related party transactions (RPTs).

In compliance with SEC Memorandum Circular No. 10-2019, the Company submitted its Related Party Transaction (RPT) Policy to the Philippine Securities and Exchange Commission on October 23, 2019. A copy of the RPT Policy is also made available in the ICTSI website: <https://www.ictsi.com/governance/policies>. The Committee approves RPT only on the affirmative vote of the majority of its members at a meeting, or, to the extent allowed by law, by unanimous written consent of the members.

The Company discloses all transactions with related parties in its Annual Reports and complies with the rules on Material Related Party Transactions set forth in the above memorandum circular. For 2021, the RPTs do not meet the threshold for Material Related Party Transaction (MRPT).

All RPTs entered into by the Company are done in "fair and at arm's length" basis and to the best interest of the Company and its stockholders.

### Board Oversight

#### Performance Management Framework

The Manual on Corporate Governance mandates that the Board shall select and appoint the President, Chief Finance Officer, and other senior officers of ICTSI, such as the heads of the other control functions, namely, the Compliance Officer, Chief Risk Officer, and Chief Audit Executive. The Board further ensures that performances of Management and those of the ICTSI personnel are at par with the standards set by the Board.

The ICTSI Group Management team, including its corporate officers in its Regional Operating Headquarters, is comprised of the following officers.

For a thorough and effective assessment, the Board has established a Performance Management Framework for assessing the performance of the Management and its personnel.

The Performance Management Framework mandates annual assessment by the ICTSI Group's Senior Key Officers of the performance of the Company and its individual employees to determine the incentives for its officers and employees.

#### Oversight Responsibility on Internal Control

The control environment of ICTSI consists of:

- a. The Board, which ensures that ICTSI is properly and effectively managed and supervised;
- b. The Management, which actively manages and operates ICTSI in a sound and prudent manner;
- c. The organizational and procedural controls supported by effective management information and risk management reporting systems; and
- d. An independent audit mechanism to monitor the adequacy and effectiveness of ICTSI's governance, operations, and information systems.

The internal control mechanism for the Board's oversight responsibility include:

- a. Defining the duties and responsibilities of the President ;
- b. Selecting or approving an individual with appropriate competence , vision , integrity and experience to fill the President's role ;
- c. Reviewing proposed senior management appointments ;
- d. Ensuring that the selection , appointment and retention of qualified and competent management and officers holding control functions ; and
- e. Reviewing ICTSI's personnel and human resource policies and its sufficiency , conflict of interest situations , changes to the compensation plan for employees and officers and management succession plans .

The Company's Internal Audit Charter sets the framework within which the Audit & Compliance Group in achieving its objectives. The charter is reviewed and updated at least once every three (3) years or as often as necessary. The latest revision was approved by the Board and the Audit Committee on November 3, 2020.

**Table 5 Global Corporate Management**



#### Oversight Responsibility on Enterprise Risk Management

The Board of Directors is committed to establishing an organization that ensures Enterprise Risk Management (ERM) as an integral part of all its activities and a core capability. The senior management of ICTSI fully supports the implementation of ERM Policy as approved by the Board and is responsible for the development of ERM processes and the implementation of risk reduction strategies.

ICTSI established the ERM Committee consisting of the Chief Risk Officer, who is also the Committee Chairman, and members of the senior management; and provided for the responsibilities of the ERM Committee. In addition, there is the Board Risk Oversight Committee (BROC) primarily overseeing the overall risk management activities of ICTSI.

ICTSI has a formal ERM Policy that was approved and released in May 2016. Further revisions were made in May 2018, May 2019 and in May 2020 and accordingly approved by the BROC. In 2021, the ERM policy is reviewed regularly or as often as necessary.

#### Board Charter

The ICTSI Board of Directors strictly abides by and adheres to its Board Charter wherein its roles, responsibilities and accountabilities in carrying out its fiduciary roles are clearly set forth.

The Manual of Corporate Governance serves as ICTSI's Board Charter and is made publicly available through the ICTSI website: <https://www.ictsi.com/governance>.

#### Insider Trading Policy

ICTSI complies with laws, rules and regulations on Insider Trading. In particular, ICTSI's policy is to ensure that directors, officers and employees of the Company who are aware of any material, non-public information concerning the Company or a third party with whom the Company does business, shall not engage in any transaction in the Company's or such third party's securities through observance of a Blackout Period, which commences from the date when the material non-public information is obtained or is known and up to two full trading days after the price sensitive information is disclosed.

Effective July 1, 2021, Mr. Sandy A. Alipio was promoted as Senior Vice President, Global Financial Controller, and Mr. Emilio Manuel V. Pascua as Vice President, Global Mergers and Acquisitions. On September 15, 2021, Mr. Arnie D. Tablante was elected as the Company's Treasurer to serve the unexpired term of Ms. Gigi Iluminada T. Miguel who resigned effective on the day of the election of the new Treasurer.

## Board Committees

In accordance with the ICTSI Manual on Corporate Governance and as a Governance Support Structure, the Board of Directors has established Board Committees to respectively focus on certain functions of the Board. This Governance Support Structure ensures effective and optimal performance by the Board, particularly, in the areas of audit, risk management, related party transactions and other key corporate governance concerns.

Each Board Committee has adopted a Committee Charter which lays down the committee purpose, composition, functions, and processes. These Charters are made available in the Company website.

### Audit Committee

**Chairman:** **Carlos C. Ejercito**  
*(Independent Director)*  
**Member:** **Cesar A. Buenaventura**  
*(Independent Director)*  
**Member:** **Stephen A. Paradies**

The Audit Committee is responsible for assisting the Board in fulfilling its oversight responsibilities to ICTSI's stakeholders relating to the Company's financial statements and financial reporting process, governance, and internal control systems, the internal and external audit process, and the Company's process for monitoring compliance with contracts, laws and regulations and the ICTSI Code of Business Conduct.

The Audit Committee is composed of majority of Independent Directors who maintains independence from Management and the controlling stockholder. It is required to meet at least four (4) times in a calendar year. Further, the Chairman of the Audit Committee is not a Chairman of the Board or any other Board Committee.

### Corporate Governance Committee

**Chairman:** **Cesar A. Buenaventura**  
*(Independent Director)*  
**Member:** **Carlos C. Ejercito**  
*(Independent Director)*  
**Member:** **Chief Justice Diosdado M. Peralta**  
*(ret.) (Independent Director)*

The Corporate Governance Committee is responsible in ensuring that ICTSI fully complies with corporate governance principles and practices. The corporate governance framework is periodically reviewed by the Corporate Governance Committee to ensure that the framework remains appropriate in light of material changes in the Company's size, complexity and business strategy, as well as its business and regulatory environments. In measuring compliance with corporate governance, this Committee recommends and plans relevant continuing education and training programs for the members of the Board of Directors.

The Corporate Governance Committee is entirely composed of Independent Directors who meet at least twice a year to oversee the implementation of the corporate governance framework.

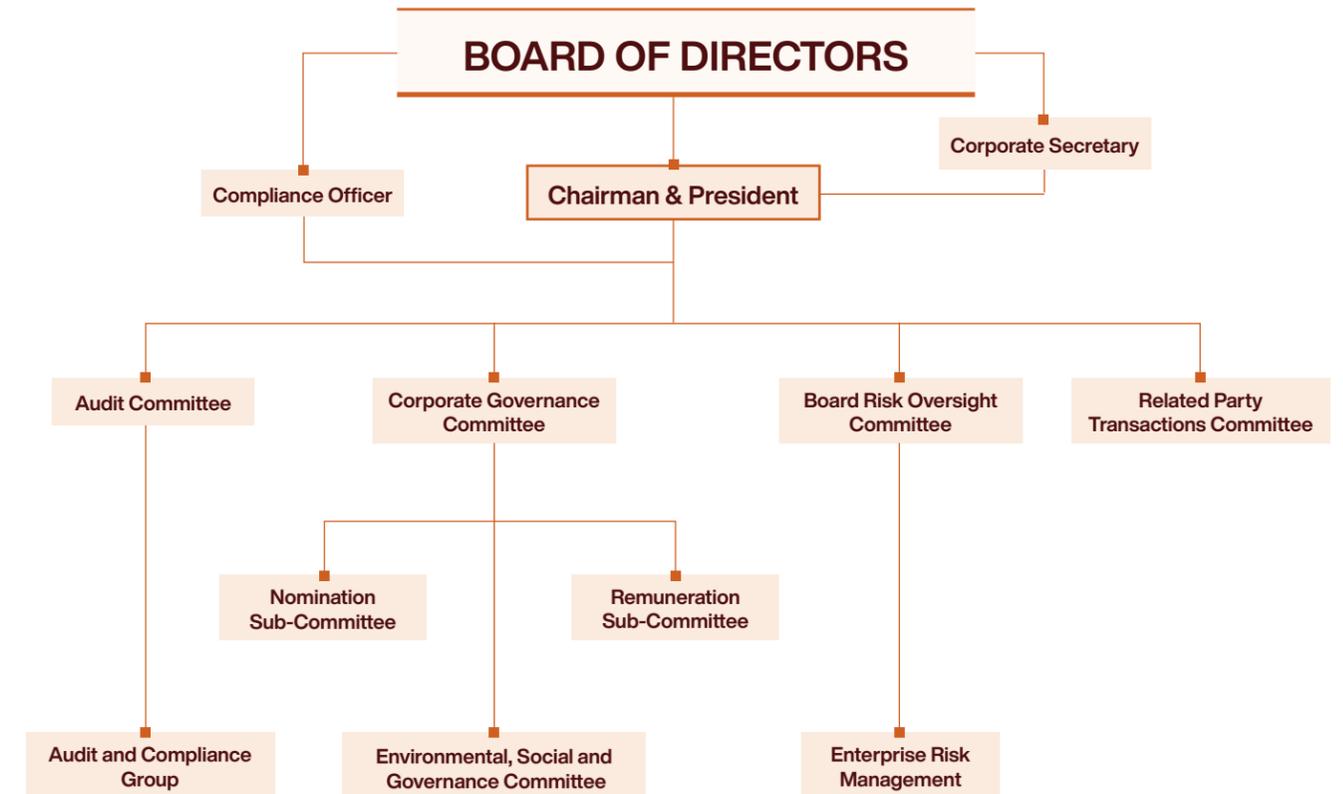
### Nomination Sub-Committee

**Chairman:** **Jose C. Ibazeta**  
**Member:** **Stephen A. Paradies**  
**Member:** **Carlos C. Ejercito**  
*(Independent Director)*

The Nomination Sub-Committee is responsible in reviewing and evaluating the qualifications of all persons nominated to the Board. It determines the nomination and election process and has the special duty of defining the general profile of members of the Board which the Company may need. The Nomination Sub-Committee ensures that appropriate knowledge, competencies and expertise of new Directors complement the existing skills of the Board.

This Sub-Committee is composed of two Non-Executive Directors and one Independent Director who meet at least twice a year to assess the Board and its Committees, as well as the Senior Management of the Company.

**Table 6** Governance Support Structure



**Table 7** Board Committee Membership

	Audit Committee	Corporate Governance Committee	Nomination Sub-Committee	Remuneration Sub-Committee	Environmental, Social and Governance Committee	Board Risk Oversight Committee	Related Party Transaction Committee
<b>Chief Justice Diosdado M. Peralta (ret.)</b>	-	M Independent	-	-	C Independent	M Independent	M Independent
<b>Cesar A. Buenaventura</b>	M Independent	C Independent	-	-	M Independent	M Independent	C Independent
<b>Carlos C. Ejercito</b>	C Independent	M Independent	M Independent	M Independent	-	M Independent	M Independent
<b>Jose C. Ibazeta</b>	-	-	C	-	-	-	-
<b>Stephen A. Paradies</b>	M	-	M	M	M	C	-
<b>Andres Soriano III</b>	-	-	-	C	-	-	-

### Remuneration Sub-Committee

Chairman: **Andres Soriano III**  
 Member: **Stephen A. Paradies**  
 Member: **Carlos C. Ejercito**  
*(Independent Director)*

The Remuneration Sub-Committee was organized to establish a formal and transparent procedure for developing a policy on remuneration of the Directors and Key Officers to ensure that their compensation is consistent with the Company's culture, strategy and the business environment in which it operates.

This Sub-Committee is composed of two Non-Executive Directors and one Independent Director who meet at least twice a year to ensure that the remuneration levels are competitively set to attract and retain the most qualified and experienced executives.

### Environment, Social and Governance (ESG) Sub-Committee

Chairman: **Chief Justice Diosdado M. Peralta**  
*(ret.) (Independent Director)*  
 Member: **Stephen A. Paradies**  
 Member: **Cesar A. Buenaventura**  
*(Independent Director)*

In line with its Purpose "to make ports around the world a driver for positive and sustainable growth," the Company established in 2020 an Environment, 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.

The ESG Sub-Committee adopted its Charter in 2021. A copy of the Charter is available at the Company Website and can be directly accessed through this link: [https://cdnweb.ictsi.com/s3fs-public/inline-files/ictsi\\_esg-committee-charter\\_vfinal\\_0.pdf](https://cdnweb.ictsi.com/s3fs-public/inline-files/ictsi_esg-committee-charter_vfinal_0.pdf)

### Board Risk Oversight Committee

Chairman: **Stephen A. Paradies**  
 Member: **Carlos C. Ejercito**  
*(Independent Director)*  
 Member: **Cesar A. Buenaventura**  
*(Independent Director)*  
 Member: **Chief Justice Diosdado M. Peralta**  
*(ret.) (Independent Director)*

The Board Risk Oversight Committee (BROC) is responsible for the oversight of ICTSI's risk management framework, including key strategic and operational risks, as well as the adequacy and effectiveness of its risk management system. Risk appetite levels and risk tolerance limits are annually reviewed by the Committee based on changes and development in the business, regulatory framework, external economic and business environment and when major events occur that are considered to have significant impact on the Company. The Committee also provides oversight over Management's activities in overseeing credit, market, liquidity, operational, legal and other risk exposures of the Company.

The BROC is composed of majority of Independent Directors. In accordance with its Committee Charter, it meets at least once every quarter, or as required by its Chairperson, preferably in conjunction with regular Board meetings, to discuss the Company's prioritized and residual risk exposures based on periodic management reports and to assess how the concerned units or officers are addressing and managing these risks.

### Related Party Transaction Committee

Chairman: **Cesar A. Buenaventura**  
*(Independent Director)*  
 Member: **Carlos C. Ejercito**  
*(Independent Director)*  
 Member: **Chief Justice Diosdado M. Peralta**  
*(ret.) (Independent Director)*

The Related Party Transaction Committee (RPTC) is responsible in assisting the Board to ensure the integrity and transparency of related party transactions between and among ICTSI and its joint ventures, subsidiaries, associates, affiliates, major stockholders, officers and directors including their spouses, children and dependent siblings and parents, as well as interlocking director relationships by members of the Board to protect ICTSI's interest.

The RPTC ensures that appropriate disclosure is made, and/or information is provided to regulators and government authorities in connection with the Company's related party transactions exposures, and policies on conflicts of interest or potential conflicts of interest. Such transactions with related parties, including write-off of exposures, are subject to a periodic independent review or audit process.

The RPTC is composed of majority of Independent Directors, including the Committee Chairman who meet periodically to ensure that related party transactions are not undertaken on more favorable economic terms to such related parties than similar transactions with non-related parties of the Company, and to determine any potential reputational risk issues which may arise as a result of, or in connection with, the transactions.

**Table 8 2021 Board Committee Meetings**

BOARD COMMITTEE	DATE OF MEETINGS
<b>Audit Committee</b>	<ul style="list-style-type: none"> <li>March 2, 2021</li> <li>May 4, 2021</li> <li>August 3, 2021</li> <li>November 3, 2021</li> </ul>
<b>Corporate Governance Committee</b>	<ul style="list-style-type: none"> <li>March 5, 2021</li> <li>July 30, 2021</li> <li>September 15, 2021</li> <li>November 3, 2021</li> </ul>
<b>Nomination Sub-Committee</b>	<ul style="list-style-type: none"> <li>March 5, 2021</li> <li>July 30, 2021</li> <li>September 15, 2021</li> </ul>
<b>Remuneration Sub-Committee</b>	<ul style="list-style-type: none"> <li>December 21, 2021</li> </ul>
<b>Board Risk Oversight Committee</b>	<ul style="list-style-type: none"> <li>March 2, 2021</li> <li>May 4, 2021</li> <li>August 3, 2021</li> <li>November 3, 2021</li> </ul>
<b>Related Party Transaction Committee</b>	<ul style="list-style-type: none"> <li>March 2, 2021</li> <li>May 4, 2021</li> <li>August 3, 2021</li> <li>November 3, 2021</li> </ul>
<b>Environmental, Social and Governance (ESG) Sub-Committee</b>	<ul style="list-style-type: none"> <li>August 3, 2021</li> <li>November 3, 2021</li> </ul>

### Attendance and Participation

The Board ensures a minimum quorum of 2/3 for board decisions and the Directors are always enjoined to render active participation in each Board meeting. The agenda and materials are sent in advance to the members of the Board to ensure that the Board has

accurate and complete information which will enable the Directors to make appropriate and sound decisions. The Office of the Corporate Secretary provides the agenda and materials for a Board meeting at least five (5) workings days in advance.

Chief Justice Diosdado Peralta (ret.) is the new Chairman of the ESG Committee.

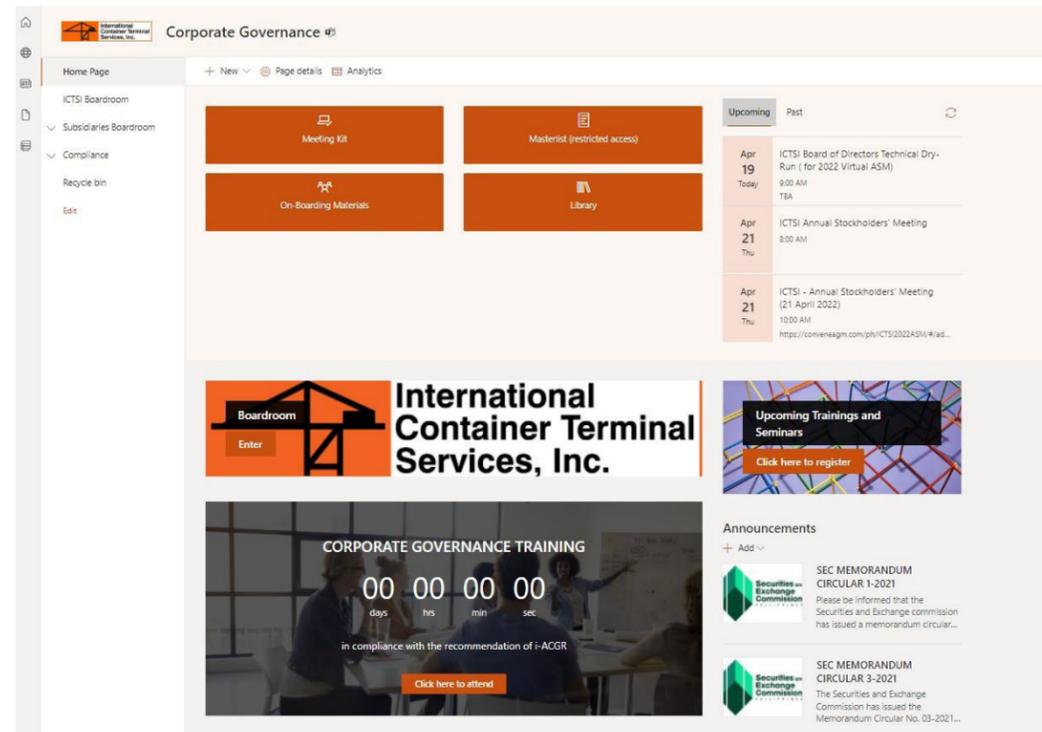
During his tenure as Associate Justice, the Supreme Court of the Philippines in 2008 promulgated its decision in MMDA v. Concerned residents of Manila Bay for 13 government agencies to ensure the clean up, rehabilitation, and preservation of the Manila Bay, and restore and maintain its water to class SB level, which means that water is suitable for recreational activities such as swimming and skin diving.

The Board of Directors hold regular meetings on every third week of each month, and special meetings as may be allowed by the Company's By-Laws. The regular meetings are scheduled before the start of the calendar year. The Regular Board Meetings for 2022 were scheduled and approved by the Board last December 21, 2021.

In compliance with Section 52 of Revised Corporation Code and SEC Memorandum Circular No. 06-2020, the Company has adopted a policy on the attendance and participation of Directors and stockholders in regular and special meetings through teleconferencing, videoconferencing and other remote or electronic means of communication. On June 18, 2020, the Company held its first virtual Annual Stockholders Meeting through <https://ictsi.com/2020asm>.

As part of digital solutions initiative and in compliance with Section 52 of the Revised Corporation Code and SEC Memorandum Circular No. 06-2020, the Company has developed an online platform, through Global Corporate Legal Affairs, called Corporate Governance Portal or "CG Portal", where the

Board can participate in virtual board meetings and exercise their rights to cast their votes via remote communication. Serving both as digital briefcase and virtual meeting room, the Members of the Board are also given quick access to the basic information of the Company, presentation materials and minutes of the meetings.



Each member of the Board gave notice of their respective intent to accept directorships in other companies for the year 2021 and early 2022. This is to ensure the capacity of each Director to diligently and efficiently perform duties and responsibilities.

**Table 10 Highlight of Transactions Approved by the Board of Directors in 2021**

- 1 Availment, amendment, and renewal of credit, risk and term loan facilities with various banks
- 2 Guarantees involving loan facilities of subsidiaries in various banks
- 3 Appointment of Attorneys-in-Fact for various transactions
- 4 Election of Chief Justice Diosdado M. Peralta (ret.) as new Independent Director to replace Mr. Joseph R. Higdon
- 5 Promotion of Sandy A. Alipio as Senior Vice President, Global Financial Controller Emilio Manuel V. Pascua as Vice President, Global Merger and Acquisitions.
- 6 Election of Mr. Arnie D. Tablante as new Treasurer to replace Ms. Gigi Iluminada T. Miguel
- 7 Approval of the 2021 Governance Support Structure
- 8 Awarding of shares under Stock Incentive Plan
- 9 Declaration of regular and special cash dividends
- 10 Plans to use the dividends received from the Company's foreign subsidiaries to fund the Company's working capital requirements, and dividend distributions, among others
- 11 Signing of Share Purchase Agreement with Prime Strategic Holdings, Inc. (PSHI) to acquire 100% of the shares of Manila Harbour Center Port Services, Inc. (MHCPSTI)
- 12 Transfer of Issuer's shares by IWI Container Terminal Holdings, Inc.
- 13 Tender Offer Relating to Senior Guaranteed Perpetual Securities of Royal Capital B.V. and Guarantee of New Senior Notes
- 14 Terms and Conditions of New Senior Notes of ICTSI Treasury B.V
- 15 Setting of 2022 Board Meeting Schedules
- 16 Intercompany loans

**Table 9 2021 Board Meetings Attendance**

BOARD COMMITTEE	DAYS PRESENT/ TOTAL NO. OF MEETINGS HELD*	NO. OF MEETINGS ATTENDED	% OF ATTENDANCE
<b>Enrique K. Razon, Jr.</b>	24	24	100%
<b>Cesar A. Buenaventura</b>	24	23	95%
<b>Carlos C. Ejercito**</b>	19	18	95%
<b>Chief Justice Diosdado M. Peralta (ret.)***</b>	10	10	100%
<b>Jose C. Ibazeta</b>	24	23	95%
<b>Stephen A. Paradies</b>	24	23	95%
<b>Andres Soriano III</b>	24	22	92%

\*including Organizational Board Meeting

\*\* Elected on April 15, 2021

\*\*\*Elected on August 6, 2021

## Independence

### Independent Directors

As provided by law, the Independent Directors of the Company must constitute at least 20% of the membership of the Board, or two of the seven seats in the ICTSI Board. As a continuing effort to comply not only with the minimum requirements of law but also with the best practices in good corporate governance, the Board in 2019 increased the two seats for an Independent Director to three seats. Hence, the Company now has three Independent Directors.

Pursuant to SEC Memorandum Circular No. 4-2017, Independent Directors serve a maximum cumulative term of nine years and are barred from re-election but may continue to be qualified as a non-Independent Director. This term imposition is reckoned from 2012. In the instance that the Company wants to retain an Independent Director who has served the maximum term, the

Board must provide meritorious justifications and seek stockholders' approval during the Annual Stockholders' Meeting.

Hence, in the cases of Mr. Octavio V. Espiritu and Mr. Joseph R. Higdon who reached their 9-year limit in 2021, they were not nominated for re-election as Independent Directors in observance of the SEC's prescription for term limit.

The current set of Independent Directors are then the following:

- Mr. Cesar A. Buenaventura, elected on April 15, 2021;
- Mr. Carlos C. Ejercito, elected on April 15, 2021; and
- Chief Justice Diosdado M. Peralta (ret.), elected on August 6, 2021.

Each Independent Director is independent of Management and free from any business or other relationship which could reasonably be perceived to materially interfere with his/her exercise of independent judgment in carrying out the responsibilities as a Director.

ICTSI has no By-Laws provisions, stockholder agreements, or other arrangements that will constrain the Independent Directors' ability to vote independently.

#### Chairman and President

Mr. Enrique K. Razon Jr. is the Company's Chairman of the Board and President.

The Company finds it practicable and more efficient to unify the positions of the Chairman of the Board and the President considering the nature of its business. Pursuant to ICTSI's Manual on Corporate Governance, given that these positions are unified, the proper checks and balances are put in place and the respective duties and responsibilities of the Chairman and the President are clearly defined to ensure that the Board of Directors gets the benefit of independent views and perspective.

Also, the Non-Executive Directors conduct separate periodic meetings without the presence of any Executive to evaluate the performance of the Board and the Management and may call on the external auditor and/or heads of internal audit, compliance and risk as resource persons.

### Assessment System

To determine and measure compliance by the Board with the Manual on Corporate Governance, the Board adopted in 2018 an Annual Board and Management Assessment System to ensure effectiveness and identify the areas of improvement of governance practices.

The Assessment is done annually and, following the recommendations both under the SEC Code of Corporate Governance for Publicly Listed Companies and the ASEAN Corporate Governance Scorecard, 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, the Company engaged the services of the Good Governance Advocates and Practitioners of the Philippines, Inc. ("GGAPP") to facilitate the evaluation.

Results of the 2019 Board and Management Assessment. The evaluation conducted by GGAPP was presented by the Company's Global Corporate Legal Affairs ("GCLA") to the Board of Directors, Chief Risk Officer, Compliance Officer, and Head of Internal Audit. GCLA also discussed the recommendations by the external facilitator and actions to be taken by the Board, Committee Members and Key Officers to address the issues raised in the evaluation.

A Stockholders' Feedback mechanism is also included in the Assessment System. Comments and concerns on Board performance are collected during the Annual Stockholders Meeting.

A copy of the Certificate of Third Party Board Evaluation issued by GGAPP is available in the Company Website under its Reports and Compliance of the Governance section.

Further improvements in the Assessment System were introduced in 2021 to enhance the scope and method. The latest Assessment includes a Board Self-Assessment as well as Assessment of the Management as led by the President and the Chief Risk Officer, Compliance Officer, and Head of Internal Audit. A Stockholders' Feedback mechanism is also included, which provides for collection of comments and concerns on Board performance especially during the Annual Stockholders Meeting.

- Annual Board and Management Assessment System
- A. Board Appraisal
    1. Collective Board Assessment
    2. Board Committee Assessment
    3. Individual Director Assessment
  - B. Assessment of Management
  - C. Stockholders' Feedback

GCLA has rolled out the 2021 Board and Management Assessment for completion during the first quarter of 2022.

### Code of Business Conduct

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 with or acting with, for or on behalf of ICTSI. This shall provide guidance to all ICTSI employees, suppliers, vendors and third parties acting on its behalf. This policy sets out procedures specifically targeted at addressing corruption risks. Through this policy, ICTSI is able to embed the culture of anti-corruption practices to its personnel, as evident in its intensified campaigns done during the New Employee orientation programs, and through refresher courses during employee engagement programs and fora. ICTSI is in the process of further re-strengthening this policy by providing for more stringent penalties in case of violation. Employees are constantly reminded on the importance of ICTSI's anti-bribery and anti-corruption obligations by reminding them that the policy sets out operating procedures specifically targeted at combating corruption risks to ensure that ICTSI operates in accordance with applicable regulations.

ICTSI holds itself to the highest ethical standards, and is committed to acting with integrity in its business dealings and relationships, both locally and internationally. ICTSI complies with the relevant anti-corruption legislations in all the countries where it has a presence, such as the US Foreign Corrupt Practices Act and the UK Bribery Act. Local business customs and/or culture shall never be a valid reason for engaging in bribery and other corrupt practices. 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 forms of extortion

To promote anti-corruption and transparency in dealings with suppliers, ICTSI uses an e-sourcing system as a medium to send requests for quotations and for suppliers to submit their quotations accordingly. This means that suppliers shall send quotes through this system instead of via e-mail, fax, hard copy, phone call, etc. This provides a more systematic process of submitting quotations for a single requirement and promotes transparency and fairness amongst vendors.





# Disclosure and Transparency

The Board establishes corporate disclosure policies and procedures to ensure a comprehensive, accurate, reliable and timely report to all stockholders and other stakeholders on ICTSI's financial condition, results and business operations.

ICTSI's disclosures are posted and are made available on the respective websites of the Company, the Philippine Stock Exchange (PSE) and the Philippine Securities and Exchange Commission.

## Corporate Disclosure Policies

ICTSI believes that the essence of corporate governance is transparency. The Company ensures that its internal workings are transparent as assurance to all stakeholders that the Management is leading the Company and appropriating its assets properly and effectively.

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 (under Investor Relations/Disclosures section) all information disclosed to the PSE and the SEC.

Further, ICTSI requires all dealings of all Directors, Key Officers and controlling stockholders in the Company's shares to be disclosed to the PSE and the SEC within three (3) trading days from the date of transaction. The transactions include any acquisition, disposal or change in shareholdings.

## Annual and Quarterly Reports

ICTSI's Annual and Quarterly Consolidated Reports, cash flow statements, and special audit revisions are made available through the Company's website 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.

**Table 11** 2021 Annual Reports and Quarterly Consolidated Reports

REPORT	DISCLOSED AND PUBLISHED DATES	DAYS FROM THE END OF REPORTING PERIOD
2020 Annual Report and Audited FS	March 4, 2021	63
1Q 2021 (For quarter period ended Mar 31, 2021)	May 6, 2021	36
2Q 2021 (For quarter period ended June 30, 2021)	August 5, 2021	36
3Q 2021 (For quarter period ended Sept 30, 2021)	November 4, 2021	35
2021 Annual Report and Audited FS	March 3, 2022	62

## Dealings in Company Shares

Directors, Officers, and controlling stockholders are required to report their dealings in Company shares within three (3) business days from the date of the ICTSI share-related transactions. ICTSI discloses to the PSE and SEC the ownership (direct and indirect) and any acquisition or disposal of ICTSI securities by ICTSI Directors, Officers and controlling stockholders pursuant to the PSE Revised

Disclosures and the Securities Regulations Code. ICTSI Directors and Key Officers are likewise prohibited from buying or selling ICTSI securities during the period within which material non-public information is known or obtained and up to two (2) full trading days after the price sensitive information is disclosed. The Company also discloses purchases of its shares from the market within the same day or before the start of the next trading day.

### Conflict of Interest

ICTSI has implemented a Conflict of Interest Policy to guide all ICTSI Group personnel to conduct business in a manner where undue personal or financial interests do not influence their business judgment and decision making. The Policy defines a Conflict of Interest situation and requires all personnel to read, understand, and comply with the Policy. The Policy details how to disclose a Conflict of Interest and how to appropriately address such situations.

ICTSI Group personnel are also required to fill out a Conflict of Interest Disclosure Form and an Undertaking prior to their assumption of their roles.

Corporate Disclosures provide transparency to actual, potential, or perceived Conflict of Interest risks to the ICTSI Group. ICTSI discloses all relevant and material information on individual board members and key executives to evaluate their experience and qualifications, and assesses any potential conflicts of interest that might affect their judgment (i.e. academic qualifications, share ownership in the Company, membership in other boards, other executive positions, professional experiences, expertise and relevant trainings attended).

Violations and breaches of this Policy shall not be tolerated and may lead to disciplinary and other actions up to, and including, termination of employment.

The ICTSI Global Corporate Human Resources is responsible for ensuring Conflict of Interest Disclosure Forms and Undertakings are completed by new hires prior to the start of their employment. Employees are likewise required to disclose any potential Conflict of Interest that may arise during his/her employment with the Company.

### Policies for Board and Executive Remuneration

The Board and Executive Remuneration Policy aims to ensure that ICTSI can attract, retain, incentivize and motivate key executives across the globe by providing clear and guiding principles that will safeguard fair, competitive and transparent pay for the markets in which ICTSI operates. To achieve its business objectives, ICTSI offers competitive base pay, broad use of equity with a competitive vesting schedule, innovative cash incentive plans and executive benefit plans reviewed and approved by the Remuneration Committee.

The Remuneration Committee, supported by the Global Corporate Human Resources and independent external adviser as may be required, adopts an integrated and stakeholder-inclusive approach to rewards, remuneration and governance in the best interest of the Company, taking into account its Purpose and Values.

During the Regular Board Meeting held on December 21, 2021, the Board aligned the remuneration of Directors and Key Officers with the long-term interests of the Company. In determining the proper compensation, the Board ensured that (i) the level of remuneration is commensurate to the responsibilities of the role, (ii) no Director participated in the deliberation involving his own remuneration, and (iii) the remuneration pay-out schedules is sensitive to the overall risk profile of the Company. For those with control functions, their remuneration was based principally on the achievement of their objectives and independent of any business line they oversee.

### Related Party Transactions

Under the Rules on Material Related Party Transactions for Publicly Listed Companies (PLCs) as embodied in Memorandum Circular No. 10-2019 of the Philippine Securities and Exchange Commission (SEC), Related Party Transactions (RPTs) amounting to ten percent (10%) or higher of a company's total assets are considered as MRPT and must be reported to the SEC through an Advisement Report within three (3) calendar days after the execution date of the transaction.

All RPTs entered into by the Company are done on a "fair and at arm's length" basis and to the best interest of the Company and its stockholders. The RPTs do not meet the threshold for Material Related Party Transaction (MRPT).

For the year 2021, the Company did not enter into any MRPT. Hence, no MRPT was reviewed and approved by the Related Party Transaction Committee.

The Company requires all the members of the Board of Directors to disclose any interest in RPTs or any other conflict of interests. Section 2.7. of the CG Manual provides that a director's office is one of trust and confidence and one of its duties responsibilities is to conduct fair business transactions with ICTSI and ensure that personal interest does not bias Board decisions or does not conflict with ICTSI's interest.

### Disposal and Acquisition of Assets

All material information, i.e. anything that could potentially affect share price, and which could adversely affect its viability or the interest of its stockholders and other stakeholders are publicly and timely disclosed in the manner provided by law. Such information would include earnings results, acquisition or disposal of major asset, board changes, related party transactions, shareholdings of directors and changes to ownership. Other information that should be disclosed includes remuneration of all Directors and Key Officers as provided in applicable disclosure rules, corporate strategy, and off-balance sheet transactions.

All disclosed pieces of information are released via the approved stock exchange procedure for company announcements or through the annual report and other structured or unstructured reports provided by law.

In case of acquisition or disposal of assets, the Board of Directors appoints an independent party to evaluate the fairness of the transaction price may vary per transaction.

Disclosures on shareholder agreements, voting trust agreements, confidentiality agreements and such other agreements that may impact on the control, ownership, and strategic direction of the Company may be found in the Company's website (<https://www.ictsi.com/investors/reports-and-presentations/disclosures>).

### Manual on Corporate Governance

ICTSI adopted a Manual on Corporate Governance ("Manual") to serve as the framework of rules, systems and processes

that governs the performance of the Board of Directors and Management.

Following its adoption in 2013 and subsequent revision and submission to the Philippine government through the Securities and Exchange Commission (SEC) in 2017, the Manual outlines the duties and responsibilities of the Board in overseeing the interests of all stockholders. ICTSI continues to uphold such principles and policies and employs them as guidance towards efficient and right decision-making. The most recent updates and revisions on the Manual were made on May 16, 2017 and duly submitted to the Philippine Securities and Exchange Commission and the Philippine Stock Exchange.

The Manual serves as a guide for ICTSI, its Board of Directors, officers and employees to enhance ICTSI's value and optimize, over time, the returns to its stockholders by:

- a. Sound, prudent, and effective management;
- b. Implementing efficient and effective management information systems;
- c. Effective risk management;
- d. Preparing reliable financial and operational information;
- e. Cost effective and profitable business operations; and
- f. Compliance with laws, rules, regulations and contracts.

### External Audit

The Audit Committee makes recommendations to the Board of Directors concerning the

The principal external auditors of ICTSI is the firm **Sycip Gorres Velayo & Co. (SGV)**. ICTSI has engaged **Mr. Roel E. Lucas**, partner of SGV, for the audit of the ICTSI's books and accounts in 2021. Out of 2,139,444,312 represented shares recorded during the Annual Meeting, 2,125,135,818 shares were casted in favor of the reappointment of external auditors.

FEES	DESCRIPTION	AMOUNT*
Audit Fees	These include the audit of the ICTSI Group's annual financial statements.	<b>USD 1,469.3</b>
Audit-Related Fees	These include the review of interim financial statements and issuance of comfort letters for the capital market raising transactions of the Group.	<b>406.2</b>
Tax Fees	Tax fees paid to SGV & Co./Ernst & Young are for tax compliance, tax advisory services and transfer-pricing studies. Higher amount in 2019 was mainly due to increased number of engagements on tax advisory and on tax planning for the restructuring of the subsidiaries.	<b>238.9</b>
Other Fees	Other fees include due diligence services related to business development, sustainability reporting, studies and other various one-time engagements. Higher amount in 2019 was mainly due to the Group's initiatives to seek for new project opportunities	<b>87.7</b>

\*In thousands

#### Section 8.2, Manual on Corporate Governance:

#### Disclosure and Transparency

"All material information, i.e. anything that could potentially affect share price, and which could adversely affects its viability or the interest of its stockholders and other stakeholders should be publicly and timely disclosed in the manner provided by law. Such information would include earnings results, acquisition or disposal of major asset, board changes, related party transactions, shareholdings of directors and changes to ownership. Other information that should be disclosed includes remuneration of all directors and senior management as provided in applicable disclosure rules, corporate strategy, and off-balance sheet transactions. All disclosed information should be released via the approved stock exchange procedure for company announcements or through the annual report and other structured or unstructured reports provided by law"

The 2021 edition provides an even more comprehensive attestation of our long-term commitment to sustainability. In this report, ICTSI strengthens disclosures on ESG, in line with its responsibilities to identify, measure, and manage its impacts across areas of operations. Apart from a macro view of the Company's sustainability priorities, initiatives, and performance, this edition covers 30 currently operational ICTSI ports, out of our expanding roster of 34 terminals.

external auditors and pre-approves audit plans, scope and frequency before the conduct of the external audit. It also reviews the nature of the non-audit related services rendered by the external auditors and the appropriate fees paid for these services.

The Company has a policy of rotating the lead audit partner every five (5) years. Section 5.2.3 of the Company's CG Manual provides that the external auditor shall be rotated or the handling partner of the auditing firm handling the external audit shall be changed at least every five (5) years.

### Economic, Environmental, Social and Governance (EESG) Issues

ICTSI is committed to a principled Corporate Stewardship of its people, customers, corporate resources, and the environment. ICTSI is also committed to substantive development partnerships, where both communities and sectors are empowered. The long-term and overarching vision remains fixed: ensuring that the broadening impact of genuine Good Global

Citizenship is squarely apace with ICTSI's expanding corporate footprint.

Beginning with fiscal year 2017, ICTSI began documenting its sustainability journey with the launch of its Annual Sustainability Report. The initial report in 2017 focused on the flagship operations of Manila International Container Terminal and has further broadened its scope in 2018 and 2019 to cover the eight major terminals, and 24 terminals in 2020.

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. Hence, in its fifth edition for 2021, the report presents the Company's full-speed-ahead commitment. ICTSI is building on lessons learned and gains made in 2020, casting a much wider net and covered the 30 organic operational terminals in its global portfolio.

ICTSI continues to adopt the Global Reporting Initiative (GRI) Standards. Launched in 2017, it is

one of four globally accepted frameworks allowed by the Philippine Securities and Exchange Commission (SEC) for sustainability reporting, particularly by companies listed in the Philippine Stock Exchange. This report has been prepared in accordance with GRI Standards: Core option. Indicating data on the GRI Topic-Specific Standards and Topic-Specific Disclosures.

### Channels of Communication

ICTSI communicates to its stockholders through various methods for effective information dissemination and encourage engagement with the Company beyond the Annual Stockholders' Meeting. The Company implements various communication programs and optimizes media channels and platforms to achieve this purpose.

#### Company announcements

- Emails (such as Investor Relations email distribution list)
- Press and photo releases and/or media advisories
- Magazine publications
- Print and digital publications (such as Annual Reports, company newsletters, and websites)

- Quarterly Investors' Briefing
- Corporate disclosures with regulatory agencies

#### Meetings

- Face-to-face and virtual meetings with key investors and analysts
- Investment conferences (roadshow and the non-deal roadshows) arranged by banks / investment houses
- Site visits by stakeholders
- Meetings with the media (group of reporters in a beat or individually among journalists)

#### Website

- ICTSI's official website is [www.ictsi.com](http://www.ictsi.com). The Company website is utilized to provide information on ICTSI's corporate governance and all other important and relevant company matters, such as financial, operational and share information; downloadable annual reports, corporate documents and disclosures; notices, minutes and reference materials of the Company's major events; news and other reports. It also serves as a channel for stakeholders to voice their concerns and suggestions, or to submit complaints for possible violation of their rights and other grievances.

Further to the previous editions, we report the six major impact areas—Environment, Governance, Economy, Employees, Customers and Society. We likewise maintain the tracking of our Group's progress and contributions to the United Nations Sustainable Development Goals (UN SDGs).

We continue to review and realign our Sustainability Reporting Framework, taking into account emerging issues, interests of stakeholders, and our environmental, social, and governance materiality topics.

## ICTSI Sustainability Milestones





# Integrity in Management

ICTSI adheres to the principles of integrity, transparency and proper governance in the conduct of our Company affairs. In relation to this, the Company implements an efficient enterprise risk management framework and internal control system.

For 2018, the Board ratified and approved the actions of the Audit Committee and the Board Risk Oversight Committee regarding the adequacy of the Company's material controls and risk management system.

## Internal Control

Management has established a sound internal control system within ICTSI through directed leadership, shared values and a culture that emphasizes accountability for control. This enables ICTSI to effectively and efficiently develop systems of internal control that adapt to changing business and operating environments, mitigate risks to acceptable levels, and support sound decision making and governance of the organization.

ICTSI's internal control is effected by the board of directors, senior management, and all levels of personnel to provide reasonable assurance on the achievement of objectives through:

- efficient and effective operations
- reliable, complete and timely operational, financial and management information
- compliance to applicable laws and government regulations
- adoption of the organization's policies and procedures

Management ensures that all business units have in place adequate and effective internal controls for the conduct of their business taking into account their size, risk profile and complexity of operations.

The Audit & Compliance Group helps to monitor ICTSI's internal control systems by providing timely feedback and appropriate recommendations for the improvement of risk management, internal controls and governance processes.

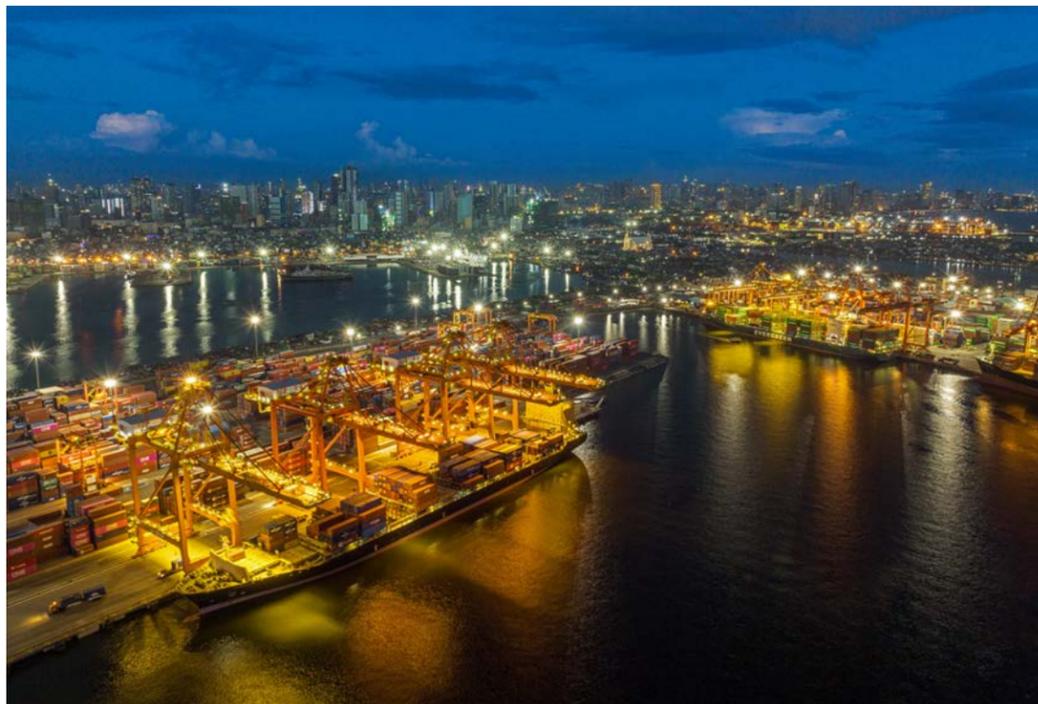
### Head of Internal Audit

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. Prior to this, she worked with the Financial Assurance Services of SyCip Gorres Velayo & Co. (a member firm of Ernst & Young Global Limited) for more than 12 years. She has extensive experience in auditing variety of clients ranging from local companies to major publicly listed companies and multinational conglomerates, with exposure to various industries including media and entertainment, real estate, construction, manufacturing, business process outsourcing, pharmaceuticals, and nonprofit organizations.

Ms. Castro is a Certified Internal Auditor and a Certified Public Accountant. She graduated from Saint Louis University, Baguio City, in 2001 with a degree in Bachelor of Science in Accountancy (Cum Laude).

As of March 1, 2022, 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.

Sycip Gorres Velayo & Co., ICTSI's independent auditors, have audited the consolidated financial statements for 2021 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.



## IT Governance and Cyber Resilience

ICTSI 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-attack. As such, the Company, through the Office of the Vice President – Global Chief Information Officer, takes a leading approach to its information and cyber security on multiple levels.

### Our People

In most organizations, the employees themselves present the highest cyber security risk not through malicious behavior but through targeted phishing and business email compromise attacks. Hence, ICTSI seeks to provide a cyber-safe environment through the following ways:

- Artificial Intelligence (AI) driven real-time end point protection on all company servers and end user computing devices;
- Multi-Factor Authentication required for all employees accessing ICTSI services;
- Quarterly cyber security awareness training mandated for all employees and with completion and success rate tracked;
- Internal phishing campaigns to assess awareness effectiveness; and
- Policies covering all aspects of information technology deployment and use within ICTSI including:

- Security Awareness Training Policy
- Workstation Policy
- Mobile Device Security Policy
- Acceptable Use Policy
- Email Protection Policy
- Password Policy
- Access Control Policy

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.

### Our Processes

Financial governance has been further strengthened in 2019 with the deployment of a digital sourcing and procure-to-pay platform. Using SAP Ariba, the Company is able to trace all stages of sourcing, purchasing, goods receipt and payment and ensure that our processes are also an integral part of our resilience to business email compromise and spear-phishing attacks.

### Our Information Technology Landscape

ICTSI has outsourced data center operations with stringent security services and service level agreements included, thereby, leveraging the scale of operations at a world class data center.

In addition, the Company has also taken best practice measures to manage the threat landscape including:

- Real-time vulnerability scanning across all networks and devices globally driving global, regional and local business unit vulnerability assessments and remediation support; and
- Global log collection across all devices feeding an outsourced 24/7 Security Operations Center and Security Incident and Event Management service, which real-time monitoring provides instant and early threat detection and response.

As a port operator, ICTSI is often identified as a provider of “National Critical Infrastructure.” In multiple cases, this has resulted in ICTSI being required to meet certain minimum standards. The Company has been able to meet or even exceed these requirements based on its own proactive and existing cyber security approach.

## Enterprise Risk Management

ICTSI and its subsidiaries’ geographically diverse operations expose the ICTSI Group to various business risks, particularly competition, commercial, economic, political and foreign exchange risks, which movements may materially impact the financial results of the Group. ICTSI established the Enterprise Risk Management (ERM) System to be readily responsive to the dynamic business environment in which we operate.

The ERM System helps identify and manage the ICTSI Group’s key risks in support of ICTSI’s Purpose to achieve its overall strategy and business objectives. Effective August 2018, ICTSI’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.

### Chief Risk Officer

The Chief Risk Officer (CRO) is the ultimate champion of ERM in ICTSI and reports directly to the President. The CRO has the following responsibilities:

- Approves the ERM Policy and related guidance.
- Approves ERM priorities, tolerance, measures, strategies and action plans.
- Supervises the entire risk management function and spearheads the development, implementation, maintenance and continuous improvement of ERM processes and tools.

- Ascertains the sufficiency and effectiveness of the components of the risk infrastructure that are in place for managing risk, which includes policies, processes, people, management reports, methodologies, systems and data.
- Communicates the top risks and the status of implementation of risk management strategies and action plans to the Board Risk Oversight Committee.
- Collaborates with the President in updating and making recommendations to the BROCC.
- Conducts targeted risk analysis outside routine risk management and reporting process as advised.
- Ensures that a sufficient resource of the organization is allocated in pursuing ERM initiatives, strategies and action plans.
- Reports to the BROCC on a regular basis about ERM.

Effective October 1, 2020, **Mr. Christian R.**

**Gonzalez** was appointed by the Board of Directors as CRO. Prior to his current role, he served as the Director General and Chief Executive Officer (CEO) of Madagascar International Container Terminal Services Ltd. (MICTSL), which operates the port in Toamasina, Madagascar, and thereafter, appointed as the Vice President and Head of Asia Pacific Region & Manila International Container Terminal. When he first joined the ICTSI Group in 1997, he worked in various Operations departments before he was appointed as the Assistant Manager for Special Projects of ICTSI Ltd. He was named Manila International Container Terminal (MICT) Operations Manager in 2003. In 2006, he was designated as the Chief Operating Officer and later CEO of MICTSL in 2009. In 2010, he was designated as a Director of Bloomberry Resorts and Hotels, Inc. and The Country Club. In 2012, he was appointed as the Head of ICTSI’s Business Development for Asia region. He was also appointed as the President of ICTSI Foundation, Inc. on April 15, 2016. He is currently the Chairman, President and Director of various ICTSI Subsidiaries.

Mr. Gonzalez is a graduate of Instituto de Estudios Superiores de la Empresa (IESE) Business School, the graduate school of management of the University of Navarra, in Barcelona, Spain, where he received his Bilingual Masters in Business Administration. He received his Bachelor’s Degree in Business Administration from Pepperdine University in California.

## The ERM Process

ICTSI is performing the ERM Process by following these key steps:

- Establish risk management context, goals and objectives and risk oversight structure
- Assess business risks
- Develop risk treatment strategies
- Develop and implement risk management action plans
- Monitor and report on the ERM Process
- Continuously improve the ERM Process

Semi-annually, the corporate functions, business development/regional offices and business units performs risk assessment based on the Key Business Risks as identified in ICTSI's risk profile applicable to each of the respective business functions and areas.

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 the Philippine and international financial markets.

## Risks Relating to the ICTSI Group's Business

The ICTSI Group' geographically diverse operations expose it to various risks which may materially impact its financial results. The importance of managing these risks has significantly increased in light of the heightened volatility in both the Philippine and international financial markets. With a view to managing these risks, the ICTSI Group has incorporated a financial risk management function in its organization, particularly in the Treasury operations.

### The ICTSI Group's business is highly dependent on regional and global economic trends.

The volume of containers the Company handles, and the usage of other port-related services are influenced by the performance and growth of regional and international trading economies. The Company has a substantial port operations business within the Philippines as well as an international portfolio of ports and terminals. Its core business consists of the management, operation and development of container terminals and the provision of cargo handling and other port-related services. Such services are required by the Company's

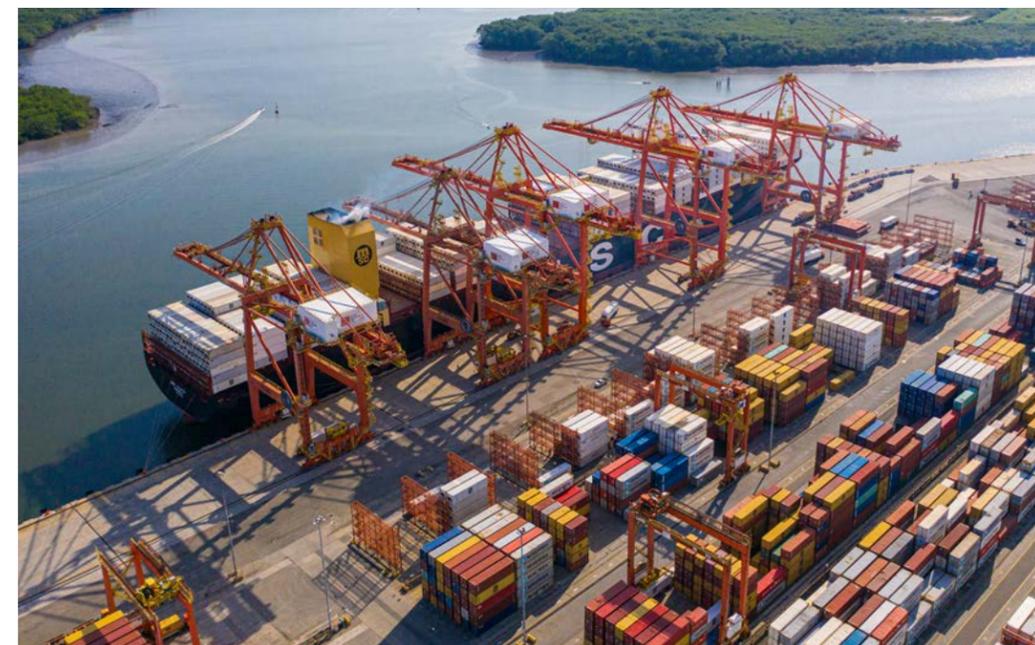
shipping line customers for the transportation of containerized goods by sea within the global and regional marketplace. As a result, there is a correlation between the condition of global and regional economies and the volume of container throughput the Company handles. Because the Company tends to operate small-to medium-sized end-destination terminals, the Company's results of operations are highly influenced by specific conditions in the local markets where it operates. Furthermore, the global markets have experienced, and may continue to experience, economic downturn and political instability in several areas of the world, which may result in increased fuel prices, lower trade volumes, interruptions of the continuity of operations, decreases in imports and exports or reduced trading partners, which may adversely affect the Group's business and results of operations.

### The ICTSI Group operates in a number of emerging markets that have experienced economic and political instability.

The ICTSI Group operates mainly in emerging markets, many of which have experienced political and economic instability in the past and may be continuing up to the present. Many of the countries where the ICTSI Group operates or may operate in the future continue to face significant budget deficits, limited foreign currency reserves, volatile exchange rates, and highly regulated and less sophisticated banking sectors. Furthermore, many of ICTSI's subsidiaries, including the Philippines, have experienced frequent changes in governments, political scandals, terrorist attacks and civil strife. There is no assurance that the future political environment in these countries will become stable or that current or future governments will be able to adopt economic policies that will sustain economic growth.

### The ICTSI Group is dependent on concessions and other key contracts to conduct its business.

The conduct of the ICTSI Group's business is restricted within the terms of the concession and other key contracts that put a limit to its operational and strategic options. ICTSI and subsidiaries usually only obtain the right, subject to certain conditions, to operate, manage and develop terminals for a set period of time. These contracts contain provisions that allow the relevant port authority to suspend, cancel or terminate the contract on specified grounds,



including noncompliance with the terms of the contract and, in certain instances, the occurrence of a "change in control" of ICTSI without the consent of the relevant port authority or if the relevant port authority determines that the public interest may be better served by the cancellation of the contract in accordance with its regulations. Hence, there can be no assurance that further challenges in the ICTSI Group's operations will not be raised or that its concessions will not be terminated for public policy reason. Also, these concessions and key contracts may limit the ability of the ICTSI Group to raise tariffs that it charges to customers.

### The ICTSI Group is limited in its ability to raise the tariffs billable to customers in most terminals.

The aforementioned contracts and agreements may prescribe maximum tariffs that the ICTSI Group can charge or bill shipping lines and customers and either prohibit any changes in those tariffs without prior approval of the relevant port authority or subject the tariffs to an automatic adjustment mechanism. At certain terminals, tariff increases have recently been implemented in phases causing timing differences when the Company petitioned for an increase and the actual increase in tariff. In countries in which tariffs are not prescribed, such as Poland, Brazil, Australia and DR Congo, the ICTSI Group is still limited in its ability to raise tariffs by market norms, competition and/or local demand.

### The ICTSI Group faces competition at its domestic and international terminals on factors such as location, facilities, supporting infrastructure, service and price.

Competition is heightened at domestic and international terminals on factors such as location, facilities, supporting infrastructure, service and price. The ICTSI Group's competitors may offer lower tariffs than what its own terminal offers in a certain location; or have greater financial resources with which to develop the ports that they operate to provide better access and improved facilities, structure and services. One of the strategies that the ICTSI Group employs is to acquire terminals in emerging markets, then improve operations and grow volume organically. If trading volume increase, competitors may begin to target these same markets. Increased competition from existing and future competitors may result in a reduction in the ICTSI Group's market share in locations where it operates, a decrease in volume of containers it handles, or increased price competition which could result in possible declines in the ICTSI Group's cash flows, operating margins and profitability.

**The ICTSI Group's failure to effectively manage its existing container terminal operations and growth as a result of rapid expansion and development may adversely impact the ICTSI Group's business.**

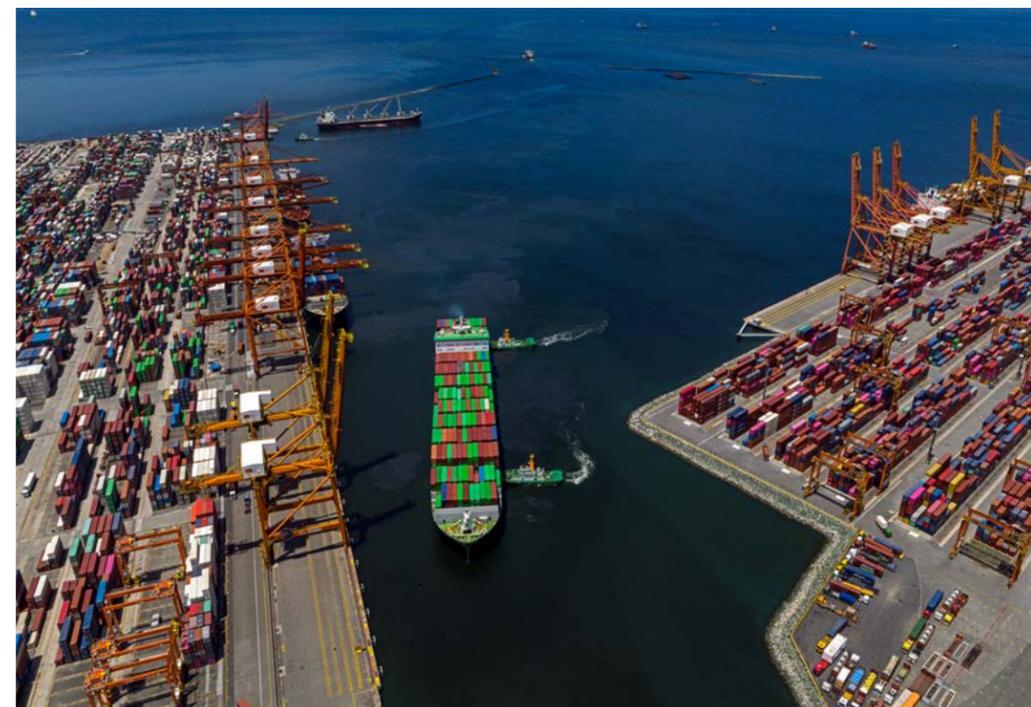
The ICTSI Group is rapidly expanding its container terminal operations, particularly those located overseas. This rapid expansion into new markets diminishes the ICTSI Group's management resources to effectively govern its existing container terminal operations and more ambitious growth. It has presented and will continue to present significant challenges for the ICTSI Group's management, operational and administrative systems and its ability to maintain effective systems of internal controls. The ICTSI Group may not successfully integrate new acquisitions to meet its efficiency and performance standards, nor keep existing facilities up to those same standards. The ICTSI Group needs to constantly develop and adjust management and administrative responsibilities to match market conditions and its growth and expansion strategies. The ICTSI Group's continued development into a global terminal operator requires it to identify new qualified personnel with widespread knowledge of its industry and the countries in which it operates. Failure to identify suitable personnel for these management and administrative positions may adversely affect the ICTSI Group's ability to manage its growth and continue to pursue its growth strategy and eventually impact its business, results of operations and financial condition.

**The ICTSI Group's results of operations and financial condition may be adversely affected by exchange rate fluctuations.**

Because of the geographic diversity of the ICTSI Group's business, it receives revenue and incurs expenses in a variety of currencies. Its revenues are primarily in U.S. dollars, Philippine pesos, Brazilian real, Mexican Pesos and Euros, while its expenses are generally in local currencies. The ICTSI Group attempts to operationally hedge its foreign exchange exposure by matching its revenues and expenses whenever possible and, from time to time, engages in hedging activities to mitigate residual foreign exchange cash flow exposures. ICTSI is subject to translation risks whereby changes in exchange rates impact its reported revenues in U.S. dollar terms. Because ICTSI reports its financial statements in U.S. dollars, increases in the value of the U.S. dollar against the currencies in which it receives revenues in its international operations, such as Philippine pesos, Brazilian real, Mexican Pesos and Euros, could restrict its revenue growth in U.S. dollar terms and vice versa. Continued fluctuations in the value of the U.S. dollar against its other subsidiaries' functional currencies could cause ICTSI's revenues to decrease in U.S. dollar terms and distort comparisons of its results of operations and financial condition across periods.

**The ICTSI Group's business has high dependence upon key personnel with special skills that are not readily available in the market.**

In order for the ICTSI Group to maintain its operating and performance standards, it highly leverages on the continued service of key personnel. The ICTSI Group has a relatively small management team which makes it more dependent on senior personnel than some of its larger competitors. With the rapid growth of the container terminal industry, competition for skilled senior employees becomes intense and there are limited numbers of qualified candidates. The ICTSI Group's business and results of operations may be adversely affected if any of the existing key personnel leaves their position and the ICTSI Group fails to find a similarly competent replacement.



**The ICTSI Group is subject to the risk of system failures and/or cyber-attacks.**

The ICTSI Group's business is highly reliant on complex information technology and automated systems to handle its terminal operations for high productivity and efficient handling of containers. Any systems failure and/or cyber-attacks may result in delayed or hindered terminal operations. These events may adversely affect the achievement of the ICTSI Group's planned business growth and results of operations.

**The Group's facilities could be exposed to unforeseen catastrophic events over which it has little or no control.**

The ICTSI Group's facilities could be exposed to effects of natural disasters and other potentially catastrophic events, such as major accidents, acts of God, terrorist attacks, armed conflicts and hostilities. To cite, the Philippines is vulnerable to typhoons, earthquakes and other major natural disasters, which could suspend MICT's operations temporarily or damage or destroy key equipment. Since operations at MICT have historically provided the majority of the ICTSI Group's revenues from port operations, occurrence of a catastrophic event affecting the Philippines could have a material adverse effect on the ICTSI Group's business, results of operations and financial condition. In addition, the COVID-19 pandemic in 2020 has caused toll on health, economic and social condition globally.

**The ICTSI Group is subject to regulations that govern operational, environmental and safety standards.**

Lastly, the ICTSI Group's terminal services are conducted under licenses, concessions, permits or certificates granted by applicable regulatory body in the countries in which it operates. Various environmental and safety standards may also be enforced by each jurisdiction in which the ICTSI Group operates. Failure to comply with relevant laws and regulations may result in financial penalties or administrative or legal proceedings against the ICTSI Group, including revocation or suspension of the Group's concessions or licenses, which may adversely impact results of operations and financial condition.



# Synergistic Relationship with Stockholders

ICTSI treats all stockholders fairly and equitably, and recognize, protect and facilitate the exercise of their rights. Stockholders are accorded their rights as provided under the Corporation Code of the Philippines (the Revised Corporation Code, moving forward) and ICTSI's By-Laws, as well as other applicable laws, rules and regulations.

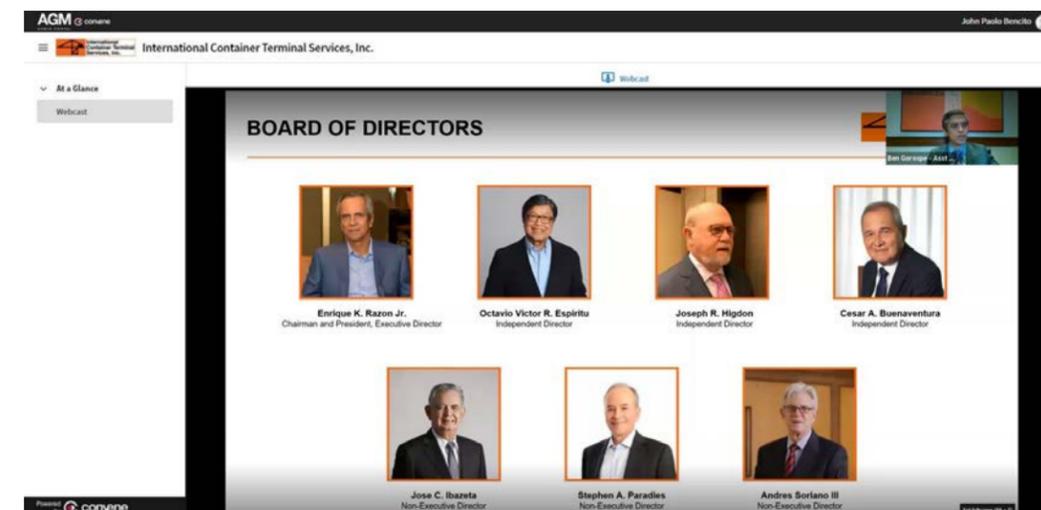
- Stockholders have a right to information in accordance with law. They also have the right to receive dividends, subject to Board approval.
- ICTSI shows that it is without prejudice or bias, as the minority stockholders have the same right of information as other stockholders. All stockholders may propose the holding of a meeting and propose items in the agenda of the meeting, provided the items are for legitimate business purposes.
- Appraisal rights may be exercised under any the following circumstances: (i) in case any amendment to the Articles of Incorporation has the effect of changing or restricting the rights of any stockholders or class of shares, or of authorizing preferences in any respect superior to those of outstanding shares of any class, or of extending or shortening the term of corporate existence; (ii) in case of sale, lease, exchange, transfer, mortgage, pledge or other disposition of all or substantially all of the corporate property and assets as provided in the Corporation Code; and (iii) in case of merger or consolidation.

- Lastly, 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 ICTSI's principal office not earlier than forty days nor later than twenty days prior to the date of the regular or special meetings of stockholders for the election of Directors.

## Voting Mechanism

ICTSI has an effective stockholder voting mechanism which is included in the Company's By-Laws, Manual on Corporate Governance and SEC Form 20-IS. The Company's Voting Procedure is defined in Item 19 of its submitted SEC Form 20-IS.

During the 2021 Virtual Annual Shareholders' Meeting, ICTSI used the services of Azeus Systems Limited, which provides virtual meetings to various companies worldwide. Azeus ensured that the electronic voting in absentia was done in a secure manner.



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 participate and vote during the 2021 Virtual Annual Stockholders' Meeting.

Only Stockholders of record 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.

The Company, through the Board of Directors, may appoint the Stock Transfer Services, Inc. (STSI) to serve as inspectors of election on the annual stockholders' meeting. STSI validates the votes during the Proxy Validation Date. Validation of proxies is 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.

## Minority Stockholders

The minority stockholders have the same right of information as other stockholders. They may propose the holding of a meeting in accordance with the By-Laws, and propose items in the agenda of the meeting, provided the items are for legitimate business purposes, in accordance with law.

**Table 13** Declaration of Cash Dividends

	2019	2020	2021	
Date of Board approval	April 11, 2019	March 20, 2020	March 15, 2021	August 6, 2021
Cash dividends (regular) per share	US\$0.056 (₱2.92)	US\$0.065 (₱3.31)	US\$0.069 (₱3.38)	US\$0.020 (₱1.01)
Cash dividends (special) per share	US\$0.040 (₱2.08)	-	-	US\$0.032 (₱1.62)
Record date	April 29, 2019	April 3, 2020	March 30, 2021	August 20, 2021
Payment date	May 7, 2019	April 16, 2020	April 12, 2021	September 1, 2021

## Dividend Policy

Dividends may be declared only out of the unrestricted retained earnings of the Company. A board resolution is required for a declaration of dividends. In addition, approval of stockholders representing at least two-thirds of the outstanding capital stock is required for the payment of stock dividends. Dividends are payable to all common stockholders on the basis of outstanding shares held by them, each share being entitled to the same unit of dividend as any other share. Dividends are payable to stockholders whose names are recorded in the stock and transfer book as of the record date fixed by the Board of Directors. Preferred A stockholders are entitled to dividends at rates to be fixed by the Board. On the other hand, Preferred B shareholders shall earn no dividends.

## Stockholders' Meeting

To ensure the safety and welfare of the Company's stockholders and other stakeholders and as a precaution against the COVID-19 risk, ICTSI's Board of Directors has approved on February 16, 2021, in accordance with SEC rules, the holding of the 2021 ICTSI Annual Stockholders' Virtual Meeting (<https://www.ictsi.com/2021asm>).

The 2021 Annual Stockholders' Meeting (ASM) was held virtually last April 15, 2021.

**Table 14** Voting Results For The 2021 Annual Stockholders Meeting

### APPROVAL OF THE MINUTES OF THE PREVIOUS ANNUAL MEETING OF STOCKHOLDERS HELD ON JUNE 18, 2020

Votes	Number of Votes Cast
Approving	2,139,444,273
Dissenting	-
Abstaining	-

### APPROVAL OF THE 2020 AUDITED FINANCIAL STATEMENTS

Votes	Number of Votes Cast
Approving	2,138,668,353
Dissenting	-
Abstaining	775,920

### APPROVAL/RATIFICATION OF ACTS, CONTRACTS, INVESTMENTS AND RESOLUTIONS OF THE BOARD OF DIRECTORS AND MANAGEMENT SINCE THE 2020 ANNUAL STOCKHOLDERS' MEETING

Votes	Number of Votes Cast
Approving	2,138,549,453
Dissenting	-
Abstaining	894,820

### APPOINTMENT OF EXTERNAL AUDITORS

Votes	Number of Votes Cast
Approving	2,125,135,818
Dissenting	11,986,657
Abstaining	2,321,798

### ELECTION OF DIRECTORS

Director	In favor	Against	Abstain
Enrique K. Razon Jr.	2,023,901,263	39,114,827	78,336,384
Cesar A. Buenaventura	2,026,651,569	39,381,417	73,093,253
Carlos C. Ejericto	2,135,933,161	3,124,238	68,840
Joseph R. Higdon	1,892,051,860	13,091,407	233,982,972
Jose C. Ibazeta	1,797,019,450	39,114,827	302,991,962
Stephen A. Paradies	1,816,246,357	39,381,417	283,498,465
Andres Soriano III	1,817,971,964	39,114,827	282,039,448

The reference to the rationale for the agenda items can be found in the Notice of Annual Stockholders' Meeting, included in the submitted Information Statement or SEC Form 20-IS. This was submitted to the Philippine Stock Exchange (PSE) on February 16, 2021, 58 days before the meeting to encourage active stockholder participation.

The Information Statement was filed through PSE Edge, uploaded in the company's website at www.ictsi.com and was made available through QR Code. The Information Statement, accompanied by a written notice informing the stockholders of the date, time, venue and agenda for the stockholders' meeting, was mailed to Stockholders entitled to notice and vote at the Annual Stockholders' Meeting by March 18, 2021.

At the ASM, where a quorum was certified by the Assistant Corporate Secretary, the stockholders passed and approved the following matters:

- Approval of the Minutes of the Annual Stockholders' Meeting held on June 18, 2020;
- Approval of the 2020 Audited Financial Statements;
- Approval/ratification of acts, contracts, investments and resolutions of the Board of Directors and Management since the 2020 ASM, which are summarized in Item 15 of the Information Statement (SEC Form 20-IS) furnished by ICTSI to its stockholders and available at the Company website;
- Election of Directors; and
- Appointment of Sycip Gorres Velayo & Co. (SGV) as ICTSI's external auditors.

The Board required the attendance of the relevant officers as well as representatives of the Company's external auditors, SGV, to answer questions which the shareholders may have during the ASM. Among other officers, those present were Mr. Christian R. Gonzalez, Chief Risk Officer; Mr. Raphael D. Consing, Jr., Compliance Officer; Ms. Catherine R. Castro, Head of Internal Audit; and Mr. Arthur R. Tabuena, Investor Relations Officer.

For the Board to encourage active shareholder participation, the SEC Code of Corporate Governance for Publicly Listed Companies requires that the result of the votes taken during the most recent annual or special Shareholders' Meeting be made publicly available the next working day. In addition, the Minutes of the Annual and Special Shareholders' Meeting

should be available on the company website within five (5) business days from the end of the meeting. The minutes of the annual stockholders meeting shall be published in the Company Website within five (5) business days.

For the 2021 ASM, the voting results were disclosed to the SEC and the PSE, and made available as well under the Disclosures tab of the Investors section of the Company Website, immediately right after the meeting was concluded on April 15, 2021. On the other hand, the Minutes of the Annual Stockholders' Meeting was made available also under the Disclosures tab on April 21, 2021.

## Alternative Dispute Mechanism For Stockholders

ICTSI ensures that any dispute between the Company and our stockholders as well as with third parties, including the regulatory authorities, shall be resolved in accordance with Republic Act No. 9285, otherwise known as "Alternative Dispute Resolution Act of 2004", with the approval or consent of such other parties in compliance with law.

## Investor Relations Office

ICTSI's award-winning Investor Relations Department has the responsibility of integrating finance, communication, marketing and securities law compliance, and aims to ensure constant engagement and build understanding and relationships of trust with media, financial analysts and stockholders, increase transparency and achieve an appropriate valuation of ICTSI's stock and liabilities in the capital market. It works to provide transparent, continuous, and targeted dialog with all stakeholders, and aims to build understanding and trust with the financial media, analysts, and stockholders.

ICTSI was hailed as One of the Best Investor Relations Companies in the Philippines in *Corporate Governance Asia's* Asian Excellence Awards consistently for the period of 2013–2021; recognized by Alpha Southeast Asia Awards 2021 with the Most Consistent Dividend Policy, Best Strategic Corporate Social Responsibility and second best in having the Best Senior Management IR Support in Southeast Asia and Best Investor Relations Team by *The Asset ESG Corporate Awards* 2019-2021. ICTSI was also shortlisted by the *IR Magazine* for excellence

in investor relations in the industrials sector. ICTSI was one of the Honored Companies and with the Best IR Professional in the *Institutional Investor All Asia Executive Team Awards* Recognition 2021.

### Quarterly Investors' Briefing Conferences

ICTSI conducts quarterly analysts'/investors' briefing conference calls where 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 ICTSI and its interim performance.

The conference meeting link is sent to all confirmed participants. A recording of the conference call is also available upon request.

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.

Earnings results and 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.

### Investor Relations Officer

ICTSI's Investor Relations Officer is **Mr. Arthur R. Tabuena**, the Director for Treasury and Investor Relations. Formerly, he was the Manager for Corporate & Project Finance of ING Barings. Mr. Tabuena holds an MBA from the Claremont Graduate University – Peter F. Drucker and Masatoshi Ito Graduate School of Management, and a Bachelor's Degree in Industrial Management Engineering, Minor in Mechanical Engineering from the De La Salle University.

The Investor Relations Officer is always present during the stockholders' meeting. He is responsible for the necessary disclosures to the PSE and SEC.

As a testament to his credible and effective performance, Mr. Tabuena was again recognized as one of the *Best Investor Relations Professionals in the Philippines* by *Corporate Governance Asia* during the 11th Asian Excellence Recognition Awards 2021, *Best Senior Management IR Support* in Alpha Southeast Asia Awards 2021, and *Best Investor Relations Team* by *The Asset ESG Corporate Awards for 2019-2021*. Mr. Tabuena was also honored as one of the Best IR Professionals in the Institutional Investor All Asia Executive Team Awards Recognition 2021.

## Anti-Takeover Measures

ICTSI avoids anti-takeover measures or similar devices that may entrench ineffective management or the existing controlling stockholder group.

To ensure good governance of ICTSI, the Board establishes ICTSI's Purpose, strategic objectives, policies and procedures that guide and direct the business and corporate activities of ICTSI, the means to attain the same, and the mechanism for monitoring management's performance.

## Public Float

The Philippine Securities and Exchange Commission through its Memorandum Circular No. 13-2017 requires that a publicly listed company maintain a public float of 20% and recommends through its Memorandum Circular 13-2017 a 30% benchmark. On the other hand, the Philippine Stock Exchange through its Memorandum Circular No. CN - No. 2020-0076 requires a 20% public ownership.

ICTSI has more than the prescribed or recommended public float to increase liquidity in the market. As of December 31, 2021, the public ownership level of the Company is at 51.43% based only on common shares. The public ownership level of the Company is at 38.28% if both common and Preferred B voting shares are considered.

SEC Memorandum Circular No. 15-2017 on Integrated Annual Corporate Governance Report (i-ACGR) requires that the minutes of the annual stockholders meeting shall be published in the Company website within five (5) business days. Hence, the Minutes of the Stockholders' Meeting held on April 15, 2021 was made available in the Company website on April 21, 2021.

# Duties to Stakeholders

ICTSI believes in giving high value to the relationships it has with its various stakeholders. As a facilitator of global containerized trade, the Company serves several groups such as, among many other, the primary port users (commercial clients such as the shipping lines and landside/hinterland logistics players); public sector partners, especially port authorities; employees and industry organizations; providers of capital; suppliers; and the various communities that serve as port hosts. This is fostering respect for rights as established by law, by contractual relations and through voluntary commitments.

## Rights of Stakeholders

Part of the duties and responsibilities of the Board of Directors is bridging a relevant interaction with the Company's stakeholders. As mandated by the Manual on Corporate Governance, the Board must take a lead on the following:

- Identification of the Company's stakeholders in the community in which the Company operates or is directly affected by the operations;
- Formulation of a clear policy of accurate, timely and effective communication with these stakeholders;

- Maintenance of a meaningful corporate social responsibility program; and
- Adoption of a policy on the disclosure of non-financial information, with emphasis on the management of economic, environmental, social and governance (EESG) issues of the Company's business, which underpin sustainability.

The Company's capacity to effectively serve the interests of these stakeholders rests on the capacity to accurately and continually glean insights into their goals, needs and concerns. Continuing engagement takes many forms – and, for ICTSI, has long been an ongoing commitment.



Capping off its marketing and commercial engagement for the year on a high note, ICTSI, together with Yantai International Container Terminals (YICT), continued its participation in the annual China International Import Expo – the world's largest national-level import trade conference.

**Table 15 Stakeholders Engagement Map**

	APPROACHES	KEY TOPICS & CONCERNS RAISED
<b>PUBLIC SECTOR</b>	<ul style="list-style-type: none"> <li>Website</li> <li>Direct communication</li> <li>Annual audited financial statements</li> <li>Annual corporate governance report</li> <li>Annual sustainability report</li> <li>Annual, quarterly, and monthly reports</li> <li>Disclosures and other required reports</li> </ul>	<ul style="list-style-type: none"> <li>Concession matters</li> <li>Regulatory and reportorial requirements</li> </ul>
<b>PORT USERS</b>	<ul style="list-style-type: none"> <li>Website</li> <li>Client online dashboard</li> <li>ICTSI mobile app</li> <li>24/7 web-based communication systems</li> <li>Quarterly customer satisfaction survey</li> <li>Customer care local hotline</li> <li>Weekly client visits and virtual tours (priority customers and other stakeholders)</li> <li>Monthly association meetings</li> <li>Quarterly trainings and seminars</li> <li>Annual customer appreciation/thanksgiving events</li> </ul>	<ul style="list-style-type: none"> <li>Customer satisfaction</li> <li>System issues</li> <li>Billing issues</li> <li>Operational issues</li> <li>Health and safety protocols related to COVID-19 pandemic</li> <li>Digitization of port processes</li> </ul>
<b>EMPLOYEES</b>	<ul style="list-style-type: none"> <li>Direct meetings</li> <li>Website</li> <li>Ad hoc correspondence</li> <li>Quarterly <i>Ugnayan sa Pantalan</i></li> <li>Annual employee relations activities</li> <li>CBA (every five years)</li> <li>Volunteering activities in coordination with ICTSI Foundation</li> <li>Other employment engagement activities</li> </ul>	<ul style="list-style-type: none"> <li>Performance management</li> <li>Employee welfare</li> <li>Labor-management relations</li> <li>Health and safety protocols related to COVID-19 pandemic</li> </ul>
<b>SHAREHOLDERS</b>	<ul style="list-style-type: none"> <li>Website</li> <li>Quarterly Investors' Briefing</li> <li>Investor (Equity) Conferences</li> <li>Annual Shareholders Meeting</li> <li>Annual Audited Financial statements</li> <li>Annual Corporate Governance Report</li> <li>Interim Quarterly Unaudited Financial Statements</li> </ul>	<ul style="list-style-type: none"> <li>Quarterly and year-to-date consolidated financial and operational performance of existing portfolio</li> <li>Performance of existing/organic terminals</li> <li>Status of new projects</li> <li>Prospects and projects in the pipeline</li> </ul>
<b>CREDITORS</b>	<ul style="list-style-type: none"> <li>Website</li> <li>Investor (Debt) Conferences</li> <li>Direct communication/Regular discussions with credit risk officers of relationship banks</li> <li>Annual Shareholders Meeting</li> <li>Annual Audited Financial Statements</li> <li>Annual Corporate Governance Report</li> <li>Interim Quarterly Unaudited Financial Statements</li> </ul>	<ul style="list-style-type: none"> <li>Liquidity management</li> <li>Quarterly and year-to-date consolidated financial and operational performance of existing portfolio</li> <li>Performance of existing/organic terminals</li> <li>Status of new projects</li> <li>Prospects and projects in the pipeline</li> </ul>
<b>SUPPLIERS</b>	<ul style="list-style-type: none"> <li>Website</li> <li>Direct communication</li> <li>New supplier accreditation and annual supplier reassessment</li> </ul>	<ul style="list-style-type: none"> <li>Supplier performance</li> <li>Contract requirements</li> <li>Health and safety protocols related to COVID-19 pandemic</li> <li>Company direction/priorities</li> <li>Supplier-related memos</li> <li>Proper use of supplier systems</li> </ul>
<b>COMMUNITIES AND PEOPLE GROUPS</b>	<ul style="list-style-type: none"> <li>Monthly newsletter</li> <li>Quarterly consultation with concerned government agencies, communities, and partners</li> <li>Annual ICTSI Foundation Accomplishment Report</li> <li>Forum with partners</li> <li>Direct communication with the communities</li> <li>Participation in events</li> <li>Leadership trainings</li> <li>Government-coordinated projects</li> <li>Volunteerism through local community projects</li> <li>Assessment after every project</li> <li>Annual scoping in all communities</li> <li>Monthly meeting with EcoPatrols</li> <li>Quarterly meeting with different clusters</li> <li>Ad hoc discussion with stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>Health</li> <li>Education</li> <li>Shelter</li> <li>Livelihood/Job creation</li> <li>Community development</li> <li>Volunteering activities</li> <li>Environmental management</li> </ul>
<b>TRADE UNIONS AND INDUSTRY ASSOCIATIONS</b>	<ul style="list-style-type: none"> <li>Direct communication</li> <li>Ad-hoc get-togethers</li> <li>Monthly Labor-Management Council meeting</li> <li>Quarterly <i>Ugnayan sa Pantalan</i></li> </ul>	<ul style="list-style-type: none"> <li>Employee welfare</li> <li>New policies or programs about to be implemented</li> <li>Individual concerns</li> </ul>

### Whistleblowing Policy for Stakeholders

Pursuant to its policy to conduct its business with the highest ethical standards of honesty and integrity and to maintain its reputation in whichever country it operates, every stakeholder of ICTSI is committed to ensure compliance with all applicable laws, rules and regulations and established company policies. Through the Policy on Fraud Reporting, Handling of Disclosures and Complaints on Violations of Code of Business Conduct, every stakeholder is mandated to immediately report any concern and/or known or suspected violations and/or complaints on

- a. Violation of ICTSI Code of Business Conduct
- b. Violation of ICTSI Anti-Bribery Compliance Policy and Procedure
- c. Violation of the Policy on Conflict of Interest
- d. Violation of company's Code of Discipline and other company issued employee related rules and regulations
- e. Fraudulent reporting of accounting/auditing practices
- f. Unauthorized use of company funds
- g. Health and Safety risks
- h. Any illegal or unethical act
- i. Any other cases involving violation of other company policies.

The policy establishes a formal mechanism for stakeholders to raise serious concerns or malpractice involving ICTSI. It also serves as an opportunity to disclose potential and possible violations which have come to their knowledge which may adversely affect or may constitute risk against ICTSI. The policy likewise provides full assurance that the informant's identity shall be treated with utmost confidentiality and that he/she shall be protected from any reprisal, retaliation and other forms of harassment.

### Alternative Dispute Resolution for Stakeholders

In accordance with its policy on alternative dispute resolutions, ICTSI ensures that any dispute between the Company and its stakeholders shall be resolved in accordance with Republic Act No. 9285, otherwise known as "Alternative Dispute Resolution Act of 2004", so that conflicts and differences with key stakeholders are settled in a fair and expeditious manner.

### Intellectual Property

ICTSI complies with all laws, regulations and contract exacting adherence to intellectual property rights. The Company has not violated any intellectual property law as demonstrated by the fact that it has not pending cases against it for any violation of intellectual property laws.

### Customer's Welfare

As the business continues to grow, ICTSI aims to develop more products and solutions for its valued customers. Through its Commercial arm, 24/7 customer care service is provided by the Customer Experience Team, while the Philippine Commercial Team, continues to engage its customers through weekly client calls, regular conferences, and industry association meetings.

With the launch of the Cavite Gateway Terminal, the success of the Laguna Gateway Inland Container Terminal, and the acquisition of North Port (domestic terminal), solid efforts have been deployed to promote the Intermodal and Inter-Terminal solutions to our import and export customers. These solutions offer to provide a more streamlined and a more efficient way of moving goods to their end destination, whether this be in Luzon, Visayas, or Mindanao.

Online platforms, such as the Transparency Tools in the Company website and mobile app, 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 customers having to leave their offices. For the onsite services, the renovation of the Unionbank – ICTSI Branch is ongoing, and this is envisioned to improve the quality and efficiency of payment transactions at the port once completed. Additional modes of payment are also presently being explored for our customers who still prefer paying onsite.

A loyalty program for Beneficial Cargo Owners (BCOs), forwarders, and truckers is being designed to incentivize customers with significant volume, market share, and number of terminal transactions. This loyalty program will later be translated into an online application platform to make the rewards easier to achieve and distribute.

## Suppliers and Contractors

In the selection of suppliers, ICTSI, specifically in its flagship operations in the Manila International Container Terminal (MICT), ensures that suppliers are selected based on their ability to meet contract requirements including quality system and any specific quality assurance requirements. The procedure in supplier accreditation for the MICT is strictly observed through the following:

1. Submission of the required accreditation documents;
2. Pre-visit activities which include:
  - a. Checking the correctness and completeness of the required documents;
  - b. Interviewing other customers referred by the supplier; and
  - c. Reviewing financial statements submitted by the supplier, when applicable;
3. Conduct of plant visit if applicable;
4. Preparation of final report; and
5. Issuance of certificate of accreditation and updating of directory.

In April 2018, ICTSI has implemented the use of its e-Sourcing System – Ariba Sourcing – as a medium to send requests for quotations and for suppliers to submit their quotations accordingly. This means that suppliers shall send quotes through this system instead of via e-mail, fax, hard copy, phone call, etc. Ariba Sourcing provides a more systematic process of submitting quotations for a single requirement and promotes transparency and fairness amongst vendors.

In September 2019, ICTSI also upgraded its previous e-Procurement system, Ariba On-Premise, to an improved and more digitized one, Ariba Network (AN). This system aims to realize three main objectives of Procurement in this implementation:

- Improved Partnership – Ariba Network enables both ICTSI and suppliers to form assured relationship while executing transactions electronically. With the use of the collaboration function of AN, buyers and suppliers can continuously perform their tasks, but with minimized manual interactions and processes.
- Compliance – Ariba Network's standards comply with ICTSI's policies and global best practices of different industries. All transactions are logged in the system.

- Efficiency – Ariba Network provides the venue to connect related procure-to-pay processes and notifies all related parties of essential activities per transaction electronically.

Overall, Ariba Network enhances supplier, buyers and user experience by bringing in a digital transformation to the supply chain process.

## Creditors' Rights

ICTSI 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. The loan agreements are in a form recommended by the Asia Pacific Loan Market Association. The issued bonds are Reg S offering and listed with the Singapore Exchange Securities Trading Limited (SGX-ST). The bonds' terms and conditions, covenants, undertakings, representations and warranties and events of default that safeguards the position of creditor are embodied in the offering circulars that are disclosed to SGX-ST. In compliance with the disclosure of annual and quarterly financial reports, ICTSI discloses information on compliance with loan and bond covenants.

## Employee Participation

Employee involvement and participation in a company leads to good outcomes for the organization. ICTSI values its employees and is committed to providing them with tools to accomplish what they set out for themselves. Empowering our employees means that they no longer act as mere implementers of production but actual stakeholders of the business. Employee participation provides our employees with the opportunity to contribute to the improvement of present processes, development of talent and the advancement of employees' health, safety and welfare. It adds dynamism to the employer-employee relationship by giving workers not only a voice in decision-making on matters that affect their interest and welfare but also an opportunity to contribute creative and innovative ideas to achieve enhanced product or service quality and productivity.

## Active Participation

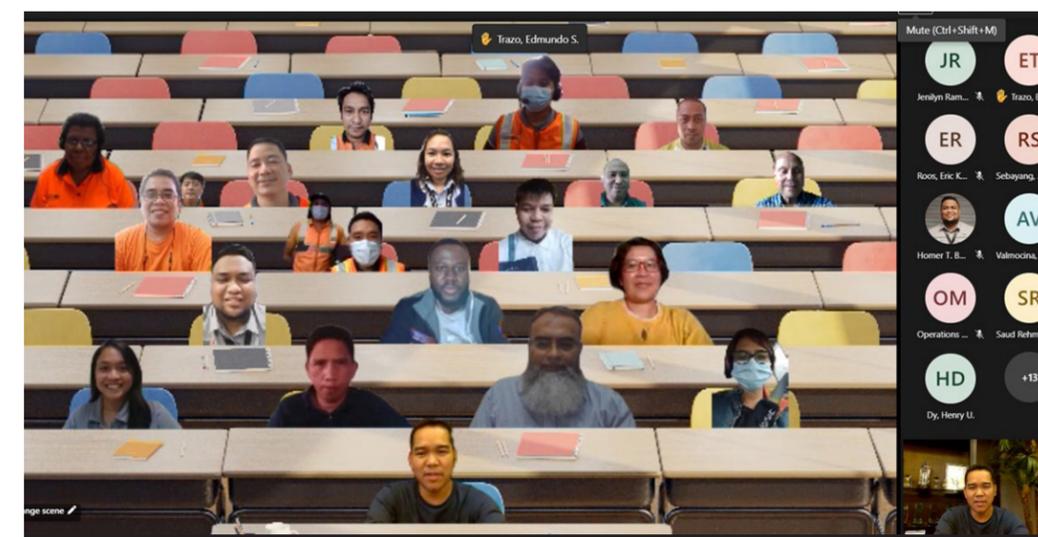
Employee Volunteerism activity became evident during the pandemic where a number of employees offered their services, ignoring the risks of leaving the safety of their homes, to become marshalls, registration assistants, etc. at the Solaire ICTSI Foundation Inc. Vaccination Center (SIVC) when ICTSI rolled out the COVID-19 vaccination program in June 2021.

ICTSI believes that a harmonious employee relationship promotes a positive environment at work and helps the employees to achieve their goals and targets at a much faster rate. Employees are more focused, can concentrate better in their assignments and hence the output increases. The Management and the employees

are not engaged in constant conflict, are eager to help each other to build industrial peace.

Communication plays a crucial role at workplace. In industrial relations, the Company ensures and maintains channels of communication are provided to employees to enhance open communication between them and the management. Employees are given the right or freedom of association, self-organization and collective bargaining. The right of employees to self-organization is given much reverence and importance. The Management does not interfere with the legal activities of the union and respects its employees' right to associate freely and form organizations of their own choosing. ICTSI fully respects this right wherein employees are given the avenue to express their desires on items affecting their terms and conditions of employment. Moreover, good faith is observed from the time of negotiation up to the implementation and carrying out of the agreed provisions.

Labor Management/Workplace Cooperation mechanism is also established in the workplace. Through this mechanism, harmonious relationship between the Management and the union is maintained which results to industrial peace, quality and productivity in the workplace. In turn, the union recognizes certain management prerogatives and rights. On the other hand, the Management recognizes the indispensable role of the union in crafting certain policies as well as in implementing them. Problems affecting workers are jointly solved through the different committees and task forces created under the Workplace Cooperation mechanism.



## Virtual Professional Event Investigation

Creating a safe work environment by preventing injuries, illnesses and loss of lives in the workplace remains one of the most important goals across ICTSI terminals worldwide. One way to achieve this goal is by implementing an effective incident investigation process that uses a proven, well-structured root cause analysis method that is specifically tailored for the industry. To achieve this, Health, Safety and Environment (HSE) heads and representatives across the ICTSI Group recently underwent a Professional Event Investigation (PEI) virtual training from July 21 to 29 and from September 11 to 17, 2021.

The Grievance Machinery mechanism under the Collective Bargaining Agreement is likewise religiously observed. Any difference of opinion, controversy or dispute between the company and the union, or between the company and any employee or worker covered by the CBA, arising from the interpretation and/or implementation of any provisions of the CBA and enforcement of company personnel policies are resolved under the procedure set forth under the agreed grievance machinery mechanism.

### Rewards Policy

Monthly Incentive programs are established for core Operations employees to support drive for efficient and highly productive terminal operations. This is to incentivize ranks including supervisors and superintendents and improve job performance to meet the target for the year: 25 crane productivity, 48 berth productivity and 60 minutes of truck dwell time. Subject for computation, table for payout per position per target and other criteria.

**Individual Operator Incentive** is to incentivize operators on their contribution to meet the identified individual equipment productivity target based on the average performance every quarter. This incentive is subject to computation per level, table for payout per day and other criteria.

**Checker Incentive** is to incentivize checkers and other identified positions on their contribution to meet the identified individual equipment productivity target based on the average performance every quarter. It is subject to computation per working day and other criteria.

**GPW Incentive** is to incentivize GPWs on their contribution to meet the target: Monthly Average Hours from Gang On board to First Move (GOBFM) & Last Move to Signing of Lashing Certificate (LMSLC) is less than or equal to one hour. It is also subject to computation per working days and other criteria.

Other annual incentive program recognizes employees who kept themselves healthy and fit, and thus, did not avail of any sick leaves, leaves without pay and should be no IR and Safety violation. These are the ranks including supervisors to Department managers who can be awarded as Iron Man of the year.

There is an annual incentive program for the management team based on their contribution to the org-wide growth and performance. For

now, ESOP is only given to the management committee members of the company.

These incentive programs reward deserving employees for their contribution to the growth and performance of the company.

### Health and Safety

The well-being and health of all its stakeholders is ICTSI's number one priority. The ICTSI Group continues to deploy and execute various Health and Safety (H&S) policies and programs as part of its commitment to consistently provide a safe and healthy working environment for its employees, contractors and other port users and to promote a positive safety culture in its business operations.

As a demonstration of this commitment, the ICTSI Group through its various ports and terminals has established programs to address key H&S risks and achieve its overall objective of zero harm to people. The programs are designed to reinforce the following:

#### Health & Safety Leadership & Accountability

Leadership and Accountability drives the ICTSI Group's overall health & safety management strategy. Management is responsible to ensure that the well-being and safety of all its stakeholders is the leading priority and that terminals plan, execute, verify and validate the effectiveness of controls aimed at eliminating or minimizing risks associated with its operational activities.

Management roles are now being clarified towards developing a culture that promotes injury prevention and health education by influencing employee behavior. Trainings and workshops are conducted to help line managers and supervisors develop / enhance a consistent, positive and visible leadership approach towards health and safety. Line managers are encouraged to lead regular walk-about inspections around the terminal, observe employee and contractor personnel perform work activities and appropriately engage or coach them to help them carry out their tasks in a safer and more efficient manner.

#### Health & Wellness Programs

In 2021, ICTSI partnered with Moderna to bring the vaccination program to all personnel. Employees and dependents were given the opportunity to get the mRNA vaccine to further strengthen the fight against the pandemic. Regular Covid-19 testings were also done and health protocols are regularly updated to help

ensure the safety of all employees. Our Medical Clinic promoted tele-medicine 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. With strict implementation of health protocols we were able to keep the COVID-19 cases down to a minimum.

Concurrently, a Health and Wellness section was established by ICTSI. This section deals with the holistic well-being of all employees. Different health programs were rolled out to address the top conditions that plagues 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 tips 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 was 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. Since the start of the coronavirus disease 2019 (COVID-19) pandemic, many people's lives have been and continue to be affected by this respiratory virus. It has altered daily routines, has led to financial fear, and forced social isolation. A mental health program was started to help those who are in need of psychiatric support. Partnership with Mind Nation had helped alleviate the mental stress brought about by the different stressors in life.

To address this concern, ICTSI has partnered with MindNation since June 2020 to provide a broad overview of mental health and promote mental wellbeing in the workplace. The program included:

- psychological sessions
- 24/7 social conversations with mental health certified staffers
- webinar talks
- closed Facebook group of ICTSI x MindNation with regular posted blogs & infographics
- get fit program – yoga, Zumba, aerobics, etc.

- pro-active tools as needed, ie., Mental Health Awareness Month in May, Self-Care among others

#### Risk Management

Management of risk is a continual process and is a foundation of ICTSI's Health & Safety Management System. Constant efforts are being done to identify hazards and assess the risk associated with the Group's business activities. Line managers are expected to carry out risk assessments and take appropriate actions to manage the risk and prevent or reduce the impact of potential incidents. A key aspect of the risk management process is to mitigate the risk using the "hierarchy of controls". Hence, where reasonably practicable, Management requires that all risks are controlled at source by an engineered solution and other more effective but pragmatic controls rather than relying on Personal Protective Equipment (PPE).

#### Workforce Engagement

ICTSI believes that commitment to health and safety is not something that can be just switched on and off. Employees are expected to be committed to health and safety both on and off the job, as well as proud and passionate in sharing it with colleagues, family, and friends. Health & Safety training sessions, accident prevention seminars and other H&S promotional activities (newsletters, safety videos, H&S committee meetings, toolbox meetings, etc.) are regularly carried out not only for ICTSI employees and contractors but for all port users to promote H&S awareness and help instill in them safe working behaviors.

#### Traffic Safety Management

Most of the hazards in the terminals occur when mobile equipment / vehicles interact with each other or mobile equipment / vehicles with pedestrians. To mitigate the risks associated with these hazards, terminals carry out regular risk assessments to cover all aspects of its operations. The risk assessments consider the location of the gates, vehicle and pedestrian traffic routes, storage areas, handling areas, cranes, and gantries to help ensure that there is an effective and safe flow of traffic around the terminal.

Site rules for pedestrians and drivers, which include among others the use of Personal Protective Equipment (PPE), use of flashing beacons, speed limits, seatbelt use, using the correct route and crossings, no entry, parking, etc. are documented and are shared to all port users during H&S Inductions. Access to

operational areas is strictly controlled and only authorized personnel are allowed on site.

Signage and markings are also in place and areas for queuing, loading and unloading, operating twist locks, and securing of loads are properly designated. All drivers of road going vehicles (e.g. 3rd party trucks) undergo H&S inductions to be familiarized with the terminal and traffic lay-out.

**Contractor Safety Management**

Contractors provide valuable services for ICTSI and their services are either engaged on a regular basis or on an infrequent basis. Oftentimes, work carried out by contracted personnel is non-routine and involves varying degrees of risk. Regardless of the contract, the Group is committed to ensuring that contractors have equal priority as employees in respect of health and safety and perform their tasks safely. Hence, procurement protocols and processes are regularly reviewed and enhanced as necessary to ensure that contractors' capabilities and competencies are assessed, contractor's performance are regularly monitored and local legal requirements and ICTSI H&S standards are fully complied with.

**Incident Reporting & Root Cause Investigation**

To help prevent recurrence and improve performance, all health and safety related incidents including near misses and hazards, are openly reported, investigated, analyzed and documented. Line management is responsible in ensuring that incident investigations are carried out to identify root and system causes and its corresponding corrective actions and preventive measures are implemented to reduce future injuries and incidents. For major incidents such as those resulting to fatalities multiple serious injuries, a comprehensive investigation is being performed by a cross-functional team with action plans formally reviewed by Senior Leadership.

Key information gathered from incident investigations are carefully analyzed to identify and monitor trends and develop both global and terminal-specific Health & Safety Improvement Action Plans. Key learning points from investigations (especially for major incidents) are shared across ICTSI ports and terminals so that the concerned personnel can take appropriate action as necessary to help prevent a similar occurrence in their site.

**Emergency Management**

Each terminal has developed site-specific emergency response plans, which contains among others, the structure and membership of the emergency response teams, the necessary tools and equipment, the appropriate training and drills for all personnel and the specific procedures / guidelines (based on a risk assessment) to carry out a response to any type of possible incident and protect employees, contractors, visitors and the public.

**Management Review & Continual Improvement**

Because the company recognizes that there are many opportunities to improve, Management has established key performance indicators (e.g. H&S Training Hours, Number of Near-misses and Hazard Alerts, Health Surveillance, Lost Time Injury Frequency Rate, Total Recordable Injury Rate, Lost Time Injury Severity Rate) and has set goals (e.g. zero fatalities, LTIFR % reduction, etc.) as a demonstration of its commitment to prevent injury and ill-health, comply with applicable legal requirements and to continually raise the health and safety standards across all of its terminal operations. Global and terminal-specific indicators are measured, analyzed and progress is regularly monitored and reviewed by Terminal Management and Senior Leaders.

**Implementation of Good Practices**

As part of its continual improvement efforts, the Group is fostering collaboration amongst ports and terminals whereby sharing of good practices is highly encouraged. The implementation of these various good practices into its operations aims to eliminate serious injuries and fatalities and reduce risk to its employees, visitors, contractors and others who may be affected by its business activities.

Moreover, several of its ports and terminals have also secured and maintained external certification on international H&S management system standards to help ensure they engage in a continuous cycle of evaluation, correction and improvement of operations and processes.

**Training and Development**

ICTSI has formalized its training arm through the MICT Academy. The working Framework of MICT Academy is to develop successful MICT employees which is characterized by the following:

- 1. Technical competence
- 2. Knowledgeable on Terminal Fundamentals and Management

- 3. Leadership capabilities
- 4. Safety champion
- 5. Customer service mindset

Due to the pandemic and health protocols, most planned training programs related to leadership and behavioral trainings were postponed. Small group sessions or online learning engagement sessions continued to be the key platforms for 2021. Focus for technical upskilling was also done to ensure that our employees who continue to work despite the lockdown will be capable to do so safely. Highlights of trainings conducted in 2021:

- New Operators Training & Refresher Courses for Port Equipment – these are trainings for new operators for the following port equipment: Prime Movers, Quay Crane, RTG, Forklift, Reach Stacker (RS) and Side Lifter (SL). This is a combination of classroom discussion and practical hands-on training. To sustain their abilities to safely operate a particular port equipment, refresher courses were also conducted to existing operators such as Service Driver Refresher Course, RS/ SL & QC Over-height Frame, RTG Stacked Profiling, PMO Jabber, Operator's Safety Refresher Training for those who are involved in an accident and Operator's Skills Building and Coaching. The refresher courses for operators aim to accelerate knowledge and skills to keep abreast with the latest trends and practices especially when familiarizing themselves with the new equipment along with its safety features and operability.
- New Employee Orientation for Onboarding of Employees – designed to orient new employees before they are deployed. The Human Resources Department in collaboration with Health Safety and Environment, Operations and Information Technology Systems and Service (ITSS) provide lectures on Employee Discipline, Safety Orientation, ITSS-Computer Awareness Program and Operations for Non-operations. This is to give better understanding of the company's processes and standard operating procedures.
- Manual Handling Training for GPW – to ensure GPW safety and to correct bad habits related to manual handling, this program was set up for our GPWs who are most exposed to possible safety-related incidents. Stage 2 of this program was launched in 2021 to give hands-on refresher to GPW activities with emphasis in Ergonomics and best practices. A

**Table 16 OHS-related Terminal Certification**

1	MICT	ISO 45001: 2018 Occupational Health and Safety Management Systems
2	MTS	ISO 45001: 2018 Occupational Health and Safety Management Systems
3	PICT	ISO 45001:2018 Occupational Health and Safety Management Systems
4	SCIPSI	ISO 45001: 2018 Occupational Health and Safety Management Systems
5	YICT	ISO 45001:2018 Occupational Health and Safety Management Systems
6	BGT	ISO 45001:2018 Occupational Health and Safety Management Systems
7	CGSA	ISO 45001:2018 Occupational Health and Safety Management Systems
8	OPC	ISO 45001:2018 Occupational Health and Safety Management Systems
9	BCT	ISO 22000: 2018 Food Safety Management System

simulated set-up was created to facilitate the lashing and unlashng procedures.

- CABO (GPW Leadman) and Vessel Officer Training – this training includes standard hand signals, proper use of portable radio and other communication tools, reading the vessel stowage plan, sequencing, and duties and responsibilities during discharging operations.
- Safety-Related Training Programs – includes Evacuation and Fire Drills that aimed to provide knowledge on what to do during emergency situations. Briefing and debriefing sessions among employees were provided led by HSE team in collaboration with National Disaster and Risk Reduction Management Office-Manila.
- Administrative Due Process seminars – these are for supervisory and up positions, to update and guide them on the internal process related to this and in general, their roles as leaders in shaping the behavior of their team members.
- Systems Training for Berth Planners and NAVIS users – this is an online training and digital operational services for ports. NCOS online is designed from the ground up to integrate smoothly with existing port systems and services such as berth planning systems, Portable Pilotage Units (PPU), and real-time data feeds. The system is entirely modular and scalable to provide

fit-for-purpose to optimize water side activities across the navigational planning, design, and operational spheres.

- Systems Training – This is an online learning that covers various modules consisting of the following: 1) NAVIS, 2) Vessel Planning, 3) Yard Planning, 4) Expert Decking, 5) AutoStow, 6) PrimeRoute, and 7) Dispatcher. The course aims to equip the participants with necessary knowledge, skills, and critical thinking abilities in relation to effective planning mechanisms involved in container terminal activities.
- Udemy Training – MICT Academy provides online learning platform to address the need for behavioral and other specialized programs for Information Technology and Safety. This is a self-paced learning approach, which is a timely and relevant solution due to restrictions of face-to-face training brought by the pandemic.

- Strengths Assessment & Coaching – initially conducted for managers and heads of departments of Ops, HR, Engineering, and Commercial teams. Will be continued to 2022 to cover all managers and departments in MICT.

Despite the disruption of the pandemic, training programs were still deployed to the different levels of employees within the company.

MICT Academy will continue to focus on training programs specifically for ICTSI terminals to support the company’s growth and expansion.

**Anti-Corruption Policy**

Pursuant to the Code of Business Conduct, ICTSI continues to strengthen its Anti-Bribery Compliance Policy and Procedure. The Policy provides guidance to all ICTSI employees, suppliers, and third parties acting on its behalf and sets out procedures specifically targeted at addressing corruption risks.

ICTSI takes a zero-tolerance approach to bribery and corruption while conducting our businesses. Any act of bribery, corruption or unethical practices of any kind, whether taken directly or on its behalf, that would result in the violation of our policies and/or anti-bribery laws is not tolerated. 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 forms of extortion. A failure to comply with these laws and/or our policies will lead to severe consequences such as termination of employment for its employees and personnel, the termination of the business relation with a Third Party Representative and other civil and/or criminal penalties. Employees are constantly reminded on the importance of ICTSI’s anti-bribery and anti-corruption obligations by reminding them that the policy sets out operating procedures specifically targeted at combating corruption risks to ensure that ICTSI operates in accordance with applicable regulations. Through this Policy, ICTSI can embed the culture of anti-corruption practices to its personnel, as evident in its intensified campaigns done during the New Employee Orientation Programs, and through refresher courses during employee engagement programs and fora.

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 complies with the relevant anti-corruption legislations in all the countries where it has a presence, such as the US Foreign Corrupt Practices Act and the UK Bribery Act.

To promote anti-corruption and transparency in dealings with suppliers, ICTSI implemented in April 2018 the use of an e-sourcing system as a medium to send requests for quotations and for suppliers to submit their quotations accordingly. This means that suppliers shall send quotes through this system instead of via e-mail, fax, hard copy, phone call, etc. This provides a more systematic process of submitting quotations for a single requirement and promotes transparency and fairness amongst vendors.

In 2021, the Global Corporate Legal Affairs continued the Terminal Legal Health Check. It is a training program which aims to keep stakeholders in the different local subsidiaries abreast on the salient provisions and updates on

the ICTSI Code of Business Conduct including the Anti-Bribery Compliance and Procedure and Policy on Conflict of Interest, Data Privacy Act of 2012, Global Principles on Human Capital, and Administrative Due Process.

Participants from the different local subsidiaries attended Module 1 of the training which centered on ICTSI Code of Business Conduct and Anti Bribery Policy. A lecture, interaction with participants and open forum for questions were conducted during the training which focused on ICTSI’s honest and ethical business practices including its anti-bribery obligations, prohibited acts and revisions/restrictions on giving of corporate gifts and hospitality and policy on conflict of interest. The lecturer emphasized the importance of ICTSI’s anti-bribery and anti-corruption obligations by reminding the participants that the policy sets out procedures to combat corruption and to ensure that the Company operates in conformity with applicable rules and regulations.

**Employee Whistleblowing Policy**

ICTSI conducts its business with the highest ethical standards of honesty and integrity with the goal to maintain its reputation in whichever country it operates. Every stakeholder, most especially, employees of ICTSI are committed to ensure compliance with all applicable laws, rules and regulations and established company policies. The Policy on Fraud Reporting, Handling of Disclosures and Complaints on Violations of Code of Business Conduct and Discipline was established wherein employees of ICTSI are mandated to immediately report any concern and/or known or suspected violations of the code and other company policies. Employees have direct access to the company’s Compliance Officer and/or Global Human Resource Department to report any violations.

The policy establishes a formal mechanism for officers, directors, employees to raise serious concerns or malpractice involving ICTSI. It also serves as an opportunity to disclose potential and possible violations which have come to their knowledge which may adversely affect or may constitute risk against ICTSI. The policy likewise provides for the procedure from lodging of complaints through appropriate reporting channels, gathering of evidence, conduct of investigation, submission of recommendation up to imposition of disciplinary action against erring individuals. It likewise provides full assurance that the informant’s identity shall be treated with utmost confidentiality and that he/she shall be protected from any reprisal, retaliation and other forms of harassment.

**Table 17 2021 Training Programs**

<b>Behavioral trainings which are initiated by the company as part of organization development</b>	Udemy Training : Feedback is Fuel , Self-Advocacy , Promotion of WSH Culture , Communication Fundamentals , Conflict Management, and Teamwork
<b>Company Orientation Programs</b>	HR Orientation
	Port Tour Activities
	Integrated Management System (IMS) Awareness Training
	Health and Safety Orientation
	Employee Discipline
	ITSS-Computer Awareness Program
<b>Technical training programs for skills enhancement</b>	Equipment Operator Training for Prime Mover , RTG , QC , Forklift , Reach Stacker and Side Lifter
	Service Driver Refresher Course
	Over-height Frame Refresher Course for QC , Reach Stacker and Side Lifter
	Stacked Profiling for RTG
	PMO Jabber Orientation
	Operator’s Safety Refresher Course
	CABO (GPW Leadman) and Vessel Officer Training
	GPW Manual Handling Stage 2
	Evacuation Drill
	Fire Drill for HSE
	Systems Training for Vessel , Yard and Berth Planners
	Operator’s Skills Building and Coaching Using Simulator

## Social Responsibility

For ICTSI, the long-standing adherence to corporate stewardship on one hand, and the equally long (if only more recently formalized) advocacy of development partnerships on the other hand, are two commitments anchored on the same principle: an eye towards long-term good, across borders and generations.

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.

### Environmentally-Friendly Value Chain

The ICTSI Group sustains its commitment to conduct its business activities in a manner that reduces the environmental implications of its activities and protect the environment of 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 environmental laws and regulations.

The following table shows the current ICTSI external certifications, a demonstration of the Company's efforts to carry out its operational activities in an environmentally responsible and sustainable manner:

With or without an external certification, each of the ICTSI Group's ports and terminals have progressed implementation of an Environmental Management System (EMS) to help ensure that a systematic and structured approach for dealing with the following environmental aspects of its operations are in place:

- CO<sup>2</sup> emissions (i.e. reduction)
- Energy use (i.e. optimal use)
- Hazardous materials
- Wastewater (i.e. reduction, proper storage, treatment and/or disposal)
- Hazardous waste management (e.g. proper handling, storage, disposal and treatment of used oil / grease, used lead acid batteries or ULAB, fluorescent lamps, waste electrical and electronic equipment or WEEE)
- Non-hazardous waste management (reduction, reusing and/or recycling of waste)

The ICTSI Group's global environmental program, driven by strong senior management

support, mandates all terminals to measure key metrics such as fuel consumption, electricity consumption, waste and wastewater generation, and CO<sub>2</sub> emissions. Based on measurements, annual targets are set for reduction of environmentally harmful factors.

Aside from the regular air and water surface quality monitoring programs, environmental-related campaigns and awareness sessions (on resource management, waste management, among others), coastal clean-up and tree-planting activities being conducted by ICTSI terminals, other innovative environmental initiatives were also carried out in 2021 to further lessen the carbon footprint of its terminal network around the world:

- Across its global operations, high-pressure sodium lamps are being replaced/upgraded to a more efficient and greener LED lighting. This endeavor led to a successful replacement of 3,356 High-Pressure Sodium (HPS) lamps with LED, saving up to 2,349 kilowatts (KW) of power. While challenging, the upgraded lighting enabled our terminals to reduce its energy consumption significantly while cutting maintenance costs.
- To further reduce its carbon footprint, Manila International Container Terminal (MICT), ICTSI's flagship terminal, under its Equipment Replacement Program has acquired another eight units of environmentally friendly hybrid RTGs to add to its 32 units deployed starting in 2018. With the hybrid RTGs being more fuel efficient, these are expected to further reduce terminal emissions and fuel consumption per move by up to 40 percent and 60 percent, respectively.
- Two of our terminals have also embarked on ground-breaking projects related to renewable energy that may pave the way for other terminals to pursue. CGSA has introduced the production of renewable energy (RE) through solar panels inside the terminal for specific needs. Using two series of 14 cells, the photovoltaic system converts sunlight into electricity and generates 5.32Kwpa in each series. Together with its inverter, the system has allowed savings of approximately 4800.14 kWh in almost three months and displacement of about 7.84 tons of CO<sub>2</sub>. On the other hand, TSSA has obtained I-REC certification, one of three RE certificate tracking systems in the world, after it was verified and validated that the terminal's electricity consumption of around 14,409 MWh was already coming

**Table 18** ICTSI External Certifications

Port/Terminal	Certifications
Manila International Container Terminal Manila, Philippines	ISO 14001:2015 Environmental Management Systems
Makassar Container Terminal South Sulawesi, Indonesia	ISO 14001:2015 Environmental Management Systems
Pakistan International Container Terminal Karachi, Pakistan	ISO 14001:2015 Environmental Management Systems
Makar Wharf General Santos, Philippines	ISO 14001:2015 Environmental Management Systems
Yantai International Container Terminals Shandong, China	ISO 14001:2015 Environmental Management Systems
Baltic Container Terminal Gdynia, Poland	ISO 14001:2015 Environmental Management Systems ISO 50001:2011 Energy Management Systems
Basra Gateway Terminal Umm Qasr, Iraq	ISO 14001:2015 Environmental Management Systems
Madagascar International Container Terminal Toamasina, Madagascar	ISO 14001:2015 Environmental Management Systems
Contecon Guayaquil SA Guayas, Ecuador	ISO 14001:2015 Environmental Management Systems ISO 14064-3:2006 Emissions Inventory & Neutrality Verification Statement
Contecon Manzanillo SA Colima, Mexico	ISO 14001:2015 Environmental Management Systems
Operadora Portuaria Centroamericana SA Cortes, Honduras	ISO 14001:2015 Environmental Management Systems
ICTSI Rio Brasil 1 Rio De Janeiro, Brazil	ISO 14001:2015 Environmental Management Systems
Tecon Suape SA Pernambuco, Brazil	ISO 14001:2015 Environmental Management Systems

from RE sources such as wind, resulting to zero greenhouse emissions / zero Scope 2 emissions.

- Furthermore, TSSA has also began using a diesel oil catalyzer as part of its GHG emission reduction initiatives. The GreenPlus catalyzer used in diesel oil is manufactured by Horeb Energía Verde. According to Horeb, the method improves the combustion process' efficiency and reduces harmful emissions. Moreover, it provides cost savings opportunities associated with reduced diesel oil usage. TSSA reports a gain in energy efficiency of 12.9 percent and a reduction in greenhouse gas emissions of 7 percent, which outperforms the ONU standard's 7 percent gain in energy efficiency.
- As part of the group's commitment to further reduce terminal emissions, ICTSI terminals have also continued to venture into process and/or technology-based improvements

such as gate automation and gate system upgrades to reduce queueing times. Machine learning and analytics are being utilized to improve and automate yard strategy to reduce truck dwell times (which is estimated to be around 20 minutes per truck visit). These improvement in operational efficiencies have contributed significantly to reducing indirect emissions from ICTSI's day-to-day operations.

- Aside from the energy consumption and carbon emission reduction projects, ICTSI terminals have carried out other worthwhile environmental related initiatives in 2021. With its innovative Automatic Container Carriers (ACC) wash bay, Victoria International Container Terminal Ltd. (VICT) has won another environmental award. The ACC wash bay is a purpose-built facility for washing the terminal's automatic container carriers and other portable port equipment without damaging the surrounding environment. Along with preventing chemical overspray,

all water used in the wash bay is treated at the on-site treatment facility and recycled for use in the next wash. This enables VICT to conserve water and trade waste costs for contaminated water.

- In Croatia, AGCT conducted a unique coastal cleanup drive. Instead of the usual beach cleanup, key personnel from AGCT collaborated with a local club, Diving Club Rijeka, to clean the ocean floor. Volunteer divers from AGCT and the diving club spent several hours collecting garbage and other waste products from the seabed of the beach beside the terminal, while the rest of the volunteers gathered up trash and other waste materials off the beach for appropriate disposal. The activity marked AGCT's 5th year in organizing annual beach clean-up events to encourage healthy and responsible human behavior toward the environment.
- In the Philippines, the ICTSI Foundation further reinforced the group's commitment to help protect the environment by partnering with the Finnish non-governmental organization (NGO) RiverRecycle to pioneer a financially sustainable river waste collection system for the Pasig River in Manila. The ICTSI Foundation is donating USD1 million to RiverRecycle for the project's implementation, which complements ongoing efforts to revitalize one of the country's major waterways.

On top of these initiatives, a number of projects are currently in place or being put in place across the ICTSI Group to improve productivity and consequently reduce port emissions. These include among others, gate automation and gate system upgrades to reduce queuing times and utilization of machine learning and analytics to improve and automate yard strategy to reduce truck dwell times (estimated to be around 20 minutes per truck visit). Taken collectively with other process flow improvements, these are expected to have an even greater material impact on indirect emissions from ICTSI port operations.

### Nurturing the Community

Establishing and maintaining good working relationships with the community is a basic tenet of the operation of ICTSI wherever it operates. In the Manila International Container Terminal (MICT) and in other ICTSI local and foreign subsidiaries, either through the ICTSI Foundation, the Sustainability and Development Unit, or designated Community Relations Officers, ICTSI seeks to contribute in the over-all effort of

addressing community concerns within its area of operation. It 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 sector. 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 and environment related awareness programs, relief operations and various school-based assistance, among others.

Over a year into the pandemic, the Razon Group (ICTSI, Bloomberry/Solaire, Prime Infra, foundations) continues to play a leading role in the Philippines' pandemic efforts, assisting those bearing the deeper brunt of the crisis' economic and social impacts, while striving to attain more sustainable and equitable future outcomes.

Collective response to the crisis continue to focus on safeguarding the lives and the livelihood of stakeholders -- employees, clients, partners, local government units, host societies, service providers and the Philippines at large. Less than a day since the first batch of Moderna vaccines arrived in the Philippines, the Razon Group kicked off its vaccination program for all employees and their dependents and for the broader business sector including frontliners who deliver essential work.

Even as cases continue to decline, ICTSI routinely tests employees while upholding strict health and safety protocols in all properties.

Mr. Razon led the private sector along with the Philippine government and American drug manufacturer Moderna for the largest combined national government, local government, and private sector vaccination procurement of 20 million doses of COVID-19 vaccines – 13 million doses for the Philippine government and 7 million doses for the private sectors (including SMEs). The agreement, signed last March 2021 and with the first batch arrival in June, should contribute to the gradual reopening of the Philippine economy and a significant recovery across all business sectors.

ICTSI was also part of a private sector initiative which brought in the Philippines' first 3 million doses of the Oxford-AstraZeneca COVID-19 vaccines, sponsoring 300,000 doses—half of

which was donated to the national government and the other half to various LGUs.

Supporting the country's efforts to ramp up its vaccination targets, ICTSI, Bloomberry and Prime Infra constructed and opened last 12 August the Solaire – ICTSI Foundation, Inc. Vaccination Center (SIVC) at the Nayong Pilipino Foundation in Parañaque City, the country's first mega vaccination site to serve residents from Metro Manila and nearby provinces. The site, located along New Seaside Drive, currently hosts eight ambulatory vaccination centers and 30 drive-through booths that have the capacity to inoculate at least 15,000 persons a day. The facility has been turned over to the Paranaque local government.

ICTSI and Bloomberry also retrofitted portions of Solaire into vaccination areas. Opened in June and with the capacity to administer 6,000 shots a day, these are used by employees, dependents and the private sector Moderna buying group.

During the height of the pandemic in April last year, ICTSI, Bloomberry and Prime Infra began retrofitting existing structures in Metro Manila into quarantine and isolation facilities for COVID-19 patients, starting with the Ninoy Aquino Stadium, the Rizal Memorial Sports Complex and a part of the Philippine General Hospital (PGH). The Group likewise completed the 600-bed Solaire-Pagcor Mega Quarantine Facility in September 2020, the biggest quarantine facility in the capital city.

Aside from isolation facilities, the Group helped retrofit three event halls namely Enderun in Taguig, Palacio De Manila in Manila, and the Mall of Asia Arena in Pasay into testing facilities.

Taking heed of Mr Razon's initiatives and directives, the Group also continue to actively aid their respective communities, whether based on social responsibility thrusts or via pandemic-related assistance.

Over at the Manila flagship, the SDU has given emphasis to the Parola Area, implementing several programs and services in the areas of health, education, livelihood, shelter and environment:

**Pandemic response.** ICTSI-MICT donated a total of 2,200 packs of rice grains to Barangay 20 and Barangay 275 in Parola, Manila. Each pack weighs 5 kilos and will be distributed by both barangay councils. This assistance was extended to 1,700 families from Barangay 20 and

500 families from Barangay 275; these families were identified by their respective barangay councils based on the variances of relief and assistance coming from the LGU.

#### Health

On the area of health and nutrition, a total of 1,071 individuals were able to access and avail health-related programs and services. In 2021, health and nutrition programs, projects, and activities include: Sexual and Reproductive Health, Operation Tuli, Community Nutrition, and Supplemental Feeding.

#### Education

A total of 11,797 students and teachers benefitted from the educational assistance and donations of equipment to produce learning materials as support to the hybrid learning scheme. 30 learners from Puso sa Puso Edukasyon Inc., on Alternative Learning System and 20 student beneficiaries from Educational Research and Development Assistance (ERDA) Foundation received financial assistance to ensure that they can attend their classes and practical training.

#### Livelihood

There are 245 individuals who were provided with skills training and knowledge enhancement on on Enterprise Development; to ensure that they can carry out what they have learned, livelihood starter kits were provided directly to them.

#### Community Education

A total of 583 individuals from the communities' tricycle operators and drivers' association benefited in the conduct of road safety programs focused on valued education and road-readiness. Technical assistance was extended to members of the Task Force Parola for the orderly utilization of South Access Road (SAR) by and between stakeholders.

#### Competencies Enhancement and Skills Development Support

158 partners and professionals from partner non-government and government organizations attended a variety of competencies enhancement and skills development training from ICTSI. The trainings and seminar-workshops provided were intended to enhance professional competencies and develop new leadership and management skills of program implementers, community partners, and program supervisors who are directly involved in program development, implementation, monitoring, and evaluation.

# THE ICTSI FOUNDATION AT A GLANCE

## 2021 Projects and Initiatives

### COVID-19 PREVENTION INITIATIVES



#### VACCINATION

20,000,000

Doses (facilitation of Moderna Vaccines purchase)

12

Supported government units

600,000

Vaccine doses administered

2

Mass vaccination centers established (NPF and SIVC)



### YOUTH DEVELOPMENT



#### TEACHER TRAINING ON MENTAL HEALTH

2,000 public school teachers



#### FACILITIES IMPROVEMENT

645,000 public school students and teachers



#### TEACHING EQUIPMENT

30 visually impaired trainers



#### CLASSROOM RENOVATION

180 pre-school students



#### BRIGADA ESKWELA

13 public schools



#### SCHOLARSHIPS AND EDUC ASSISTANCE

171

Academic Scholars

230

Education Assistance Beneficiaries

240

ALS Beneficiaries

270

TechVoc Scholars (Don Bosco)



#### SOCIAL ASSISTANCE

3,082

abused and neglected children cared for by Child Protection Network and Voice of the Free



#### SPORTS

5

Ladies Amateur Golf Players

### ENVIRONMENT

#### PASIG RIVER-MANILA BAY PLASTIC WASTE TO FUEL PROJECT

80,000

residents of Brgy. 20 and 275, Parola, Manila

#### ENVIRONMENTAL WEBINARS

823

Sangguniang Kabataan and Manila Youth Organization representatives

21

MMDA Community Organizers

7

Public schools

#### PAROLA SOLID WASTE MANAGEMENT PROJECT

80,000

residents of Brgy. 20 and 275, Parola, Manila

#### DISASTER RISK REDUCTION ASSISTANCE /RESPONSE

6,700

residents of Brgy. San Roque, Bauan, Batangas

500

fire victims (families) in Parola

1,000

displaced families due to Taal Volcano eruption

#### ASSISTANCE TO MDSW

286,466

Manila residents

#### BUHAY SA GULAY PROJECT ASSISTANCE

200

families in nearby barangays of Tondo, Manila



#### HEALTH / COVID 19 PREVENTION

15

health centers in District 2 and 4, Gat Andres Bonifacio Memorial Medical Center

3

Bauan Rural Health Unit, Davao and Calamba Quarantine Facilities

#### VICTORIA-ANEP'AAN MOUNTAIN RANGE (GREEN HEART OF PALAWAN) WILDLIFE CONSERVATION PROJECT

165,000

hectares covered by the project

1,000

kilometers patrolled by Wildlife Wardens

17

observed species of wildlife

10

illegal activities spotted (kaingin, encroachment, illegal logging)

#### PORTABLE BALLAST WATER MANAGEMENT SYSTEM PROJECT

3

identified potentially invasive species (mollusks and flatworms)



### COMMUNITY ASSISTANCE

#### TYPHOON ODETTE OUTREACH AND RELIEF ASSISTANCE

15,000

individuals in Southern Leyte

30,000

families in 6 Provinces

#### OUTREACH ACTIVITIES

286,466

mentally challenged, CICL, persons deprived of liberty and elderly





#### ICTSI Foundation

Throughout 2021, the ICTSI Foundation, the Group's social responsibility arm continued its support to medical frontliners as well as to sectors badly hit by government restrictions to contain the spread of Covid-19. Similarly, the Foundation rolled out its regular programs in the areas of youth development, education, health, social assistance, sports, environment protection and community welfare.

**Education.** The year 2021 marks the second year wherein many Filipino learners and teachers alike continue to cope with the demands of hybrid learning, a combination of modular and virtual modes to deliver to students. The Foundation was able to support its host communities by donating computers, printers, supplies of bond paper and ink to 43 public schools in the Philippines, benefiting almost 45,000 students.

The Foundation likewise continued its support for its 170 academic scholars and the 230 student-dependents of janitors, security guards, meal servers and EcoPatrols at MICT. In addition to this, the Foundation also helped 270 technical vocational students at Don Bosco Youth Center in Tondo, Manila, at the brink of dropping out from the rolls as their sponsors, due to the pandemic, were unable to continue financial support. Sponsoring the remaining tuition fee balance of said students, the Foundation was able to help these students from discontinuing their studies and the said technical-vocational school from temporarily closing down its operations.

To give attention to mental health issues, the Foundation held a series of webinars for around 2,000 teachers and social workers stationed in Manila, Bauan, Batangas, Calamba City, Olongapo City, General Santos City, Davao City and Tagoloan, Misamis Oriental. The objective was to help these frontliners cope with life changes brought about by the pandemic and thereby be capable to effectively pursue their mission to educate the youth and help the marginalized sector. As an offshoot of this webinar, the Foundation selected 75 volunteer-teachers who were given an intensive 3-day training on how to execute psychosocial first aid at the first signs of mental health issues for their students, fellow teachers, and even to parents and family members of their students.

The Foundation also reached out to differently-abled youth, by donating android devices to ATRIEV Computer Training Center for the Visually Impaired, the pioneer computer training center for the blind in the Philippines. These upgraded devices will help them to efficiently deliver their classes not only to the visually impaired but also to people with other disabilities who will benefit from using the available assistive technologies. This initiative benefited 30 visually-impaired trainors.

**Social Assistance.** To contribute to over-all efforts of addressing the rise in online child pornography and domestic child abuse cases during the pandemic, the Foundation renewed its support to two organizations working to protect and rehabilitate child-abuse-victims. These are the Child Protection Network Foundation and

the Voice of the Free Foundation which jointly provided medical, legal, psychosocial, and social work services to a total of 3,082 children.

**Health.** The Foundation spearheaded the sourcing of a total of 20 million Moderna vaccines for the government and the private sector and collaborated on the construction of a mega vaccination center at the property of the Nayong Pilipino Foundation, to beef-up the government's vaccination sites. The Foundation also assisted health institutions by providing them with Personal Protective Equipment (PPEs), basic medical equipment such as pulse oximeter, and blood pressure apparatus and thermal scanners. Laptops and printers were also donated to help them accomplish the necessary administrative tasks at the hospital/health centers in handling Covid-19 and non-Covid-19 cases. A total of 15 health centers were provided with this assistance.

**Environment Protection.** The Foundation carried on with its programs towards environment conservation and preservation – a partnership with Katala Foundation, on its 2nd year, for the protection of endemic wildlife species and biodiversity at the Mt. Anepa'an Mountain Range in Palawan and a partnership with Diliman Science Foundation for the development of a ballast water treatment prototype for Manila Port. The Foundation also signed a partnership with RiverRecycle, a Finland-based group specializing in cleaning rivers of plastic wastes and converting these to reusable materials. The objective is to collect plastic wastes at the mouth Pasig River going through Manila Bay, and convert these plastics into bunker fuel through pyrolysis technology.

**Community Welfare.** The islands of Mindanao and Visayas were rampaged by Typhoon Odette, (international name: Rai) in the middle of December. Spearheading the Razon Group's efforts, the Foundation was able to reach out to more than 30,000 affected families in Siargao, Southern Leyte, Palawan, Cebu, Misamis Oriental, Bohol and Dinagat Island by end of December stretching to early part of 2022.

The Foundation also reached out to other disadvantaged sectors for its Christmas Outreach Program – 2,700 mentally-challenged individuals in National Center for Mental Health, 855 mentally challenged individuals at Elsie Gaches being run by the Department of Social Welfare and Development, 500 indigent families in Happy Land, Tondo, Manila, 311 kids afflicted

with hydrocephalus, 120 juvenile delinquents at Manila Youth and Rehabilitation Center and 5,300 inmates at Manila City Jail. Five hundred families of persons deprived of liberty serving their sentences in jails in the cities of Manila, Pasay, Mandaluyong, Makati and San Juan also received Christmas packages sponsored by the Foundation and several ICTSI employees.

In Manila, the Foundation donated Php1M to temporarily re-purpose Don Bosco Youth Center's 8,000sqm-football field into 200 vegetable plots for distribution to Tondo families whose livelihood was affected by the pandemic. The selected families will be responsible for the cultivation of their assigned plots from planting, nurturing, harvesting, and selling of produce.

As part of our Community Assistance Program, we partnered with National Resilience Council, a multi-sectoral collaboration which includes the academe and the Department of Science and Technology, in crafting a science-based resilience program for the City of Manila.

**Sports.** The Foundation continued to support 5 amateur golfers under the ICTSI Amateur Golf Program by providing them with support for equipment, apparel, and cash assistance to cover their training and coaching fees.

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Our complete Annual Reports can be viewed or downloaded at [www.ictsi.com](http://www.ictsi.com)



A thorough discussion of the Company's sustainability and social responsibility efforts can be found at the 2021 ICTSI Group Sustainability Report and the ICTSI Foundation Accomplishment Report.



**Delivering a Resilient Future  
ICTSI 2021 Corporate Governance Report**