



**SEC FORM – I-ACGR**

**INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT**

1. For the fiscal year ended **2021**
2. SEC Identification Number **147212**
3. BIR Tax Identification No. **000-323-228**
4. Exact name of issuer as specified in its charter  
**International Container Terminal Services, Inc.**
5. **Manila, Philippines**  
Province, Country or other jurisdiction of  
incorporation or organization
6.  SEC Use Only)  
Industry Classification Code:
7. **ICTSI Administration Building**  
**Manila International Container Terminal**  
**South Access Road, Manila City, Philippines** **1012**  
Address of principal office Postal Code
8. **(632) 8 245-4101**  
Issuer's telephone number, including area code
9. **Not applicable**  
Former name, former address, and former fiscal year, if changed since last report.

# INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
<b>The Board's Governance Responsibilities</b>			
<b>Principle 1:</b> The company should be headed by a competent, working board to foster the long- term success of the corporation, and to sustain its competitiveness and profitability in a manner consistent with its corporate objectives and the long- term best interests of its shareholders and other stakeholders.			
<b>Recommendation 1.1</b>			
1. Board is composed of directors with collective working knowledge, experience or expertise that is relevant to the company's industry/sector.	Compliant	The academic qualifications, industry knowledge, professional experience, expertise and relevant trainings of members of the Board of Directors are provided in the submitted 2021 SEC form 17-A (" <b>SEC Form 17-A</b> ") and the Corporate Governance Report (" <b>2021 CG Report</b> ").	
2. Board has an appropriate mix of competence and expertise.	Compliant	The qualification standards for directors to facilitate the selection of potential nominees and to serve as benchmark for the evaluation of its performance are provided under Sections 2.1 and 2.4 of the Company's Revised Manual on Corporate Governance (" <b>CG Manual</b> ")	
3. Directors remain qualified for their positions individually and collectively to enable them to fulfill their roles and responsibilities and respond to the needs of the organization.	Compliant	<p><b>References:</b></p> <p>*Pages 93 to 97, SEC Form 17-A  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=97">https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=97</a></p> <p>*Pages 12-13, 2021 CG Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=7">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=7</a></p> <p>*Pages 3 and 4, CG Manual  <a href="https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf#page=4">https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf#page=4</a></p>	
<b>Recommendation 1.2</b>			
1. Board is composed of a majority of non- executive directors.	Compliant	<p>That the Board is mostly composed of non-executive directors is provided in the 2021 CG Report. Of the seven (7) Directors in Company, six (6) members are non-executive directors.</p> <p>Reference:</p> <p>*Page 14, 2021 CG Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=8">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=8</a></p>	
<b>Recommendation 1.3</b>			

1. Company provides in its Board Charter and Manual on Corporate Governance a policy on training of directors.	Compliant	<p>The Manual of Corporate Governance serves as the Company's Board Charter and provides for a policy on training of directors.</p> <p>Reference:</p> <p>*Pages 3 and 4, CG Manual  <a href="https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf#page=4">https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf#page=4</a></p>	
2. Company has an orientation program for first time directors.	Compliant	<p>The trainings and continuing education programs of the Directors for 2021, including the number of hours attended and topics covered, are provided under the 2021 CG Report as well as under SEC Form 17-A.</p> <p>References:</p>	
3. Company has relevant annual continuing training for all directors.	Compliant	<p>*Pages 14 to 15, 2021 CG Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=8">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=8</a></p> <p>*Pages 93 to 97, SEC Form 17-A  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=115">https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=115</a></p>	
<b>Recommendation 1.4</b>			
1. Board has a policy on board diversity.	Compliant	<p>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.</p> <p>In 2021, in our effort toward strengthening our corporate governance and leading with integrity, we continue to imbibe the Human Capital Statement (launched last November 2020) and see through its practical outworking (in human right, health and safety, and diversity and inclusion, among others).</p> <p>The Company's policy on board diversity is provided under Section 2.1.3 of the CG Manual.</p> <p><b>References:</b></p> <p>*Pages 14 to 15, 2021 CG Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=8">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=8</a></p>	

		<p>*Page 3, CG Manual  <a href="https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf#page=4">https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf#page=4</a></p>	
<b>Optional: Recommendation 1.4</b>			
1. Company has a policy on and discloses measurable objectives for implementing its board diversity and reports on progress in achieving its objectives.	Compliant	<p>The Company has a policy on and discloses measurable objectives for implementing its board diversity and reports on progress in achieving its objectives, as mentioned in the Sustainability Report ("2021 Sustainability Report") and Section 2.1.3 of the CG Manual.</p> <p><b>References:</b></p> <p>*Pages 73 to 79, 2021 Sustainability Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ictsi-2021-sustainability-report_0.pdf#page=37">https://cdnweb.ictsi.com/s3fs-public/2022-03/ictsi-2021-sustainability-report_0.pdf#page=37</a></p> <p>*Section 2.1.3, Page 3, CG Manual  <a href="https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf#page=4">https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf#page=4</a></p>	
<b>Recommendation 1.5</b>			
1. Board is assisted by a Corporate Secretary.	Compliant	<p>The Board is assisted by a Corporate Secretary (Atty. Rafael T. Durian) and two Asst. Corporate Secretaries (Attys. Silverio Benny Tan Benjamin M. Gorospe III). The Corporate Secretary and Asst. Corporate Secretaries are not members of the Board of Directors. The Corporate Secretary is also a separate individual from the Compliance Officer (Rafael D. Consing, Jr.), as provided in the 2021 CG Report.</p> <p>Information on the Corporate Secretary and the Asst. Corporate Secretaries, including their qualifications, are provided in the SEC Form 17-A and 2021 CG Report.</p> <p>The duties and functions of a Corporate Secretary are provided under Section 3.3, of the CG Manual.</p> <p><b>References:</b></p> <p>*Pages 100 to 110, SEC Form 17-A  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=104">https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=104</a></p> <p>*Page 98, SEC Form 17-A  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=102">https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=102</a></p> <p>*Pages 14 to 17, 2021 CG Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=8">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=8</a></p>	
2. Corporate Secretary is a separate individual from the Compliance Officer.	Compliant		
3. Corporate Secretary is not a member of the Board of Directors.	Compliant		

		<p>*Page 14, CG Manual  <a href="https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf#page=15">https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf#page=15</a></p>	
4. Corporate Secretary attends training/s on corporate governance.	Compliant	<p>The corporate governance trainings, including number of hours and topics covered, attended by the Corporate Secretary and Asst. Corporate Secretaries, are detailed in the 2021 CG Report.</p> <p><b>Reference:</b></p> <p>*Page 15, 2021 CG Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=8">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=8</a></p>	
<b>Optional: Recommendation 1.5</b>			
1. Corporate Secretary distributes materials for board meetings at least five business days before scheduled meeting.	Compliant	<p>The Corporate Secretary distributes board meeting materials at least five (5) business days before scheduled meeting.</p> <p><b>Reference:</b></p> <p>*Page 14, 2021 CG Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=8">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=8</a>  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021 ICTSI Corporate Governance Report_vfinal.pdf.pdf - page=8">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021 ICTSI Corporate Governance Report_vfinal.pdf.pdf - page=8</a></p>	
<b>Recommendation 1.6</b>			
1. Board is assisted by a Compliance Officer.	Compliant	<p>The Board is assisted by a Compliance Officer, Mr. Rafael D. Consing, Jr. He is a Senior Vice President.</p> <p>Information on the Compliance Officer, including his position and qualifications, is provided in the SEC Form 17-A and 2021 CG Report.</p> <p>The duties and functions of a Compliance Officer are also provided under Section 3.4 of the CG Manual.</p> <p><b>References:</b></p> <p>*Page 98, SEC Form 17-A  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=102">https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=102</a></p> <p>*Pages 16 to 17, 2021 CG Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-">https://cdnweb.ictsi.com/s3fs-public/2022-</a></p>	
2. Compliance Officer has a rank of Senior Vice President or an equivalent position with adequate stature and authority in the corporation.	Compliant		
3. Compliance Officer is not a member of the board.	Compliant		

		<a href="https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf#page=9">04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=9</a>  *Page 15, CG Manual <a href="https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf#page=15">https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf#page=15</a> <a href="https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf-page=15">https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf - page=15</a>	
4. Compliance Officer attends training/s on corporate governance.	Compliant	The corporate governance trainings, including number of hours and topics covered, attended by the Compliance Officer, are detailed in the 2021 CG Report.  <b>References:</b>  *Pages 16 to 17, 2021 CG Report <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=9">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=9</a>	

**Principle 2:** The fiduciary roles, responsibilities and accountabilities of the Board as provided under the law, the company's articles and by-laws, and other legal pronouncements and guidelines should be clearly made known to all directors as well as to stockholders and other stakeholders.

#### Recommendation 2.1

1. Directors act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the company.	Compliant	The Directors performed their duties on a fully informed basis, in good faith, with diligence and care, and in the best interest of the Company as indicated in Sections 2.6 and 2.7 of the CG Manual and the 2021 CG Report.  <b>References:</b>  *Page 7 to 8, CG Manual <a href="https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf#page=8">https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf#page=8</a>  *Pages 25 to 27, 2021 CG Report <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=6">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=6</a>  *Pages 25 to 27, 2021 CG Report <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=13">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=13</a>	
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#### Recommendation 2.2

1. Board oversees the development, review and approval of the company's business objectives and strategy.	Compliant	<p>The Directors performed this function as indicated in Section 2.6.3 of the CG Manual to oversee the development of and approve the Company's business objectives and strategy, and monitor their implementation, to sustain the Company's long-term viability and strength.</p> <p>The Board is mandated by the Manual on Corporate Governance to oversee the development of and approve the Company's business objectives and strategy, including its vision and mission (i.e. Purpose) as well its Values, and monitor their implementation in order to sustain the Company's long-term viability and strength. The Board reviews Company Purpose and Values 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.</p> <p><b>References:</b></p> <p>*Page 8, CG Manual  <a href="https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf#page=9">https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf#page=9</a></p> <p>*Page 17, 2021 CG Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=9">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=9</a></p>	
2. Board oversees and monitors the implementation of the company's business objectives and strategy.	Compliant		
<b>Supplement to Recommendation 2.2</b>			
1. Board has a clearly defined and updated vision, mission and core values.	Compliant	<p>On October 10, 2019, the Board approved the Company's Purpose and Values to replace the Company's Mission, Vision and Values. These can be found in the Company's website. The Board reviews the Company's Principles, including the Purpose and Values, at least once a year, the most recent review was made on December 21, 2021.</p> <p><b>References:</b></p> <p>*Pages 17, 2021 CG Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=9">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=9</a></p> <p>*About ICTSI tab, ICTSI Website  <a href="https://www.ictsi.com/about-ictsi">https://www.ictsi.com/about-ictsi</a></p>	

2. Board has a strategy execution process that facilitates effective management performance and is attuned to the company's business environment, and culture.	Compliant	<p>Information on the strategy execution process is indicated in the 2021 CG Report. The Company's Management's Discussion and Analysis or Plan of Operations is also outlined in Item 6 of SEC Form 17-A.</p> <p><b>References:</b></p> <p>*Page 17, 2021 CG Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=9">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=9</a></p> <p>*Pages 47 to 90, SEC Form 17-A  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS_1221.pdf#page=51">https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS_1221.pdf#page=51</a></p>	
<b>Recommendation 2.3</b>			
1. Board is headed by a competent and qualified Chairperson.	Compliant	<p>The Chairman of the Board's qualifications are indicated in the 2021 CG Report and SEC Form 17-A.</p> <p><b>References:</b></p> <p>*Page 18, 2021 CG Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=10">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=10</a></p> <p>*Page 93, SEC Form 17-A  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS_1221.pdf#page=97">https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS_1221.pdf#page=97</a></p>	
<b>Recommendation 2.4</b>			
1. Board ensures and adopts an effective succession planning program for directors, key officers and management.	Compliant	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.	
2. Board adopts a policy on the retirement for directors and key officers.	Compliant	<p><b>References:</b></p> <p>*Page 18, 2021 CG Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=10">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=10</a></p> <p>*Sec. 2.6.3, Page 8, CG Manual  <a href="https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf#page=9">https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf#page=9</a></p> <p>*Sec. 2.8.1(v), Page 10, CG Manual</p>	



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<b>Recommendation 2.5</b>			
1. Board aligns the remuneration of key officers and board members with long-term interests of the company.	Compliant	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 are 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.	
2. Board adopts a policy specifying the relationship between remuneration and performance.	Compliant	Information on the Company's remuneration policy and its implementation, including the relationship between remuneration and performance is stated in Sec. 2.10 of the CG Manual.	
3. Directors do not participate in discussions or deliberations involving his/her own remuneration.	Compliant	<p>The Board and Executive Remuneration can be found in the 2021 CG Report. Compensation can be found in Item 6 and Share-Based Payment Plan in Item 8, of 2021 SEC Form 20-IS ("SEC Form 20-IS").</p> <p>The Executive Compensation can also be found in the SEC Form 17-A, and a detailed discussion of the Share-Based is on Item 19 of the Independent Auditor's Report attached to the SEC Form 17-A</p> <p><b>References:</b></p> <p>*Page 32, 2021 CG Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=17">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=17</a></p> <p>*Page 11, CG Manual  <a href="https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf#page=12">https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf#page=12</a></p> <p>*Pages 18-19, 2021 CG Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=10">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=10</a></p> <p>*Pages 29 to 30, SEC Form 20-IS  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/International%20Container%20Terminal%20Services%20Inc_Definitive%20Information%20Statement%20_15Mar2022.pdf#page=30">https://cdnweb.ictsi.com/s3fs-public/2022-03/International%20Container%20Terminal%20Services%20Inc_Definitive%20Information%20State ment%20_15Mar2022.pdf#page=30</a></p> <p>*Pages 31 to 32, SEC Form 20-IS  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/International%20Container%20Terminal%20Services%20Inc_Definitive%20Information%20State ment%20_15Mar2022.pdf#page=32">https://cdnweb.ictsi.com/s3fs-public/2022-03/International%20Container%20Terminal%20Services%20Inc_Definitive%20Information%20State ment%20_15Mar2022.pdf#page=32</a></p>	

		<p>*Page 105, SEC Form 17-A  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=109">https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=109</a></p> <p>*Note 20 of Independent Auditor's Report, part of SEC Form 17-A  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=217">https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=217</a></p>	
<b>Optional: Recommendation 2.5</b>			
1. Board approves the remuneration of senior executives.	Compliant	<p>Proof of board approval is provided in the SEC Form 17-A, where Executive compensation is discussed. This was approved by the Audit Committee before its submission to the SEC.</p> <p>References:</p> <p>*Page 105, SEC Form 17-A  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=109">https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=109</a></p> <p>*Note 20 of Independent Auditor's Report, part of SEC Form 17-A  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=217">https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=217</a></p> <p>*Statement of Management's Responsibility, SEC Form 17-A  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=120">https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=120</a></p>	
2. Company has measurable standards to align the performance-based remuneration of the executive directors and senior executives with long-term interest, such as claw back provision and deferred bonuses.	Compliant	<p>The 2021 CG Report and SEC Form 17-A indicate measurable standards to align performance-based remuneration with the long-term interest of the company.</p> <p>*Page 32, 2021 CG Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=17">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=17</a></p> <p>*Note 20 of Independent Auditor's Report, part of SEC Form 17-A  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=217">https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=217</a></p>	
<b>Recommendation 2.6</b>			

1. Board has a formal and transparent board nomination and election policy.	Compliant	The Board has a formal and transparent board nomination and election policy contained in the Company's CG Report and consistent with the Company's By-Laws and CG Manual. Such is implemented by the Board's Nomination Sub-Committee.	
2. Board nomination and election policy is disclosed in the company's Manual on Corporate Governance.	Compliant	The nomination and election policy is disclosed in the CG Manual. This includes how the Company accepted nominations from the minority shareholders.  How the Board's Nomination Sub-Committee assesses/shortlists and ensuring the quality of the directors that is aligned with the strategic direction of the Company are contained in the Company's CG Report.	
3. Board nomination and election policy includes how the company accepted nominations from minority shareholders.	Compliant	The Board has an Assessment System which includes the assessment of the Board Nomination Sub-Committee.  <b>References:</b>	
4. Board nomination and election policy includes how the board shortlists candidates.	Compliant	*Pages 18 to 19, 2021 CG Report <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=10">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=10</a>  *Section 10, Article 1, Amended By-Laws <a href="https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi_amended_by-laws_23_june_2010.pdf#page=4">https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi_amended_by-laws_23_june_2010.pdf#page=4</a>	
5. Board nomination and election policy includes an assessment of the effectiveness of the Board's processes in the nomination, election or replacement of a director.	Compliant	*Nomination Sub-Committee Charter <a href="https://cdnweb.ictsi.com/s3fs-public/inline-files/nomination_committee_charter.pdf">https://cdnweb.ictsi.com/s3fs-public/inline-files/nomination_committee_charter.pdf</a>  *Sec. 2.6.11, Page 8, CG Manual <a href="https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf#page=9">https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf#page=9</a>  *Sec. 2.12(a).i., Page 13, CG Manual <a href="https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf#page=14">https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf#page=14</a>	
6. Board has a process for identifying the quality of directors that is aligned with the strategic direction of the company.	Compliant	*Sec. 6.6, Page 18, CG Manual <a href="https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf#page=19">https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf#page=19</a>  *Pages 23, SEC Form 20-IS <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/International%20Container%20Terminal%20Services%20Inc_Definitive%20Information%20Statement%20_15Mar2022.pdf#page=24">https://cdnweb.ictsi.com/s3fs-public/2022-03/International%20Container%20Terminal%20Services%20Inc_Definitive%20Information%20State ment%20_15Mar2022.pdf#page=24</a>  *Page 28, 2021 CG Report <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=15">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=15</a>	

<b>Optional: Recommendation to 2.6</b>			
1. Company uses professional search firms or other external sources of candidates (such as director databases set up by director or shareholder bodies) when searching for candidates to the board of directors.	Compliant	<p>The process of using a professional search firm used or other external sources of candidates are indicated in the Nomination Sub-Committee Charter.</p> <p>Reference:</p> <p>*Nomination Sub-committee Charter  <a href="https://cdnweb.ictsi.com/s3fs-public/inline-files/nomination_committee_charter.pdf#page=1">https://cdnweb.ictsi.com/s3fs-public/inline-files/nomination_committee_charter.pdf#page=1</a></p>	
<b>Recommendation 2.7</b>			
1. Board has overall responsibility in ensuring that there is a group-wide policy and system governing related party transactions (RPTs) and other unusual or infrequently occurring transactions.	Compliant	<p>Information on the Board's responsibility over RPTs is stated clearly in Sec. 2.6.13 of the CG Manual.</p> <p>The Board's RPT Committee Charter and the RPT Policy are made available in the Company website.</p> <p>Transactions that were approved pursuant to the policy are stated in the SEC Form 17-A and 2021 CG Report.</p>	
2. RPT policy includes appropriate review and approval of material RPTs, which guarantee fairness and transparency of the transactions.	Compliant	<p><b>References:</b></p> <p>*Page 9, CG Manual  <a href="https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf#page=10">https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf#page=10</a></p> <p>*RPT Committee Charter  <a href="https://cdnweb.ictsi.com/s3fs-public/inline-files/ictsi_rpt_committee_charter.pdf">https://cdnweb.ictsi.com/s3fs-public/inline-files/ictsi_rpt_committee_charter.pdf</a></p>	
3. RPT policy encompasses all entities within the group, taking into account their size, structure, risk profile and complexity of operations.	Compliant	<p>*RPT Committee Policy  <a href="https://d1gbtque32gs0y.cloudfront.net/s3fs-public/2019-10/ictsi_related_party_transaction_policy_10242019_1.pdf">https://d1gbtque32gs0y.cloudfront.net/s3fs-public/2019-10/ictsi_related_party_transaction_policy_10242019_1.pdf</a></p> <p>*Page 108, SEC Form 17-A  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=112">https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=112</a></p> <p>*Note 23 of Independent Auditor's Report, SEC Form 17-A  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-">https://cdnweb.ictsi.com/s3fs-public/2022-</a></p>	

		<a href="#">03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page+226</a>  *Page 32, 2021 CG Report <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=17">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=17</a>	
<b>Supplement to Recommendations 2.7</b>			
1. Board clearly defines the threshold for disclosure and approval of RPTs and categorizes such transactions according to those that are considered <i>de minimis</i> or transactions that need not be reported or announced, those that need to be disclosed, and those that need prior shareholder approval. The aggregate amount of RPTs within any twelve (12) month period should be considered for purposes of applying the thresholds for disclosure and approval.	Compliant	Information on a materiality threshold for RPT disclosure and approval, and information on RPT categories can be found on the RPT Policy, RPT Committee Charter and SEC Form 17-A.  <b>References:</b>  *Page 2, RPT Policy <a href="https://d1gbtque32gs0y.cloudfront.net/s3fs-public/2019-10/ictsi_related_party_transaction_policy_10242019_1.pdf#page=5">https://d1gbtque32gs0y.cloudfront.net/s3fs-public/2019-10/ictsi_related_party_transaction_policy_10242019_1.pdf#page=5</a>  *Page 1, RPT Committee Charter <a href="https://cdnweb.ictsi.com/s3fs-public/inline-files/ictsi_rpt_committee_charter.pdf">https://cdnweb.ictsi.com/s3fs-public/inline-files/ictsi_rpt_committee_charter.pdf</a>  *Page 108, SEC Form 17-A <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=112">https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=112</a>  *Note 23 of Independent Auditor's Report, SEC Form 17-A <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page+226">https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page+226</a>  *Page 32, 2021 CG Report <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=17">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=17</a>	
2. Board establishes a voting system whereby a majority of non-related party shareholders approve specific types of related party transactions during shareholders' meetings.	Compliant	Should there be a transaction contemplated by this item which may arise, the Board shall be guided by the RPT Committee, as stated in the CG Manual and the RPT Committee Charter.  <b>References:</b>  * Sec. 2.6.13, Page 9, CG Manual <a href="https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf#page=14">https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf#page=14</a>	

		<p>*Page 1, RPT Committee Charter  <a href="https://cdnweb.ictsi.com/s3fs-public/inline-files/ictsi_rpt_committee_charter.pdf">https://cdnweb.ictsi.com/s3fs-public/inline-files/ictsi_rpt_committee_charter.pdf</a></p>	
<b>Recommendation 2.8</b>			
<p>1. Board is primarily responsible for approving the selection of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive).</p>	Compliant	<p>The information on or reference to the Board's policy and responsibility for approving the selection of management can be found on Sec. 2.6.3 of the CG Manual.</p> <p>The Management team has been appointed by the Board.</p> <p><b>References:</b></p> <p>*Sec. 2.6.3, Page 8, CG Manual  <a href="https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf#page=9">https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf#page=9</a></p> <p>*Sec. 2.6.17, Page 9, CG Manual  <a href="https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf#page=10">https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf#page=10</a></p> <p>*About ICTSI tab, ICTSI Website  <a href="https://www.ictsi.com/leadership-team">https://www.ictsi.com/leadership-team</a></p> <p>*Organizational Meeting Results  <a href="https://cdnweb.ictsi.com/s3fs-public/2021-04/results-of-organizational-meeting-of-board-of-directors.pdf">https://cdnweb.ictsi.com/s3fs-public/2021-04/results-of-organizational-meeting-of-board-of-directors.pdf</a></p>	
<p>2. Board is primarily responsible for assessing the performance of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive).</p>	Compliant	<p>The information on or reference to a document containing the Board's policy and responsibility for assessing the performance of management, and the information on the assessment process and indicate frequency of assessment of performance can be found on Sec. 2.5.4 and 2.6.4 of the CG Manual.</p> <p><b>References:</b></p> <p>*Pages 7-8, CG Manual  <a href="https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf#page=8">https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf#page=8</a></p> <p>*Sec. 2.6.3, Page 8, CG Manual  <a href="https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf#page=9">https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf#page=9</a></p> <p>*Sec. 2.6.11, Page 8, CG Manual  <a href="https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf#page=10">https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf#page=10</a></p>	

		<a href="#">revised manual on corporate governance v3.0 may 31 2017 for website 0 1.pdf#page=9</a>  *Sec. 2.6.17, Page 9, CG Manual <a href="https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf#page=10">https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0 may 31 2017 for website 0 1.pdf#page=10</a>	
<b>Recommendation 2.9</b>			
1. Board establishes an effective performance management framework that ensures that Management's performance is at par with the standards set by the Board and Senior Management.	Compliant	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  <b>References:</b>	
2. Board establishes an effective performance management framework that ensures that personnel's performance is at par with the standards set by the Board and Senior Management.	Compliant	*Sec 2.6.11, Page 8, CG Manual <a href="https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf#page=9">https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0 may 31 2017 for website 0 1.pdf#page=9</a>  *Sec 2.5.4, Page 7, CG Manual <a href="https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf#page=10">https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0 may 31 2017 for website 0 1.pdf#page=10</a>  *Page 20, 2021 CG Report <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=11">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=11</a>	
<b>Recommendation 2.10</b>			
1. Board oversees that an appropriate internal control system is in place.	Compliant	The information showing the Board's responsibility for overseeing that an appropriate internal control system is in place and what is included in the internal control system can be found on Sec. 2.8 of the CG Manual.  <b>References:</b>	
2. The internal control system includes a mechanism for monitoring and managing potential conflict of interest	Compliant	*Page 10, CG Manual <a href="https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf#page=11">https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0 may 31 2017 for website 0 1.pdf#page=11</a>  *Page 126 of Independent Auditor's Report, SEC Form 17-A	

of the Management, members and shareholders.		<a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=258">https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=258</a>  *Page 20, 2021 CG Report <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=11">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=11</a>  The Company's Internal Audit Charter was approved on August 2, 2018. The latest revision was approved by the Board and the Audit Committee on November 3, 2020. The charter will be provided upon request.	
3. Board approves the Internal Audit Charter.	Compliant	The latest revision of the Internal Audit Charter was approved by the Board and the Audit Committee on November 3, 2020. Charter will be provided upon request.  <b>Reference:</b>  *Page 20, 2021 CG Report <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=11">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=11</a>	
<b>Recommendation 2.11</b>			
1. Board oversees that the company has in place a sound enterprise risk management (ERM) framework to effectively identify, monitor, assess and manage key business risks.	Compliant	Information showing the Board's oversight responsibility on the establishment of a sound enterprise risk management framework and how the board was guided by the framework can be found on Sec. 2.6.9 of the CG Manual and the 2021 CG Report.  The Board has the Board Risk Oversight Committee (BROC) that oversees the enterprise risk management framework. Reference to the link for the roles and responsibilities of the BROC based on the BROC Charter is posted in the company website.  The risks relating to the Company's business are outlined in the SEC Form 17-A under Risks Relating to the Group's Business.	
2. The risk management framework guides the board in identifying units/business lines and enterprise-level risk exposures, as well as the effectiveness of risk management strategies.	Compliant	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 was also reviewed.  <b>References:</b>  *Section 2.6.9, Page 8, CG Manual <a href="https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised manual on corporate governance v3.0 may 31 2017 for website 0 1.pdf#page=9">https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised manual on corporate governance v3.0 may 31 2017 for website 0 1.pdf#page=9</a>  *Section 2.12(b), Page 13, CG Manual <a href="https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-">https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-</a>	



		<p><a href="#">revised manual on corporate governance v3.0 may 31 2017 for website 0 1.pdf#page=14</a></p> <p>*Page 20, 2021 CG Report (ERM Policy)  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=11">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=11</a></p> <p>*Page 21, 2021 CG Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=11">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=11</a></p> <p>*Page 24, 2021 CG Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=13">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=13</a></p> <p>*Board Risk Oversight Committee Charter  <a href="https://cdnweb.ictsi.com/s3fs-public/inline-files/broc_charter.pdf">https://cdnweb.ictsi.com/s3fs-public/inline-files/broc_charter.pdf</a></p> <p>*Pages 24 to 27, SEC Form 17-A  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=28">https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=28</a></p>	
<b>Recommendation 2.12</b>			
1. Board has a Board Charter that formalizes and clearly states its roles, responsibilities and accountabilities in carrying out its fiduciary role.	Compliant	<p>The Manual of Corporate Governance serves as the Company's Board Charter. It sets out the roles and responsibilities and accountabilities in carrying out its fiduciary role. IT serves as a guide to the directors in the performance of their functions. The CG Manual is publicly available in the Company's website.</p> <p><b>Reference:</b></p>	
2. Board Charter serves as a guide to the directors in the performance of their functions.	Compliant	<p>*CG Manual  <a href="https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised manual on corporate governance v3.0 may 31 2017 for website 0 1.pdf">https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised manual on corporate governance v3.0 may 31 2017 for website 0 1.pdf</a></p> <p>*ICTSI Website, Board Committees  <a href="https://www.ictsi.com/governance/reports-and-compliance/board-committees">https://www.ictsi.com/governance/reports-and-compliance/board-committees</a> click on "ICTSI Manual on Corporate Governance" hyperlink which will lead to the file: ictsi-revised manual on corporate governance v3.0 may 31 2017 for website 0.pdf</p>	
3. Board Charter is publicly available and posted on the company's website.	Compliant		
<b>Additional Recommendation to Principle 2</b>			

1. Board has a clear insider trading policy.	Compliant	<p>The Policy is disclosed in the Corporate Governance portion of the 2021 CG Report and the Company Website.</p> <p><b>References:</b></p> <p>*Page 21, 2021 CG Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=11">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=11</a></p> <p>*Insider Trading Policy – Policies section, Governance tab, ICTSI Website  <a href="https://www.ictsi.com/policies">https://www.ictsi.com/policies</a></p>	
<b>Optional: Principle 2</b>			
1. Company has a policy on granting loans to directors, either forbidding the practice or ensuring that the transaction is conducted at arm's length basis and at market rates.	Compliant	<p>Loans to Directors are in the nature akin to additional compensation. or 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.</p> <p><b>References:</b></p> <p>*Pages 18 to 19, 2021 CG Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021 ICTSI Corporate Governance Report_vfinal.pdf.pdf - page=10">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021 ICTSI Corporate Governance Report_vfinal.pdf.pdf - page=10</a></p>	
2. Company discloses the types of decision requiring board of directors' approval.	Compliant	<p>Types of decision requiring board of directors' approval are disclosed in Article III of the Amended By-Laws, which is posted in the Company website.</p> <p><b>Reference:</b></p> <p>*Pages 4 to 7, Amended By-Laws <a href="https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi_amended_by-laws_23_june_2010.pdf#page=6">https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi_amended_by-laws_23_june_2010.pdf#page=6</a></p>	
<p><b>Principle 3:</b> Board committees should be set up to the extent possible to support the effective performance of the Board's functions, particularly with respect to audit, risk management, related party transactions, and other key corporate governance concerns, such as nomination and remuneration. The composition, functions and responsibilities of all committees established should be contained in a publicly available Committee Charter.</p>			
<b>Recommendation 3.1</b>			

<p>1. Board establishes board committees that focus on specific board functions to aid in the optimal performance of its roles and responsibilities.</p>	<p>Compliant</p>	<p>Information on all the board committees established by the Company – Audit Committee, Board Risk Oversight Committee, Corporate Governance Committee, Nomination Sub-committee, Remuneration Sub-committee, ESG Sub-Committee and Related Party Transactions Committee – are provided in Sec. 2.11 and 2.12 of the CG Manual, identified in the 2021 CG Report, Results of the Organizational Meeting (List of Committees and Memberships) and the Charters of the said Board Committees uploaded in the Company's website.</p> <p><b>References:</b></p> <p>*Pages 11-13, CG Manual  <a href="https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf#page=12">https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf#page=12</a></p> <p>*Board Committees section, Governance tab, ICTSI Website  <a href="https://www.ictsi.com/governance/reports-and-compliance/board-committees">https://www.ictsi.com/governance/reports-and-compliance/board-committees</a></p> <p>*Results of ICTSI's Organizational Meeting  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=c452abf41b2168733470cea4b051ca8f">https://edge.pse.com.ph/openDiscViewer.do?edge_no=c452abf41b2168733470cea4b051ca8f</a></p> <p>*Pages 18 to 19, 2021 CG Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=12">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=12</a></p>	
<p><b>Recommendation 3.2</b></p>			
<p>1. Board establishes an Audit Committee to enhance its oversight capability over the company's financial reporting, internal control system, internal and external audit processes, and compliance with applicable laws and regulations.</p>	<p>Compliant</p>	<p>The role, composition, authority, responsibilities and operations of the Audit Committee are set out in the Audit Committee Charter last revised last November 3, 2020 (the "AC Charter"). The Audit Committee assists the Board in fulfilling its oversight responsibilities to the shareholders relating to the Company's financial statements and financial reporting process and internal control systems, the internal and external audit process, and the Company's process for monitoring compliance with contracts, laws and regulations and the ICTSI Code of Business Conduct.</p> <p>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 &amp; 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.</p> <p>The Audit Committee reviews and monitors the integrity, independence, objectivity, performance, rotation process of the external auditors and makes recommendations to the Board on their appointment or discharge on an annual basis.</p> <p><b>References:</b></p> <p>*Page 22, 2021 CG Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=12">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=12</a></p>	

		<p>*Page 37, 2021 CG Report (Audit Committee review of internal control)  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=19">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=19</a></p> <p>*AC Charter  <a href="https://cdnweb.ictsi.com/s3fs-public/inline-files/revised-audit-committee-charter-nov-3-2020_1.pdf">https://cdnweb.ictsi.com/s3fs-public/inline-files/revised-audit-committee-charter-nov-3-2020_1.pdf</a></p> <p>*Page 91, SEC Form 17-A  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS_1221.pdf#page=95">https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS_1221.pdf#page=95</a></p>	
2. Audit Committee is composed of at least three appropriately qualified non- executive directors, the majority of whom, including the Chairman is independent.	Compliant	<p>The Audit Committee consists of three (3) non-executive directors, the majority of whom, including the Chairman is independent:</p> <ul style="list-style-type: none"> <li>• Carlos C. Ejercito (IndependentDirector) – Chairman</li> <li>• Cesar A. Buenaventura (Independent Director) – Member</li> <li>• Stephen A. Paradies – Member</li> </ul> <p>The above information is stated in the Company website, ICTSI SEC Form 17-A Part IV, Item 9, 2021 CG Report, Results of ICTSI's Organizational Meeting, and the AC Charter, Section I, as posted in the Company website.</p> <p><b>References:</b></p> <p>*Page 94 to 95, SEC Form 17-A  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS_1221.pdf#page=98">https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS_1221.pdf#page=98</a></p> <p>*Page 96 to 97, SEC Form 17-A  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS_1221.pdf#page=100">https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS_1221.pdf#page=100</a></p> <p>*Page 22, 2021 CG Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=12">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=12</a></p> <p>*Results of ICTSI's Organizational Meeting  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=c452abf41b2168733470cea4b051ca8f">https://edge.pse.com.ph/openDiscViewer.do?edge_no=c452abf41b2168733470cea4b051ca8f</a></p> <p>*AC Charter  <a href="https://cdnweb.ictsi.com/s3fs-public/inline-files/revised-audit-committee-charter-nov-3-2020_1.pdf#page=2">https://cdnweb.ictsi.com/s3fs-public/inline-files/revised-audit-committee-charter-nov-3-2020_1.pdf#page=2</a></p>	

3. All the members of the committee have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance.	Compliant	<p>All members of the Audit Committee have relevant background, knowledge and skills, and/or experience in the areas of accounting, auditing and finance, as mentioned in the SEC Form 17–A, 2021 CG Report and the AC Charter.</p> <p><b>References:</b></p> <p>*Pages 94 to 95, SEC Form 17-A  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=98">https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=98</a></p> <p>*Pages 96 to 97, SEC Form 17-A  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=100">https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=100</a></p> <p>*Page 13, 2021 CG Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=7">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=7</a></p> <p>*Page 1, AC Charter  <a href="https://cdnweb.ictsi.com/s3fs-public/inline-files/revised-audit-committee-charter-nov-3-2020_1.pdf#page=2">https://cdnweb.ictsi.com/s3fs-public/inline-files/revised-audit-committee-charter-nov-3-2020_1.pdf#page=2</a></p>	
4. The Chairman of the Audit Committee is not the Chairman of the Board or of any other committee.	Compliant	<p>The Chairman of the Audit Committee is Mr. Carlos C. Ejercito. He is not the Chairman of the Board or any other committees.</p> <p>*Page 23, 2021 CG Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=12">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=12</a></p> <p>*Results of ICTSI's Organizational Meeting  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=c452abf41b2168733470cea4b051ca8f">https://edge.pse.com.ph/openDiscViewer.do?edge_no=c452abf41b2168733470cea4b051ca8f</a></p> <p>*Page 1, AC Charter  <a href="https://cdnweb.ictsi.com/s3fs-public/inline-files/revised-audit-committee-charter-nov-3-2020_1.pdf#page=2">https://cdnweb.ictsi.com/s3fs-public/inline-files/revised-audit-committee-charter-nov-3-2020_1.pdf#page=2</a></p>	

<b>Supplement to Recommendation 3.2</b>			
1. Audit Committee approves all non-audit services conducted by the external auditor.	Compliant	<p>The Audit Committee reviews the nature of the non-audit related services rendered by the external auditors and the appropriate fees paid for these services.</p> <p>References:</p> <p>*Page 91, SEC Form 17-A  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=95">https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=95</a></p> <p>*Item D.5, Page 5, AC Charter  <a href="https://cdnweb.ictsi.com/s3fs-public/inline-files/revised-audit-committee-charter-nov-3-2020_1.pdf#page=6">https://cdnweb.ictsi.com/s3fs-public/inline-files/revised-audit-committee-charter-nov-3-2020_1.pdf#page=6</a></p>	
2. Audit Committee conducts regular meetings and dialogues with the external audit team without anyone from management present.	Compliant	<p>The Audit Committee, when sensitive matters are to be discussed, meet separately with the external auditors without anyone from management present. This happens on a regular basis.</p> <p><b>Reference:</b></p> <p>*Item D.6, Page 5, AC Charter  <a href="https://cdnweb.ictsi.com/s3fs-public/inline-files/revised-audit-committee-charter-nov-3-2020_1.pdf#page=6">https://cdnweb.ictsi.com/s3fs-public/inline-files/revised-audit-committee-charter-nov-3-2020_1.pdf#page=6</a></p>	
<b>Optional: Recommendation 3.2</b>			
1. Audit Committee meet at least four times during the year.	Compliant	<p>The Audit Committee conducted meetings for FY 2021 at least four times. The Audit Committee met on March 2, 2021, May 4, 2021, August 3, 2021, and November 3, 2021.</p> <p><b>References:</b></p> <p>*Page 2, AC Charter  <a href="https://cdnweb.ictsi.com/s3fs-public/inline-files/revised-audit-committee-charter-nov-3-2020_1.pdf#page=3">https://cdnweb.ictsi.com/s3fs-public/inline-files/revised-audit-committee-charter-nov-3-2020_1.pdf#page=3</a></p> <p>*Page 25, 2021 CG Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=13">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=13</a></p>	

2. Audit Committee approves the appointment and removal of the internal auditor.	Compliant	<p>The Audit Committee approves the appointment and removal of the internal auditor.</p> <p><b>References:</b></p> <p>*Item C.2, Page 4, AC Charter <a href="https://cdnweb.ictsi.com/s3fs-public/inline-files/revised-audit-committee-charter-nov-3-2020_1.pdf#page=5">https://cdnweb.ictsi.com/s3fs-public/inline-files/revised-audit-committee-charter-nov-3-2020_1.pdf#page=5</a></p> <p>*Page 37, 2021 CG Report <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=19">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=19</a></p>	
<b>Recommendation 3.3</b>			
1. Board establishes a Corporate Governance Committee tasked to assist the Board in the performance of its corporate governance responsibilities, including the functions that were formerly assigned to a Nomination and Remuneration Committee.	Compliant	<p>The Board established the Corporate Governance Committee. Its responsibilities, including its functions, are provided under Section 2.12 of the CG Manual and the 2021 CG Report</p> <p>The Corporate Governance Committee has two sub-committees: Remuneration and Nomination.</p> <p><b>References:</b></p> <p>*Sec 2.12.(a), Page 13, CG Manual <a href="https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf#page=14">https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf#page=14</a></p> <p>*Page 22, 2021 CG Report <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=12">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=12</a></p>	
2. Corporate Governance Committee is composed of at least three members, all of whom should be independent directors.	Compliant	<p>The Corporate Governance Committee is entirely composed of three Independent Directors:</p> <ul style="list-style-type: none"> <li>• Cesar A. Buenaventura (Independent Director) – Chairman</li> <li>• Carlos C. Ejercito (Independent Director) – Member</li> <li>• Chief Justice Diosdado M. Peralta (Independent Director) – Member</li> </ul> <p>Their qualifications are provided in the 2021 CG Report and the SEC Form 17-A.</p> <p><b>References:</b></p> <p>*Results of ICTSI's Organizational Meeting <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=c452abf41b2168733470cea4b051ca8f">https://edge.pse.com.ph/openDiscViewer.do?edge_no=c452abf41b2168733470cea4b051ca8f</a></p> <p>*Page 22, 2021 CG Report <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=12">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=12</a></p> <p>*Pages 94 to 96, SEC Form 17-A <a href="https://cdnweb.ictsi.com/s3fs-public/2022-">https://cdnweb.ictsi.com/s3fs-public/2022-</a></p>	

		<a href="#">03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=98</a>	
3. Chairman of the Corporate Governance Committee is an independent director.	Compliant	<p>The chairman of the Corporate Governance Committee, Mr. Cesar A. Buenaventura, is an Independent Director. Information on his qualifications is provided in the 2021 CG Report and SEC Form 17-A.</p> <p><b>References:</b></p> <p>*Page 13, 2021 CG Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=7">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=7</a></p> <p>*Page 94, SEC Form 17-A  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=98">https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=98</a></p>	
<b>Optional: Recommendation 3.3.</b>			
1. Corporate Governance Committee meet at least twice during the year.	Compliant	<p>The Corporate Governance Committee meets at least twice a year. For FY 2021, the Corporate Governance Committee met four (4) time on March 5, 2021, July 30, 2021, September 15, 2021, and November 3, 2021</p> <p><b>Reference:</b></p> <p>*Pages 22 to 23, 2021 CG Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=12">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=12</a></p> <p>*Page 25, 2021 CG Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=13">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=13</a></p>	
<b>Recommendation 3.4</b>			



<p>1. Board establishes a separate Board Risk Oversight Committee (BROC) that should be responsible for the oversight of a company's Enterprise Risk Management system to ensure its functionality and effectiveness.</p>	<p>Compliant</p>	<p>The Company has an existing oversight committee at the Board level, i.e. Board Risk Oversight Committee (BROC), which is responsible for the oversight of its Enterprise Risk Management system to ensure its functionality and effectiveness, as stated in the 2021 CG Report.</p> <p>References:</p> <p>*Page 24, 2021 CG Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=13">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=13</a></p> <p>*Board Risk Oversight Committee Charter  <a href="https://cdnweb.ictsi.com/s3fs-public/inline-files/broc_charter.pdf">https://cdnweb.ictsi.com/s3fs-public/inline-files/broc_charter.pdf</a></p>	
<p>2. BROC is composed of at least three members, the majority of whom should be independent directors, including the Chairman.</p>	<p>Non-Compliant on the Chairmanship part</p>	<p>The BROC is composed of four members, the majority of whom are Independent Directors:</p> <ul style="list-style-type: none"> <li>• Stephen A. Paradies – Chairman</li> <li>• Carlos C. Ejercito (Independent Director) – Member</li> <li>• Cesar A. Buenaventura (Independent Director) – Member</li> <li>• Chief Justice Diosdado M. Peralta (ret.) (Independent Director) – Member</li> </ul> <p>Their qualifications are provided in the 2021 CG Report and the SEC Form 17-A.</p> <p><b>References:</b></p> <p>*Results of ICTSI's Organizational Meeting  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=c452abf41b2168733470cea4b051ca8f">https://edge.pse.com.ph/openDiscViewer.do?edge_no=c452abf41b2168733470cea4b051ca8f</a></p> <p>*Pages 12 to 13, 2021 CG Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=7">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=7</a></p> <p>*Pages 94 to 97, SEC Form 17-A  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=98">https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=98</a></p>	<p>Stephen A. Paradies, the Chairman of the BROC, may not be an Independent Director, but he is a Non-Executive Director and exercises independent judgment.</p> <p><b>References:</b></p> <p>*Results of ICTSI's Organizational Meeting  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=c452abf41b2168733470cea4b051ca8f">https://edge.pse.com.ph/openDiscViewer.do?edge_no=c452abf41b2168733470cea4b051ca8f</a></p> <p>*Page 13, 2021 CG Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=7">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=7</a></p> <p>*Pages 96 to 97, SEC Form 17-A  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=100">https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=100</a></p>

3. The Chairman of the BROC is not the Chairman of the Board or of any other committee.	Compliant	<p>The chairman of the BROC, Mr. Stephen A. Paradies, is not the Chairman of the Board or of any other committee.</p> <p>Information on his qualifications is provided in the 2021 CG Report and SEC Form 17-A.</p> <p><b>References:</b></p> <p>*Page 23, 2021 CG Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=12">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=12</a></p> <p>*Page 13, 2021 CG Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=7">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=7</a></p> <p>*Pages 94 to 95, SEC Form 17-A  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=98">https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=98</a></p>	
4. At least one member of the BROC has relevant thorough knowledge and experience on risk and risk management.	Compliant	<p>BROC members have relevant thorough knowledge and experience on risk management. Information about the BROC members' background is provided in the SEC Form 17-A and the 2021 CG Report.</p> <p><b>References:</b></p> <p>*Pages 12 to 13, 2021 CG Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=7">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=7</a></p> <p>*Pages 94 to 97, SEC Form 17-A  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=98">https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=98</a></p>	
<b>Recommendation 3.5</b>			
1. Board establishes a Related Party Transactions (RPT) Committee, which is tasked with reviewing all material related party transactions of the company.	Compliant	<p>Information on the RPT Committee, including its functions, are provided under Section 2.12 of the CG Manual and the 2021 CG Report.</p> <p><b>References:</b></p> <p>*Section 2.2.(c) Page 13, CG Manual  <a href="https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf#page=14">https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf#page=14</a></p>	

		<p>*Pages 24 to 25, 2021 CG Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=13">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=13</a></p>	
2. RPT Committee is composed of at least three non-executive directors, two of whom should be independent, including the Chairman.	Compliant	<p>The RPT Committee is entirely composed of three Independent, non-executive Directors, including the Chairman:</p> <ul style="list-style-type: none"> <li>• Cesar A. Buenaventura (Independent Director) – Chairman</li> <li>• Carlos C. Ejercito (Independent Director) – Member</li> <li>• Chief Justice Diosdado M. Peralta (Independent Director) – Member</li> </ul> <p>Their qualifications are provided in the 2021 CG Report and the SEC Form 17-A.</p> <p><b>References:</b></p> <p>*Page 24 to 25, 2021 CG Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=13">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=13</a></p> <p>*Pages 94 to 96, SEC Form 17-A  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=98">https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=98</a></p> <p>*Results of ICTSI's Organizational Meeting  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=c452abf41b2168733470cea4b051ca8f">https://edge.pse.com.ph/openDiscViewer.do?edge_no=c452abf41b2168733470cea4b051ca8f</a></p>	
<b>Recommendation 3.6</b>			
1. All established committees have a Committee Charter stating in plain terms their respective purposes, memberships, structures, operations, reporting process, resources and other relevant information.	Compliant	<p>The Company's committee charters, containing all the required information, particularly the functions of the Committee that is necessary for performance evaluation purposes, are provided at the Company's website under the Governance tab.</p> <p><b>Reference:</b></p> <p>*Board Committees, ICTSI Website  <a href="https://www.ictsi.com/governance/reports-and-compliance/board-committees">https://www.ictsi.com/governance/reports-and-compliance/board-committees</a></p>	
2. Committee Charters provide standards for evaluating the performance of the Committees.	Compliant		

3. Committee Charters were fully disclosed on the company's website.	Compliant	<p>The Company's committee charters, containing all the required information, particularly the functions of the Committee that is necessary for performance evaluation purposes, are provided at the Company's website under the Governance tab.</p> <p><b>Reference:</b></p> <p>*Board Committees, ICTSI Website  <a href="https://www.ictsi.com/governance/reports-and-compliance/board-committees">https://www.ictsi.com/governance/reports-and-compliance/board-committees</a></p>	
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**Principle 4:** To show full commitment to the company, the directors should devote the time and attention necessary to properly and effectively perform their duties and responsibilities, including sufficient time to be familiar with the corporation's business.

#### Recommendation 4.1

1. The Directors attend and actively participate in all meetings of the Board, Committees and shareholders in person or through tele-/videoconferencing conducted in accordance with the rules and regulations of the Commission.	Compliant	<p>In compliance with Sec. 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.</p> <p>The Company also has developed an online platform 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.</p> <p>References:  *2021 Corporate Governance Report, Attendance and Participation, pp. 25-27  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=13">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=13</a></p> <p>References:  *2021 Corporate Governance Report, Attendance and Participation, pp. 25-27  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=13">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=13</a></p>	
2. The directors review meeting materials for all Board and Committee meetings.	Compliant		
3. The directors ask the necessary questions or seek clarifications and explanations during the Board and Committee meetings.	Compliant	<p>The Directors in each meeting contributed to the discussion by raising questions, commenting and suggesting on the acts, contracts, investments and resolutions under the meeting agenda.</p> <p>References:  *2021 Corporate Governance Report, Attendance and Participation, pp. 25-27  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=13">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=13</a></p>	

#### Recommendation 4.2

1. Non-executive directors concurrently serve in a maximum of five publicly-listed companies to ensure that they have sufficient time to fully prepare for minutes, challenge Management's proposals/views, and oversee the long-term strategy of the company.	Non-Compliant (as to 1 out of 6 Non-Executive Directors)	<p>The maximum directorships that can be concurrently held in other companies by the Board of Directors are stated in the Company's CG Manual.</p> <p>References:            *CG Manual, p. 4  <a href="https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf#page=5">https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf#page=5</a> </p>	<p>Only Mr. Cesar A. Buenaventura exceeds the maximum number. He holds directorship in a total of seven PLCs. Mr. Buenaventura has a track record of expertise in various industries. Over the past years, his attendance in regular board and board committee meetings manifest his superb ability to manage his time well.</p> <p>References:            *2021 Corporate Governance Report, Qualifications, pp. 12-13  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=7">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=7</a> </p>
<b>Recommendation 4.3</b>			
1. The directors notify the company's board before accepting a directorship in another company.	Compliant	<p>Each member of the Board of Directors notifies the company's board, through the office of Compliance Officer and Corporate Secretary, before accepting a directorship in another company.</p> <p>References:            *2021 Corporate Governance Report, Attendance and Participation, pp. 25-27  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=13">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=13</a> </p>	
<b>Optional: Principle 4</b>			
1. Company does not have any executive directors who serve in more than two boards of listed companies outside of the group.	Compliant	<p>The sole Executive Director, Mr. Enrique K. Razon Jr., serves in just two PLCs other than the Company.</p> <p>References:            *2021 Corporate Governance Report, Qualifications, pp. 12-13  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=7">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=7</a> </p>	
2. Company schedules board of directors' meetings before the start of the financial year.	Compliant	<p>The Regular Board Meetings for 2021 were scheduled by the Board on December 16, 2020. As for the Regular Board Meetings for 2022, these were scheduled by the Board last December 21, 2021.</p> <p>References:            *2020 Corporate Governance Report, Attendance and Participation, p. 25  <a href="https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=13">https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi-2020-corporate-governance-report-v1_0.pdf#page=13</a> </p> <p>*2021 Corporate Governance Report, Attendance and Participation, p. 25  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=7">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=7</a> </p>	

		<a href="#">04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=13</a>	
3. Board of directors meet at least six times during the year.	Compliant	<p>There is a total of 24 Board Meetings for January to December 2021.</p> <p>References:            *2021 Corporate Governance Report, Attendance and Participation, p. 26  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=14">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=14</a></p>	
4. Company requires as minimum quorum of at least 2/3 for board decisions.	Compliant	<p>As shown by the Director's attendance, the minimum quorum of at least 2/3 has been achieved in the 2021 Board Meetings.</p> <p>References:            *2021 Corporate Governance Report, Attendance and Participation, p. 26  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=14">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=14</a></p>	

**Principle 5:** The board should endeavor to exercise an objective and independent judgment on all corporate affairs

#### Recommendation 5.1

1. The Board has at least 3 independent directors or such number as to constitute one-third of the board, whichever is higher.	Compliant	<p>The Company has three Independent Directors in a Board with seven seats for Directors. Thus, they constitute more than 1/3 of the Board.</p> <p>References:            *2021 Corporate Governance Report, Independence, pp. 27-28  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=14">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=14</a></p>	
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#### Recommendation 5.2

1. The independent directors possess all the qualifications and none of the disqualifications to hold the positions.	Compliant	<p>The Company's independent directors possess all the qualifications and none of the disqualifications to hold the positions.</p> <p>References:  <b>Mr. Cesar A. Buenaventura</b>            *SEC Form 17-A, p. 94  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=98">https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=98</a>  <b>Mr. Carlos Ejercito</b>            *SEC Form 17-A, pp. 94-95  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=98">https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=98</a>  <b>Chief Justice Diosdado M. Peralta (ret.)</b>            *SEC Form 17-A, p. 95-96</p>	
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		<a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=99">https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=99</a>	
<b>Supplement to Recommendation 5.2</b>			
1. Company has no shareholder agreements, by-laws provisions, or other arrangements that constrain the directors' ability to vote independently.	Compliant	<p>There is no provision in the Company's By-Laws that constrains the Directors' ability to vote independently. Furthermore, no such arrangement exists by policy, agreement, practice, or whatsoever.</p> <p>References: *By-Laws <a href="https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi_amended_by-laws_23_june_2010.pdf">https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi_amended_by-laws_23_june_2010.pdf</a></p>	
<b>Recommendation 5.3</b>			
1. The independent directors serve for a cumulative term of nine years (reckoned from 2012).	Compliant	<p>The Company's independent directors do not exceed a cumulative term of nine years.</p> <p>References: *2021 Corporate Governance Report, Independence, pp. 27-28 <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=14">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=14</a></p>	
2. The company bars an independent director from serving in such capacity after the term limit of nine years.	Compliant	<p>The Company has adopted as part of its policies SEC Memorandum Circular No. 4-2017 which provides that Independent Directors shall serve a maximum cumulative term of nine years and are barred from re-election but may continue to be qualified as a regular director.</p> <p>References: *2021 Corporate Governance Report, Independence, pp. 27-28 <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=14">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=14</a></p>	
3. In the instance that the company retains an independent director in the same capacity after nine years, the board provides meritorious justification and seeks shareholders' approval during the annual shareholders' meeting.	Compliant	<p>Also consistent with SEC Memorandum Circular No.4-2017, the Company makes it as a policy that in the event an Independent Director is retained in the same capacity after the maximum cumulative term limit of nine years, the Board shall provide meritorious justification and seek shareholders' approval during the annual shareholders' meeting.</p> <p>The Company has not retained an Independent Director beyond the cumulative term limit.</p> <p>References: *2021 Corporate Governance Report, Independence, pp. 27-28 <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=14">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=14</a></p>	
<b>Recommendation 5.4</b>			

<p>1. The positions of Chairman of the Board and Chief Executive Officer are held by separate individuals.</p>	<p>Non-Compliant</p>		<p>Mr. Enrique K. Razon Jr. is the Company's Chairman of the Board and President.</p> <p>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.</p> <p>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.</p> <p>References:  *2021 Corporate Governance Report, Independence, p. 28  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=15">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=15</a></p>
<p>2. The Chairman of the Board and Chief Executive Officer have clearly defined responsibilities.</p>	<p>Compliant</p>	<p>The Company's Chairman of the Board and Chief Executive Officer have clearly defined responsibilities.</p> <p>References:  *CG Manual, pp. 4, 13  <a href="https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised-manual-on-corporate-governance-v3.0-may-31-2017-for-website-0-1.pdf">https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised-manual-on-corporate-governance-v3.0-may-31-2017-for-website-0-1.pdf</a></p>	
<p>Recommendation 5.5</p>			



1. If the Chairman of the Board is not an independent director, the board designates a lead director among the independent directors.	Non-Compliant		<p>The Board has not designated a lead independent director.</p> <p>However, the Company's Board Structure provides for three Independent Directors out of the seven seats. Also, there is only Executive Director out of the seven Directors. Such Structure still ensures that the Board shall be able to practice board independence.</p> <p>References:  *2021 Corporate Governance Report, Independence, p. 28  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=15">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=15</a>  *2021 Corporate Governance Report, Qualifications, pp. 12-13  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=7">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=7</a></p>
<b>Recommendation 5.6</b>			
1. Directors with material interest in a transaction affecting the corporation abstain from taking part in the deliberations on the transaction.	Compliant	The transactions of the Company during FY 2021 have no material interest to any one of the members of the Board of Directors. In case there will be a transaction in which a Director has a material interest, the Board shall ensure that there will be an independent judgment of the Board and require that the affected Director abstains from its discussions.	
<b>Recommendation 5.7</b>			
1. The non-executive directors (NEDs) have separate periodic meetings with the external auditor and heads of the internal audit, compliance and risk functions, without any executive present.	Compliant	<p>The 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.</p> <p>References:  *2021 Corporate Governance Report, Independence, p. 28  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=15">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=15</a></p>	

2. The meetings are chaired by the lead independent director.	Non-Compliant		Despite the absence of a lead independent director in the Board Structure, Board and Board Committee meetings are facilitated and headed by the Chairman in each committee, who is either an Independent Director or a Non-Executive Director, who exercises independent judgment.
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#### Optional: Principle 5

1. None of the directors is a former CEO of the company in the past 2 years.	*****	Provide name/s of company CEO for the past 2 years	*****
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**Principle 6:** The best measure of the Board's effectiveness is through an assessment process. The Board should regularly carry out evaluations to appraise its performance as a body, and assess whether it possesses the right mix of backgrounds and competencies.

#### Recommendation 6.1

1. Board conducts an annual self-assessment of its performance as a whole.	Compliant	To determine and measure compliance by the Board with the Manual on Corporate Governance, the Board adopted an Annual Board and Management Assessment System to ensure effectiveness and identify the areas of improvement of governance practices.  References: *2021 Corporate Governance Report, Assessment System, p. 28 <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=15">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=15</a>	
2. The Chairman conducts a self-assessment of his performance.	Compliant		
3. The individual members conduct a self-assessment of their performance.	Compliant		
4. Each committee conducts a self-assessment of its performance.	Compliant		
5. Every three years, the assessments are supported by an external facilitator.	Compliant	The Company engaged the services of the Good Governance Advocates and Practitioners of the Philippines, Inc. ("GGAPP") to facilitate the evaluation of the 2019 Board Assessment. The Certificate is available at the Company Website (see link below).  For 2022, the Company shall again engage the services of an external facilitator.  References: *ICTSI Website, Governance, Reports and Compliance <a href="https://www.ictsi.com/governance/reports-and-compliance">https://www.ictsi.com/governance/reports-and-compliance</a>  *2021 Corporate Governance Report, Assessment System, p. 28 <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=15">https://cdnweb.ictsi.com/s3fs-public/2022-</a>	

		<a href="#">04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=15</a>	
<b>Recommendation 6.2</b>			
1. Board has in place a system that provides, at the minimum, criteria and process to determine the performance of the Board, individual directors and committees.	Compliant	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	
2. The system allows for a feedback mechanism from the shareholders.	Compliant	A. Board Appraisal 1. Collective Board Assessment 2. Board Committee Assessment 3. Individual Director Assessment B. Assessment of Management C. Stockholders' Feedback	
<b>Principle 7:</b> Members of the Board are duty-bound to apply high ethical standards, taking into account the interests of all stakeholders.			
<b>Recommendation 7.1</b>			
1. Board adopts a Code of Business Conduct and Ethics, which provide standards for professional and ethical behavior, as well as articulate acceptable and unacceptable conduct and practices in internal and external dealings of the company.	Compliant	The Company has Code of Business Conduct and Ethics ("Code") in place.  References: *ICTSI Code of Business Conduct <a href="https://cdnweb.ictsi.com/s3fs-public/inline-files/ictsi_-_code_of_business_conduct.pdf">https://cdnweb.ictsi.com/s3fs-public/inline-files/ictsi_-_code_of_business_conduct.pdf</a>	
2. The Code is properly disseminated to the Board, senior management and employees.	Compliant	This Code is implemented and rolled out to all Directors, Senior Management, employees, and business partners. Adherence to the Code is monitored by the Company's Compliance Officer under strict observance of ICTSI's Compliance Program.	
3. The Code is disclosed and made available to the public through the company website.	Compliant	The Company's Code is disclosed and made available to the public through the company website.  References: *ICTSI Website, Governance, Policies	

		<a href="https://www.ictsi.com/policies">https://www.ictsi.com/policies</a>	
<b>Supplement to Recommendation 7.1</b>			
1. Company has clear and stringent policies and procedures on curbing and penalizing company involvement in offering, paying and receiving bribes.	Compliant	<p>The Company strictly enforces its Anti-Bribery Compliance Program as included under its Code of Business Conduct</p> <p>References:            *ICTSI Website, Governance, Policies, Anti-Bribery Policy  <a href="https://www.ictsi.com/policies">https://www.ictsi.com/policies</a></p> <p>*ICTSI Code of Business Conduct  <a href="https://cdnweb.ictsi.com/s3fs-public/inline-files/ictsi_-_code_of_business_conduct.pdf">https://cdnweb.ictsi.com/s3fs-public/inline-files/ictsi_-_code_of_business_conduct.pdf</a></p>	
<b>Recommendation 7.2</b>			
1. Board ensures the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics.	Compliant	<p>The Company has a proper and efficient implementation and monitoring of compliance with the ICTSI Code.</p> <p>References:            *2021 Corporate Governance Report, Code of Business Conduct, p. 29  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=15">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=15</a></p> <p>*2021 Corporate Governance Report, Compliance Program, p. 16  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=9">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=9</a></p>	
2. Board ensures the proper and efficient implementation and monitoring of compliance with company internal policies.	Compliant	<p>The Company has a proper and efficient implementation and monitoring of compliance with company internal policies.</p> <p>References:            *2021 Corporate Governance Report, Compliance Program, p. 16  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=9">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=9</a></p>	
<b>Disclosure and Transparency</b>			
<b>Principle 8:</b> The company should establish corporate disclosure policies and procedures that are practical and in accordance with best practices and regulatory expectations.			
<b>Recommendation 8.1</b>			

<p>1. Board establishes corporate disclosure policies and procedures to ensure a comprehensive, accurate, reliable and timely report to shareholders and other stakeholders that gives a fair and complete picture of a company's financial condition, results and business operations.</p>	<p>Compliant</p>	<p>The Company has established a corporate disclosure policies and procedures to ensure a comprehensive, accurate, reliable and timely report to shareholders and other stakeholders that gives a fair and complete picture of a company's financial condition, results and business operations.</p> <p>The Company through full, fair, timely and accurate disclosure complies with all disclosure requirements under the law and promptly makes in the Investors page available all information disclosed to the Philippine Stock Exchange (PSE) and Philippine Securities and Exchange Commission (SEC).</p> <p><b>References:</b></p> <p>*ICTSI Website: Disclosure and Transparency, Board Matters Section, Governance Tab <a href="https://www.ictsi.com/board-matters">https://www.ictsi.com/board-matters</a></p> <p>Disclosure section, Investors tab <a href="https://www.ictsi.com/investors/reports-and-presentations/disclosures">https://www.ictsi.com/investors/reports-and-presentations/disclosures</a></p> <p>*2021 Corporate Governance Report, Corporate Disclosure Policies, Page 31 <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=16">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=16</a></p>	
<p><b>Supplement to Recommendations 8.1</b></p>			
<p>1. Company distributes or makes available annual and quarterly consolidated reports, cash flow statements, and special audit revisions. Consolidated financial statements are published within ninety (90) days from the end of the fiscal year, while interim reports are published within forty-five (45) days from the end of the reporting period.</p>	<p>Compliant</p>	<p>The Company submits the annual and quarterly consolidated reports, cash flow statements, and special audit revisions. Consolidated financial statements are published within ninety (90) days from the end of the fiscal year, while interim reports are published within forty-five (45) days from the end of the reporting period.</p> <p>Latest SEC 17-A (Annual Report for FY2021) was published, distributed or made available last <b>March 3, 2022; 62 days</b> after the end of reporting period (December 31, 2021).</p> <p>For the 1Q 2022 Quarterly Report, it was published, distributed or made available last <b>May 5, 2022; 35 days</b> after the end of reporting period (March 31, 2022).</p> <p><b>References:</b></p> <p>*ICTSI Website, Disclosures tab, SEC Form 17A (Annual Report) <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI SEC Form 17A and Consolidated FS 2021%26ICTSI_PFS1221.pdf">https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI SEC Form 17A and Consolidated FS 2021%26ICTSI_PFS1221.pdf</a></p> <p>*ICTSI Website, Disclosures tab, SEC Form (Quarterly Report) <a href="https://cdnweb.ictsi.com/s3fs-public/2022-05/ICTSI%20SEC%20Form%2017Q%201Q2022.pdf">https://cdnweb.ictsi.com/s3fs-public/2022-05/ICTSI%20SEC%20Form%2017Q%201Q2022.pdf</a></p>	

		<p>*PSE Edge website, 1Q 2022 SEC Form 17-Q  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=70c95a8be69570bd3470cea4b051ca8f">https://edge.pse.com.ph/openDiscViewer.do?edge_no=70c95a8be69570bd3470cea4b051ca8f</a></p> <p>*PSE Website, Annual Report, SEC Form 17-A  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=629e9c76b29dda813470cea4b051ca8f">https://edge.pse.com.ph/openDiscViewer.do?edge_no=629e9c76b29dda813470cea4b051ca8f</a></p>	
2. Company discloses in its annual report the principal risks associated with the identity of the company's controlling shareholders; the degree of ownership concentration; cross-holdings among company affiliates; and any imbalances between the controlling shareholders' voting power and overall equity position in the company.	Compliant	<p>Risks are disclosed in the SEC 17-A and should there be risks associated to the identity of the Company's controlling shareholders; the degree of ownership concentration; cross-holdings among company affiliates; and any imbalances between the controlling shareholders' voting power and overall equity position in the company, these would also be disclosed.</p> <p><b>References:</b>            *Risks Relating to the Group's Business            Page 24, 2021 SEC Form 17-A  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=28">https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=28</a></p> <p>Various market risks            Page 89, 2021 SEC Form 17-A  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=93">https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=93</a>  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=93">https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=93</a></p>	
<b>Recommendation 8.2</b>			
1. Company has a policy requiring all directors to disclose/report to the company any dealings in the company's shares within three business days.	Compliant	<p>The Company requires all dealings of all Directors and principal officers in the Company's shares to be disclosed to the PSE and the SEC within three trading days from the date of the transaction. The transactions include any acquisition, disposal, or change in the shareholdings (direct or indirect) of the Directors and principal officers. ICTSI also discloses the Company's purchase of its shares from the market (i.e. Share buy-back Transactions).</p> <p>All Forms 23-A (Initial Statement of Beneficial Ownership of Securities) and Forms 23-B (Statement of Changes in Beneficial Ownership of Securities) disclosures/reports are properly filed with the SEC and the PSE.</p>	
2. Company has a policy requiring all officers to disclose/report to the company any dealings in the company's shares within three business days.	Compliant	<p><b>References:</b>            *Dealings in Company Shares            Page 31, 2021 CG Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=16">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=16</a></p> <p>* SEC Forms 23-A/B            ICTSI Website, Disclosures section, Investors tab  <a href="https://www.ictsi.com/investors/reports-and-presentations/disclosures">https://www.ictsi.com/investors/reports-and-presentations/disclosures</a></p>	

		<p>*PSE Edge - Latest SEC Forms 23-A/B  <a href="https://edge.pse.com.ph/companyDisclosures/form.do?cmpy_id=83">https://edge.pse.com.ph/companyDisclosures/form.do?cmpy_id=83</a></p> <p><a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=2086133f981db1993470cea4b051ca8f">https://edge.pse.com.ph/openDiscViewer.do?edge_no=2086133f981db1993470cea4b051ca8f</a>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=06f07598f0cfd993470cea4b051ca8f">https://edge.pse.com.ph/openDiscViewer.do?edge_no=06f07598f0cfd993470cea4b051ca8f</a></p> <p>*PSE Edge – ICTSI's List of Top 100 Stockholders as of March 31, 2022  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=808a385f0b6db0eb3470cea4b051ca8f">https://edge.pse.com.ph/openDiscViewer.do?edge_no=808a385f0b6db0eb3470cea4b051ca8f</a></p>	
<b>Supplement to Recommendation 8.2</b>			
1. Company discloses the trading of the corporation's shares by directors, officers (or persons performing similar functions) and controlling shareholders. This includes the disclosure of the company's purchase of its shares from the market (e.g. share buy-back program).	Compliant	<p>The Company requires all dealings of all Directors and principal officers in the Company's shares to be disclosed to the PSE and the SEC within three trading days from the date of the transaction. The transactions include any acquisition, disposal, or change in the shareholdings (direct or indirect) of the Directors and principal officers.</p> <p>The Company promptly discloses purchase of its shares from the market (i.e. Share buy-back Transactions). The latest disclosures on Share Buy-Back Transactions were filed to PSE last February 24, 2022 and September 17, 2021.</p> <p><a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=092e3bb5102f2ae63470cea4b051ca8f">https://edge.pse.com.ph/openDiscViewer.do?edge_no=092e3bb5102f2ae63470cea4b051ca8f</a>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=ca0a744dd028c9965d542af6f1e997b9">https://edge.pse.com.ph/openDiscViewer.do?edge_no=ca0a744dd028c9965d542af6f1e997b9</a></p> <p>All Forms 23-A (Initial Statement of Beneficial Ownership of Securities) and Forms 23-B (Statement of Changes in Beneficial Ownership of Securities) disclosures/reports are properly filed with the SEC and the PSE.</p> <p><b>References:</b></p> <p>*Dealings in Company Shares  Page 31, 2021 CG Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=16">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=16</a> <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=16">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=16</a></p> <p>* SEC Forms 23-A/B  ICTSI Website, Disclosures section, Investors tab  <a href="https://www.ictsi.com/investors/reports-and-presentations/disclosures">https://www.ictsi.com/investors/reports-and-presentations/disclosures</a></p> <p>*PSE Edge - Latest SEC Forms 23-A/B  <a href="https://edge.pse.com.ph/companyDisclosures/form.do?cmpy_id=83">https://edge.pse.com.ph/companyDisclosures/form.do?cmpy_id=83</a>  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=2086133f981db1993470cea4b051ca8f">https://edge.pse.com.ph/openDiscViewer.do?edge_no=2086133f981db1993470cea4b051ca8f</a></p>	

		<a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=06f07598f0cfd993470cea4b051ca8f">https://edge.pse.com.ph/openDiscViewer.do?edge_no=06f07598f0cfd993470cea4b051ca8f</a>  *PSE Edge – ICTSI's List of Top 100 Stockholders as of March 31, 2021 <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=808a385f0b6db0eb3470cea4b051ca8f">https://edge.pse.com.ph/openDiscViewer.do?edge_no=808a385f0b6db0eb3470cea4b051ca8f</a>  *ICTSI's Map of Operating Companies <a href="https://www.ictsi.com/ictsi-group-corporate-structure">https://www.ictsi.com/ictsi-group-corporate-structure</a>  *Security Ownership of Certain Beneficial Owners and Management - Page 106, 2021 SEC Form 17-A <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=110">https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=110</a>	
<b>Recommendation 8.3</b>			
1. Board fully discloses all relevant and material information on individual board members to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment.	Compliant	<p>All relevant and material information on individual board members to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment, are disclosed. This includes academic qualifications, share ownership in the Company, membership in other boards, other executive positions, professional experiences, expertise and relevant trainings attended.</p> <p><b>References:</b></p> <p>* Directors and Executive Officers            Pages 93-101, 2021 SEC Form 17 – A  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=97">https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=97</a></p> <p>*Directors' Profile, Pages 12-13, 2021 CG Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=7">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=7</a></p> <p>*2021 Advanced Corporate Governance Training, CG Report, page 15  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=8">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=8</a>  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=8">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=8</a></p>	



<p>2. Board fully discloses all relevant and material information on key executives to evaluate their experience and qualifications and assess any potential conflicts of interest that might affect their judgment.</p>	<p>Compliant</p>	<p>All relevant and material information on key executives to evaluate their experience and qualifications and assess any potential conflicts of interest that might affect their judgment, are disclosed. This includes academic qualifications, share ownership in the company, membership in other boards, other executive positions, professional experiences, expertise and relevant trainings attended.</p> <p>* Directors and Executive Officers Pages 93-101, 2021 SEC Form 17 – A <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=97">https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=97</a></p> <p>*2021 Advanced Corporate Governance Training, page 15, 2021 CG Report <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=8">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=8</a></p>	
<p><b>Recommendation 8.4</b></p>			
<p>1. Company provides a clear disclosure of its policies and procedure for setting Board remuneration, including the level and mix of the same.</p>	<p>Compliant</p>	<p>The Company provides a clear disclosure of its policies and procedure for setting Board remuneration, including the level and mix of the same, as provided in the Section 2.10.1 of the CG Manual, the 2021 CG Report, and the Compensation and Remuneration Committee Charter.</p> <p><b>References:</b> *Remuneration of Directors and Officers Page 11, CG Manual <a href="https://www.ictsi.com/sites/default/files/2019-02/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0.pdf#page=12">https://www.ictsi.com/sites/default/files/2019-02/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0.pdf#page=12</a></p> <p>* Policies for Board and Executive Remuneration Page 18, 2021 CG Report <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=10">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=10</a></p> <p>*Compensation and Remuneration Committee Charter <a href="https://www.ictsi.com/sites/default/files/inline-files/remunerations_committee_charter.pdf">https://www.ictsi.com/sites/default/files/inline-files/remunerations_committee_charter.pdf</a></p>	
<p>2. Company provides a clear disclosure of its policies and procedure for setting executive remuneration, including the level and mix of the same.</p>	<p>Compliant</p>	<p>The Company provides a clear disclosure of its policies and procedure for setting Board remuneration, including the level and mix of the same, as provided in the Section 2.10.1 of the CG Manual, the 2021 CG Report, and the Compensation and Remuneration Committee Charter.</p> <p><b>References:</b> *Remuneration of Directors and Officers Page 11, CG Manual <a href="https://www.ictsi.com/sites/default/files/2019-02/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0.pdf#page=12">https://www.ictsi.com/sites/default/files/2019-02/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0.pdf#page=12</a></p> <p>* Policies for Board and Executive Remuneration Page 18, 2021 CG Report</p>	

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3. Company discloses the remuneration on an individual basis, including termination and retirement provisions.	Non-Compliant		<p>The Company discloses the aggregate board and executive compensation and mentions the individual names of the 5 executives, who receive the highest compensation.</p> <p>Further, the Company discloses in an aggregate manner for confidentiality, safety, and security purposes of ICTSI's executives in the 2021 SEC Form 17-A (under Executive Compensation) and Section 2.4.5 of the CG Manual.</p> <p><b>References:</b>            *Executive Compensation            Page 105, 2021 SEC Form 17-A  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=109">https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=109</a>             * Section 2.4.5 of the CG Manual,            Page 6, CG Manual  <a href="https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf#page=8">https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf#page=8</a>             * Board and Executive Remuneration,            Page 19, 2021 CG Report_  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf</a> </p>

			<a href="#">#page=10</a>
<b>Recommendation 8.5</b>			
1. Company discloses material or significant RPTs reviewed and approved during the year.	Compliant	<p>The Company provides a mode on how to disclose its policies governing Related Party Transactions (RPTs) and other unusual or infrequently occurring transactions, as mentioned in Section 2.6.13 in the CG Manual.</p> <p><b>References:</b></p> <p>* Section 2.6.13, Page 9, CG Manual  <a href="https://www.ictsi.com/sites/default/files/2019-02/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0.pdf#page=10">https://www.ictsi.com/sites/default/files/2019-02/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0.pdf#page=10</a></p> <p>* Related Party Transaction Policy  Page 20, 2021 CG Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=11">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=11</a></p> <p>*Material Related Party Transaction policy, Governance Section, ICTSI website  <a href="https://www.ictsi.com/sites/default/files/2019-02/ictsi_related_party_transaction_policy_10242019_1.pdf">ictsi_related_party_transaction_policy_10242019_1.pdf</a> (d1gbtgue32gs0y.cloudfront.net)</p>	
<b>Supplement to Recommendation 8.5</b>			
1. Company requires directors to disclose their interests in transactions or any other conflict of interests.	Compliant	<p>Section 2.7 of the CG Manual and the 2021 CG Report states that ICTSI requires all dealings of all Directors and principal officers in the Company's shares (including their nature, number/percentage and date of transaction) to be disclosed to the PSE and the SEC within 3 trading days from the date of the transaction.</p> <p><b>References:</b></p> <p>*Duties and Responsibilities of a Director Page 9, CG Manual  <a href="https://www.ictsi.com/sites/default/files/2019-02/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0.pdf#page=10">https://www.ictsi.com/sites/default/files/2019-02/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0.pdf#page=10</a></p> <p>* Disclosure and Transparency, Board Matters section, Governance tab, ICTSI Website  <a href="https://www.ictsi.com/board-matters">https://www.ictsi.com/board-matters</a></p> <p>* Dealings in Company Shares and Conflict of Interest Page 31, 2021 CG Report</p>	

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<b>Optional : Recommendation 8.5</b>			
1. Company discloses that RPTs are conducted in such a way to ensure that they are fair and at arms' length.	Compliant	The Company discloses that RPTs are conducted in such a way to ensure that they are fair and at arms' length.  <b>References:</b> * Related Party Transactions, Page 32, 2021 CG Report <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=17">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=17</a>  *Related Party Transaction Policy, Policies section, Governance tab, ICTSI Website <a href="https://www.ictsi.com/policies">https://www.ictsi.com/policies</a>	
<b>Recommendation 8.6</b>			
1. Company makes a full, fair, accurate and timely disclosure to the public of every material fact or event that occur, particularly on the acquisition or disposal of significant assets, which could adversely affect the viability or the interest of its shareholders and other stakeholders.	Compliant	The Company makes a full, fair, accurate and timely disclosure to the public of every material fact or event that occurs, particularly on the acquisition or disposal of significant assets, which could adversely affect the viability or the interest of its shareholders and other stakeholders.  <b>References:</b> *Disclosure and Transparency, Page 19, CG Manual <a href="https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf#page=20">https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf#page=20</a>  * Disposal and Acquisition of Assets, Page 33, 2021 CG Report <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=17">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=17</a>  * Disclosure and Transparency, Board Matters section, Governance tab, ICTSI Website <a href="https://www.ictsi.com/board-matters">https://www.ictsi.com/board-matters</a>  *Disclosures section, Investors tab, ICTSI Website <a href="https://www.ictsi.com/investors/reports-and-presentations/disclosures">https://www.ictsi.com/investors/reports-and-presentations/disclosures</a>	

2. Board appoints an independent party to evaluate the fairness of the transaction price on the acquisition or disposal of assets.	Compliant	<p>The Board appoints an independent party to evaluate the fairness of the transaction price on the acquisition or disposal of assets.</p> <p>The independent party appointed by the Board to evaluate the fairness of the transaction price may vary per transaction. As in the previous years, independent parties were appointed for this kind of transactions.</p> <p><b>References:</b>            *Page 33, 2021 CG Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=17">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=17</a> </p>	
<b>Supplement to Recommendation 8.6</b>			
1. Company discloses the existence, justification and details 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.	Compliant	<p>Should there be shareholder agreements, voting trust agreements, confidentiality agreements and similar agreements, which may impact on the control, ownership, and strategic direction of the company, such would be disclosed pursuant to 8.2 of the CG Manual.</p> <p><b>References:</b>            *Page 19, CG Manual  <a href="https://www.ictsi.com/sites/default/files/2019-02/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0.pdf#page=20">https://www.ictsi.com/sites/default/files/2019-02/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0.pdf#page=20</a> </p>	
<b>Recommendation 8.7</b>			
1. Company's corporate governance policies, programs and procedures are contained in its Manual on Corporate Governance (MCG).	Compliant	<p>The Company's corporate governance policies, programs and procedures are contained in the CG Manual, was submitted to SEC and PSE last May 31, 2017 (with SEC stamp received date) and posted in the company website.</p> <p><b>References:</b>            *PSE Edge  <a href="http://edge.pse.com.ph/openDiscViewer.do?edge_no=9a9317e64b6b774f3318251c9257320d#sthash.vY4yymd3.ISIs3RNF.dpbs">http://edge.pse.com.ph/openDiscViewer.do?edge_no=9a9317e64b6b774f3318251c9257320d#sthash.vY4yymd3.ISIs3RNF.dpbs</a> </p>	
2. Company's MCG is submitted to the SEC and PSE.	Compliant	<p>*ICTSI Manual on Corporate Governance  <a href="https://www.ictsi.com/sites/default/files/2019-02/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0.pdf">https://www.ictsi.com/sites/default/files/2019-02/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0.pdf</a> </p>	
3. Company's MCG is posted on its company website.	Compliant		
<b>Supplement to Recommendation 8.7</b>			

1. Company submits to the SEC and PSE an updated MCG to disclose any changes in its corporate governance practices.	Compliant	ICTSI's CG Manual was submitted to SEC (with stamp received date) and to PSE last May 31, 2017.  <b>References:</b> *PSE Edge <a href="http://edge.pse.com.ph/openDiscViewer.do?edge_no=9a9317e64b6b774f3318251c9257320d#sthash.Dtypl4d0.dpbs">http://edge.pse.com.ph/openDiscViewer.do?edge_no=9a9317e64b6b774f3318251c9257320d#sthash.Dtypl4d0.dpbs</a>  *ICTSI Website <a href="https://www.ictsi.com/sites/default/files/inline-files/ictsi_revised_manual_on_corporate_governance_letter_to_sec_31_may_2017.pdf">https://www.ictsi.com/sites/default/files/inline-files/ictsi_revised_manual_on_corporate_governance_letter_to_sec_31_may_2017.pdf</a>	
<b>Optional: Principle 8</b>			
1. Does the company's Annual Report disclose the following information:		Below are the links to the following information.  <b>a. Corporate Objectives</b>	
a. Corporate Objectives	Compliant	<b>References:</b> *Page 17, 2021 CG Report <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=9">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=9</a>	
b. Financial performance indicators	Compliant		
c. Non-financial performance indicators	Compliant	<b>b. Financial Performance Indicators</b>	
d. Dividend Policy	Compliant	<b>References:</b> *Results of Operations and Key Performance Indicators, Page 54-55, 2021 SEC Form 17-A <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=58">https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=58</a>	
e. Biographical details (at least age, academic qualifications, date of first appointment, relevant experience, and other directorships in listed companies) of all directors	Compliant	<b>c. Non-financial performance indicators</b>  <b>References:</b> * Key Performance Indicators, Page 54-55, 2021 SEC Form 17-A <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=58">https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=58</a>  *Management Review & Continual Improvement, * Page 58, 2021 CG Report <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=30">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=30</a>	

f. Attendance details of each director in all directors meetings held during the year	Compliant	<p><b>d. Dividend Policy</b></p> <p><b>References:</b>            *Page 45, 2021 SEC Form 17-A  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=49">https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=49</a></p> <p>* Page 46, 2021 CG Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=24">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=24</a></p> <p>*Policies section, Governance tab, ICTSI Website  <a href="https://www.ictsi.com/policies">https://www.ictsi.com/policies</a></p>	
g. Total remuneration of each member of the board of directors	Compliant	<p><b>e. Biographical details of all directors</b></p> <p><b>References:</b>            *Pages 92-97, 2021 SEC Form 17-A  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=96">https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=96</a></p> <p>* Pages 12-13, 2021 CG Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=7">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=7</a></p> <p><b>f. Attendance details of each director in all directors meetings held during the year</b></p> <p><b>References:</b>            *Pages 21, SEC Form 20 – IS  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/International%20Container%20Terminal%20Services%20Inc_Definitive%20Information%20Statement%20_15Mar2022.pdf#page=22">https://cdnweb.ictsi.com/s3fs-public/2022-03/International%20Container%20Terminal%20Services%20Inc_Definitive%20Information%20Statement%20_15Mar2022.pdf#page=22</a></p> <p>*Page 26, 2021 CG Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=14">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=14</a></p> <p><b>g. Total remuneration of each member of the board of directors</b></p> <p><b>References:</b>            *Executive Compensation            Page 105, 2021 SEC Form 17-A  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=105">https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=105</a></p>	

		<a href="#">1.pdf#page=109</a>  *Board and Executive Remuneration Page 19, 2021 CG Report <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=10">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=10</a>	
2. The Annual Report contains a statement confirming the company's full compliance with the Code of Corporate Governance and where there is non-compliance, identifies and explains reason for each such issue.	Compliant	The statement confirming the company's full compliance with the Code of Corporate Governance and where there is non-compliance, identifies and explains reason for each such issue are found in Item 13 of the 2021 SEC Form 17-A and the 2021 CG Report.  <b>References:</b> *Compliance with Leading Practice on Corporate Governance Page 110, 2021 SEC Form 17-A <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=114">https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=114</a>  *Compliance with Leading Practice on Corporate Governance Page 16, 2021 CG Report <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=9">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=9</a>  *Reports and Compliance section, Governance tab, ICTSI Website <a href="https://www.ictsi.com/governance/reports-and-compliance">https://www.ictsi.com/governance/reports-and-compliance</a>	
3. The Annual Report/Annual CG Report discloses that the board of directors conducted a review of the company's material controls (including operational, financial and compliance controls) and risk management systems.	Compliant	The 2021 CG Report disclosed that the Board of Directors conducted a review of the Company's material controls (including operational, financial and compliance controls) and risk management systems, in accordance with the CG Manual.  <b>References:</b> *Page 15, CG Manual <a href="https://www.ictsi.com/sites/default/files/2019-02/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0.pdf#page=16">https://www.ictsi.com/sites/default/files/2019-02/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0.pdf#page=16</a>  *Page 37, 2021 CG Report <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=19">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=19</a>	



<p>4. The Annual Report/Annual CG Report contains a statement from the board of directors or Audit Committee commenting on the adequacy of the company's internal controls/risk management systems.</p>	<p>Compliant</p>	<p>The 2021 CG Report and the 2021 SEC Form 17-A contain a statement from the Board of Directors / Audit Committee commenting on the adequacy of the Company's internal controls/risk management systems.</p> <p><b>References:</b>            *Financial Risk Management Objectives and Policies, Page 73-74, 2021 SEC Form 17-A  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=399">https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=399</a>            *Internal Control, Page 37, 2021 CG Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=19">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=19</a></p>	
<p>5. The company discloses in the Annual Report the key risks to which the company is materially exposed to (i.e. financial, operational including IT, environmental, social, economic).</p>	<p>Compliant</p>	<p>The 2021 SEC Form 17 –A and the 2021 CG Report disclose key risks to which the company is materially exposed to (i.e. financial, operational including IT, environmental, social, economic).</p> <p><b>References:</b>            *Financial Risk Management Objectives and Policies, Page 73-74, 2021 SEC Form 17-A  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=399">https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=399</a>            *Risks, page 89, SEC Form 17-A  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=93">https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=93</a>            *Internal Control, Page 37, 2021 CG Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=19">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=19</a>            *Page 11, CG Manual  <a href="https://www.ictsi.com/sites/default/files/2019-02/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0.pdf#page=12">https://www.ictsi.com/sites/default/files/2019-02/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0.pdf#page=12</a></p>	

**Principle 9:** The company should establish standards for the appropriate selection of an external auditor, and exercise effective oversight of the same to strengthen the external auditor's independence and enhance audit quality.

**Recommendation 9.1**

<p>1. Audit Committee has a robust process for approving and recommending the appointment, reappointment, removal, and fees of the external auditors.</p>	<p>Compliant</p>	<p>The information on the process for approving and recommending the appointment, reappointment, removal and fees of the company's external auditor can be found in Section 2.11 and 5.2 of the CG Manual.</p> <p>The Audit Committee reviews and monitors the integrity, independence, objectivity, performance, and rotation process of the external auditors and makes recommendations to the Board on their appointment or discharge on an annual basis.</p> <p><b>References:</b>            *Page 11, CG Manual  <a href="https://cdnweb.ictsi.com/s3fs-public/2019-02/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0.pdf#page=12">https://cdnweb.ictsi.com/s3fs-public/2019-02/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0.pdf#page=12</a></p> <p>*Page 16, CG Manual  <a href="https://cdnweb.ictsi.com/s3fs-public/2019-02/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0.pdf#page=17">https://cdnweb.ictsi.com/s3fs-public/2019-02/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0.pdf#page=17</a></p> <p>*Pages 4 to 5, AC Charter  <a href="https://cdnweb.ictsi.com/s3fs-public/inline-files/revised-audit-committee-charter-nov-3-2020_1.pdf#page=5">https://cdnweb.ictsi.com/s3fs-public/inline-files/revised-audit-committee-charter-nov-3-2020_1.pdf#page=5</a></p> <p>*Pages 90 to 91, 2021 SEC Form 17-A  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021&amp;ICTSI_PFS1221.pdf#page=94">https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021&amp;ICTSI_PFS1221.pdf#page=94</a></p>	
<p>2. The appointment, reappointment, removal, and fees of the external auditor is recommended by the Audit Committee, approved by the Board and ratified by the shareholders.</p>	<p>Compliant</p>	<p>The Stockholders of the Company present at the 2021 Annual Stockholders' Meeting on April 15, 2021, either in person or in proxy, owning 2,125,135,818 shares, voted in favor of the reappointment of Sycip, Gorres Velayo &amp; Co. (SGV &amp; Co.) as external auditor of the Company for the calendar year 2021.</p> <p><b>References:</b>            *Notice of ASM on the 2021 SEC Form 20-IS  <a href="https://cdnweb.ictsi.com/s3fs-public/2021-02/ictsi-notice-of-2021-asm-02.16.21.pdf#page=7">https://cdnweb.ictsi.com/s3fs-public/2021-02/ictsi-notice-of-2021-asm-02.16.21.pdf#page=7</a></p> <p>*Pages 6 to 7, Minutes of the 2021 ASM  <a href="https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi_minutes_asm_15apr2021.v8wbmg-sjt-v2_redacted-signed_0.pdf#page=6">https://cdnweb.ictsi.com/s3fs-public/2021-04/ictsi_minutes_asm_15apr2021.v8wbmg-sjt-v2_redacted-signed_0.pdf#page=6</a></p> <p>*Pages 4 to 5, AC Charter  <a href="https://cdnweb.ictsi.com/s3fs-public/inline-files/revised-audit-committee-charter-nov-3-2020_1.pdf#page=5">https://cdnweb.ictsi.com/s3fs-public/inline-files/revised-audit-committee-charter-nov-3-2020_1.pdf#page=5</a></p>	

		<p>*Pages 90 to 91, 2021 SEC Form 17A  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021&amp;ICTSI_PFS1221.pdf#page=94">https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021&amp;ICTSI_PFS1221.pdf#page=94</a></p>	
3. For removal of the external auditor, the reasons for removal or change are disclosed to the regulators and the public through the company website and required disclosures.	Compliant	Should there be an instance of removal of an external auditor, it shall be disclosed to the regulators and the public and the Company shall follow the applicable process.	
<b>Supplement to Recommendation 9.1</b>			
1. Company has a policy of rotating the lead audit partner every five years.	Compliant	<p>The policy of rotating the lead audit partner every five years can be found in item 7 of the 2022 SEC Form 20 –IS.</p> <p><b>Reference:</b>  *Page 30, 2022 SEC Form 20 –IS  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/International%20Container%20Terminal%20Services%20Inc_Definitive%20Information%20Statement%20_15Mar2022.pdf#page=31">https://cdnweb.ictsi.com/s3fs-public/2022-03/International%20Container%20Terminal%20Services%20Inc_Definitive%20Information%20Statement%20_15Mar2022.pdf#page=31</a></p>	
<b>Recommendation 9.2</b>			

<p>1. Audit Committee Charter includes the Audit Committee's responsibility on:</p> <ul style="list-style-type: none"> <li>i. assessing the integrity and independence of external auditors;</li> <li>ii. exercising effective oversight to review and monitor the external auditor's independence and objectivity; and</li> <li>iii. exercising effective oversight to review and monitor the effectiveness of the audit process, taking into consideration relevant Philippine professional and regulatory requirements.</li> </ul>	Compliant	<p>The Audit Committee Charter stating these responsibilities is found in the link below.</p> <p><b>Reference:</b>  *Pages 3 to 5, AC Charter  <a href="https://cdnweb.ictsi.com/s3fs-public/inline-files/revised-audit-committee-charter-nov-3-2020_1.pdf#page=4">https://cdnweb.ictsi.com/s3fs-public/inline-files/revised-audit-committee-charter-nov-3-2020_1.pdf#page=4</a></p>	
<p>2. Audit Committee Charter contains the Committee's responsibility on reviewing and monitoring the external auditor's suitability and effectiveness on an annual basis.</p>	Compliant	<p>The Audit Committee Charter stating these responsibilities is found in the link below.</p> <p><b>Reference:</b>  *Pages 3 to 5, AC Charter  <a href="https://cdnweb.ictsi.com/s3fs-public/inline-files/revised-audit-committee-charter-nov-3-2020_1.pdf#page=4">https://cdnweb.ictsi.com/s3fs-public/inline-files/revised-audit-committee-charter-nov-3-2020_1.pdf#page=4</a></p>	
Supplement to Recommendations 9.2			

1. Audit Committee ensures that the external auditor is credible, competent and has the ability to understand complex related party transactions, its counterparties, and valuations of such transactions.	Compliant	<p>The Audit Committee Charter stating these responsibilities is found in the link below.</p> <p><b>Reference:</b>  *Pages 3 to 5, AC Charter  <a href="https://cdnweb.ictsi.com/s3fs-public/inline-files/revised-audit-committee-charter-nov-3-2020_1.pdf#page=4">https://cdnweb.ictsi.com/s3fs-public/inline-files/revised-audit-committee-charter-nov-3-2020_1.pdf#page=4</a></p>	
2. Audit Committee ensures that the external auditor has adequate quality control procedures.	Compliant	<p>The Audit Committee Charter stating these responsibilities is found in the link below.</p> <p><b>Reference:</b>  *Pages 3 to 5, AC Charter  <a href="https://cdnweb.ictsi.com/s3fs-public/inline-files/revised-audit-committee-charter-nov-3-2020_1.pdf#page=4">https://cdnweb.ictsi.com/s3fs-public/inline-files/revised-audit-committee-charter-nov-3-2020_1.pdf#page=4</a></p>	
<b>Recommendation 9.3</b>			
1. Company discloses the nature of non-audit services performed by its external auditor in the Annual Report to deal with the potential conflict of interest.	Compliant	<p>The nature of non-audit services performed by the external auditors were disclosed in the Annual Report. Non-audit services include the review of interim financial statements and issuance of comfort letters for the capital market raising transactions of the Group, tax compliance and advisory services, transfer-pricing studies, sustainability reporting assistance, and other various one-time engagements like due diligence services related to business development.</p> <p><b>Reference:</b>  *Page 91, 2021 SEC Form 17-A  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021&amp;ICTSI_PFS1221.pdf#page=95">https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021&amp;ICTSI_PFS1221.pdf#page=95</a></p>	
2. Audit Committee stays alert for any potential conflict of interest situations, given the guidelines or policies on non-audit services, which could be viewed as impairing the external auditor's objectivity.	Compliant	<p>Guidelines or policies on non-audit services can be found on the Audit Committee Charter.</p> <p><b>Reference:</b>  *Page 3, AC Charter  <a href="https://cdnweb.ictsi.com/s3fs-public/inline-files/revised-audit-committee-charter-nov-3-2020_1.pdf#page=4">https://cdnweb.ictsi.com/s3fs-public/inline-files/revised-audit-committee-charter-nov-3-2020_1.pdf#page=4</a></p>	
<b>Supplement to Recommendation 9.3</b>			
1. Fees paid for non-audit services do not outweigh the fees paid for audit services.	Compliant	<p>Fees paid for non-audit services do not outweigh the fees paid for audit services.</p> <p><b>Reference:</b>  *Page 91, 2021 SEC Form 17-A</p>	

		<a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021&amp;ICTSI_PFS1221.pdf#page=95">https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021&amp;ICTSI_PFS1221.pdf#page=95</a>	
<b>Additional Recommendation to Principle 9</b>			
1. Company's external auditor is duly accredited by the SEC under Group A category.	Compliant	<p>The information of the Company's external auditor are as follows:</p> <ol style="list-style-type: none"> <li>1. Name of the audit engagement partner – Roel E. Lucas;</li> <li>2. Accreditation number – SEC Accreditation No. 1079-AR-3 (Group A); BIR Accreditation No. 08- 001998-095-2019;</li> <li>3. Date Accredited – SEC - October 17, 2019; BIR – November 7, 2019;</li> <li>4. Expiry date of accreditation – SEC – October 16, 2022; BIR – November 6, 2022; and</li> <li>5. Name, address, contact number of the audit firm- SyCip Gorres Velayo &amp; Co. 6760 Ayala Avenue, 1226 Makati City, Philippines (632) 8891 0307.</li> </ol>	
2. Company's external auditor agreed to be subjected to the SEC Oversight Assurance Review (SOAR) Inspection Program conducted by the SEC's Office of the General Accountant (OGA).	Compliant	SyCip Gorres Velayo & Co., was subjected to SOAR on November 12-23, 2018.	
<b>Principle 10: The company should ensure that the material and reportable non-financial and sustainability issues are disclosed.</b>			
<b>Recommendation 10.1</b>			
1. Board has a clear and focused policy on the disclosure of non-financial information, with emphasis on the management of economic, environmental, social and governance (EESG) issues of its business, which underpin sustainability.	Compliant	<p>The Board has a clear and focused policy on the disclosure of non-financial information, with emphasis on the management of economic, environmental, social and governance (EESG) issues of its business, which underpin sustainability. The Company has issued its 2021 Sustainability Report.</p> <p>This commitment has been further deepened and cascaded to all its stakeholders through ICTSI's reshaped purpose which moves the Company, particularly the leadership, 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. The Company established its Environmental, Social and Governance (ESG) Sub -Committee under the Corporate Governance Committee. The ESG</p>	

		<p>Sub -Committee is responsible for formulating policies and implementing programs which aim to develop and operate efficient and sustainable port facilities and deliver the highest possible benefits to Company's customers, partners, people, shareholders, and to the communities it serves.</p> <p>On August 3,2021, the ESG Sub-Committee adopted its Committee Charter.</p> <p>The ESG Sub -Committee is composed of one Non-Executive Director and two Independent Directors who meet periodically to review the Company's ESG policies, targets and achievements towards its commitment to sustainability, as follows:</p> <p>Chairman: Chief Justice Diosdado M. Peralta (Ret.) (Independent Director)</p> <p>Member: Stephen A. Paradies (Non-Executive Director)</p> <p>Member: Cesar A. Buenaventura (Independent Director)</p> <p><b>References:</b></p> <p>* ICTSI 2021 Sustainability Report <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ictsi-2021-sustainability-report_0.pdf">https://cdnweb.ictsi.com/s3fs-public/2022-03/ictsi-2021-sustainability-report_0.pdf</a></p> <p>*Previous ICTSI Sustainability Reports <a href="https://www.ictsi.com/what-we-do/sustainability">https://www.ictsi.com/what-we-do/sustainability</a></p> <p>*Page 8, CG Manual <a href="https://cdnweb.ictsi.com/s3fs-public/2019-02/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0.pdf#page=9">https://cdnweb.ictsi.com/s3fs-public/2019-02/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0.pdf#page=9</a></p> <p>*Page 42, 2022 SEC Form 20 –IS <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/International%20Container%20Terminal%20Services%20Inc_Definitive%20Information%20Statement%20_15Mar2022.pdf#page=84">https://cdnweb.ictsi.com/s3fs-public/2022-03/International%20Container%20Terminal%20Services%20Inc_Definitive%20Information%20Statement%20_15Mar2022.pdf#page=84</a></p> <p>*Pages 23 to 24, 2021 CG Report <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=12">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=12</a></p> <p>*Page 34, 2021 CG Report <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=18">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=18</a></p>	
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2. Company adopts a globally recognized standard/framework in reporting sustainability and non-financial issues.	Compliant	<p>The Company has adopted the Global Reporting Initiative (GRI) standards starting in 2017 to enable it to report on its various sustainability initiatives and will be adopted in future sustainability reports.</p> <p><b>References:</b>  *Pages 23 to 25 (Framework, standards and materiality), 2021 Sustainability Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ictsi-2021-sustainability-report_0.pdf#page=12">https://cdnweb.ictsi.com/s3fs-public/2022-03/ictsi-2021-sustainability-report_0.pdf#page=12</a></p> <p>*Pages 122-125 (GRI Content Index), 2021 Sustainability Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ictsi-2021-sustainability-report_0.pdf#page=62">https://cdnweb.ictsi.com/s3fs-public/2022-03/ictsi-2021-sustainability-report_0.pdf#page=62</a></p>	
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**Principle 11:** The company should maintain a comprehensive and cost-efficient communication channel for disseminating relevant information. This channel is crucial for informed decision-making by investors, stakeholders and other interested users.

**Recommendation 11.1**

1. Company has media and analysts' briefings as channels of communication to ensure the timely and accurate dissemination of public, material and relevant information to its shareholders and other investors.	Compliant	<p>The Company has media, analysts' and investors' briefings as channels of communication to ensure the timely and accurate dissemination of public, material and relevant information to its shareholders and other investors.</p> <p>Notice of analysts'/investors' briefings is made available at least five days before the conference. The Notice is uploaded in the Company's website, under the Disclosures tab of Investor Relations section, immediately after filing with the Philippine Stock Exchange and the Securities and Exchange Commission.</p> <p>The First Quarter 2022 Investors' Briefing was held last May 6, 2021 via conference call. All participants who registered to the event were given a meeting link to be able to join to the conference call. A Q&amp;A segment commenced immediately after the brief presentation where participants were given the opportunity to raise questions about the company and its interim performance.</p> <p>Presentation materials for the briefing calls are also available at the Company's website, under Investors' Briefing tab of the Investor Relations section. All materials – notices, earnings results, and presentation materials – are also distributed to all investors and analysts through e-mail from the Investor Relations Department. Schedule of the briefing calls for the past years can be viewed under the Investor Relations section of the Company's website.</p> <p>Media briefings are done thru press releases uploaded in the ICTSI website, as well as through informal set-ups.</p> <p>During the Company's ASM, media groups are expected as part of the attendees. After the meeting is adjourned, there is usually an informal Q&amp;A with ICTSI executives, which ICTSI's media desk controls.</p> <p><b>References:</b></p>	
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		<p>*1Q 2022 Notice of Analysts'/Investors' Briefing, PSE Edge  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/1Q%202022%20Investors'%20Briefing%20Notice.pdf">https://cdnweb.ictsi.com/s3fs-public/2022-04/1Q%202022%20Investors'%20Briefing%20Notice.pdf</a></p> <p>*1Q 2022, Investors Briefing Presentation  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-05/ICTSI%201Q2022%20Investors%27%20Briefing%20Presentation_0.pdf">https://cdnweb.ictsi.com/s3fs-public/2022-05/ICTSI%201Q2022%20Investors%27%20Briefing%20Presentation_0.pdf</a></p> <p>*Investors' Briefing Presentation, Investors section, ICTSI Website  <a href="https://www.ictsi.com/investors/reports-and-presentations/investors-briefing">https://www.ictsi.com/investors/reports-and-presentations/investors-briefing</a></p> <p>*Earnings Release tab, Investors section, ICTSI Website  <a href="https://www.ictsi.com/investors">https://www.ictsi.com/investors</a></p> <p>*Channels of Communication Page 35, 2021 CG Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=18">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=18</a></p> <p>*Quarterly Investors' Briefing Teleconferences Page 49, 2021 CG Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=25">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=25</a></p> <p>*News Releases  <a href="https://www.ictsi.com/media-center">https://www.ictsi.com/media-center</a></p>	
<b>Supplemental to Principle 11</b>			
1. . Company has a website disclosing up-to- date information on the following:	Compliant	Here is the link to the Company's website: <a href="http://www.ictsi.com/">http://www.ictsi.com/</a>	
a. Financial statements/reports (latest quarterly)	Compliant	<p><b>a. Financial statements/reports (latest quarterly)</b></p> <p><b>References:</b>  * SEC Forms 17 -A and SEC Forms 17 –Q  <a href="https://www.ictsi.com/investors/reports-and-presentations/disclosures">https://www.ictsi.com/investors/reports-and-presentations/disclosures</a></p>	
b. Materials provided in briefings to analysts and media	Compliant	<p>*Latest annual report-2021</p> <p><a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Annual%20Reports%20v1_sf_0.pdf#page=112">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Annual%20Reports%20v1_sf_0.pdf#page=112</a></p>	
c. Downloadable annual report	Compliant	<p>*Latest quarterly report-1Q 2022 17-Q  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-05/ICTSI%20SEC%20Form%2017Q%201Q2022.pdf">https://cdnweb.ictsi.com/s3fs-public/2022-05/ICTSI%20SEC%20Form%2017Q%201Q2022.pdf</a></p>	

d. Notice of ASM and/or SSM	Compliant	<p><b>b. Materials provided in briefings to analysts and media</b></p> <p><b>Reference:</b>            *Investors' Briefing presentations Reports and Presentations section, Investors tab, ICTSI Website  <a href="https://www.ictsi.com/investors/reports-and-presentations/investors-briefing">https://www.ictsi.com/investors/reports-and-presentations/investors-briefing</a></p> <p>*News Releases section, Media tab, ICTSI Website  <a href="https://www.ictsi.com/media-center">https://www.ictsi.com/media-center</a></p> <p><b>c. Downloadable annual report</b></p> <p><b>References:</b>            *SEC Form 17 - A Reports and Presentations, Disclosures section, Investors tab, ICTSI Website  <a href="https://www.ictsi.com/investors/reports-and-presentations/disclosures">https://www.ictsi.com/investors/reports-and-presentations/disclosures</a></p> <p>*Annual Reports, Reports and Presentations, Investors section  <a href="https://www.ictsi.com/reports-and-presentations/annual-reports">https://www.ictsi.com/reports-and-presentations/annual-reports</a></p> <p>*2021 Annual Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf">https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf</a></p> <p><a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Annual%20Reports%20v1_sf_0.pdf">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Annual%20Reports%20v1_sf_0.pdf</a></p> <p><b>d. Notice of ASM and/or SSM</b></p> <p><b>References:</b>            *Notice of Annual Stockholders' Meetings Reports and Presentations, Disclosures section, Investors tab, ICTSI Website  <a href="https://www.ictsi.com/investors/reports-and-presentations/disclosures">https://www.ictsi.com/investors/reports-and-presentations/disclosures</a></p> <p>*2022 Notice of ASM  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-02/ictsi-notice-of-2022-asm-02.22.22.pdf">https://cdnweb.ictsi.com/s3fs-public/2022-02/ictsi-notice-of-2022-asm-02.22.22.pdf</a></p> <p><b>e. Minutes of ASM</b>            *Minutes of Annual Stockholders' Meetings, Reports and Presentations, Disclosures section, Investors tab, ICTSI Website  <a href="https://www.ictsi.com/investors/reports-and-presentations/disclosures">https://www.ictsi.com/investors/reports-and-presentations/disclosures</a></p> <p>*2022 ASM Minutes  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/ICTSI_Minutes_ASM_21April2022_signed.pdf">https://cdnweb.ictsi.com/s3fs-public/2022-04/ICTSI_Minutes_ASM_21April2022_signed.pdf</a></p>	
e. Minutes of ASM and/or SSM	Compliant		
f. Company's Articles of Incorporation and By-Laws	Compliant		

		<b>f. Company's Articles of Incorporation and By-Laws</b>  <b>References:</b> *ICTSI Articles of Incorporation and By-Laws Governance section, ICTSI Website <a href="https://www.ictsi.com/governance">https://www.ictsi.com/governance</a>	
<b>Additional Recommendation to Principle 11</b>			
1. Company complies with SEC-prescribed website template.	Compliant	The Company complies with SEC-prescribed website template: <a href="http://www.ictsi.com/">http://www.ictsi.com/</a>	
<b>Internal Control System and Risk Management Framework</b>			
<b>Principle 12:</b> To ensure the integrity, transparency and proper governance in the conduct of its affairs, the company should have a strong and effective internal control system and enterprise risk management framework.			
<b>Recommendation 12.1</b>			
1. Company has an adequate and effective internal control system in the conduct of its business.	Compliant	<p>The Audit &amp; Compliance Group works to improve ICTSI's operations by providing timely feedback and appropriate recommendations for the improvement of risk management, control and governance processes.</p> <p>The Board of Directors and the Audit Committee regularly reviews the Company's internal control. As of March 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.</p> <p>Sycip Gorres Velayo &amp; Co., ICTSI's independent auditors, have audited the consolidated financial statements in accordance with Philippine Standards on Auditing, and in their report to the stockholders, have expressed their opinion on the fairness of presentation upon completion of such audit.</p> <p><b>References:</b>            *Page 3, AC Charter  <a href="https://cdnweb.ictsi.com/s3fs-public/inline-files/revised-audit-committee-charter-nov-3-2020_1.pdf#page=4">https://cdnweb.ictsi.com/s3fs-public/inline-files/revised-audit-committee-charter-nov-3-2020_1.pdf#page=4</a>             *Page 37, 2021 CG Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=19">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=19</a> </p>	

2. Company has an adequate and effective enterprise risk management framework in the conduct of its business.	Compliant	<p>The Company established the Enterprise Risk Management (ERM) System to respond to the dynamic business environment in which it operates. The ERM System helps identify and manage the ICTSI Group's key risks in support of the Company's Purpose to achieve its overall strategy and business objectives.</p> <p>Due to the geographically diverse operations of the ICTSI Group, various business risks, particularly competition, commercial, economic, political and foreign exchange risks, may materially impact the financial results of the Group.</p> <p>Effective August 2018, the Company's ERM Methodology follows the Committee of Sponsoring Organizations of the Treadway Commission's 2017 ERM Framework: Enterprise Risk Management – Integrating with Strategy and Performance.</p> <p><b>References:</b>  *Enterprise Risk Management (ERM) and the ERM Process  Pages 39 to 43, 2021 CG Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=20">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=20</a></p>	
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#### Supplement to Recommendations 12.1

1. Company has a formal comprehensive enterprise-wide compliance program covering compliance with laws and relevant regulations that is annually reviewed. The program includes appropriate training and awareness initiatives to facilitate understanding, acceptance and compliance with the said	Compliant	<p>Semi -annually, the corporate functions, business development/regional offices and business units performs risk assessment based on the Key Business Risks as identified in the Company's risk profile applicable to each of the respective business functions and areas.</p> <p>The ERM system is quarterly reviewed by the ERM Committee and Board Risk Oversight Committee. The importance of managing key business risks has significantly increased considering the heightened volatility in both the Philippine and international financial markets.</p> <p><b>References:</b>  *ERM Process  Pages 40 to 43 2021 CG Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=21">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=21</a></p>	
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issuances.			
<b>Optional: Recommendation 12.1</b>			
1. Company has a governance process on IT issues including disruption, cyber security, and disaster recovery, to ensure that all key risks are identified, managed and reported to the board.	Compliant	<p>The Company recognizes that it operates in a world where Cyber Risks are considerable and present a clear and present danger in terms of both data security and system resilience to cyber - attacks. As such, the Company, through the Office of the VP - Chief Information Officer, takes a leading approach to its information and cyber security on multiple levels. Furthermore, recognizing that exposure to an incident despite all measures of protection is likely, the Company has developed a global Incident Response Plan along with Business Continuity and Disaster Recovery Plans.</p> <p><b>References:</b>            *Data Privacy Policy  <a href="https://www.ictsi.com/governance/policies">https://www.ictsi.com/governance/policies</a></p> <p>*Page 38, 2021 CG Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=20">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=20</a></p>	
<b>Recommendation 12.2</b>			
1. Company has in place an independent internal audit function that provides an independent and objective assurance, and consulting services designed to add value and improve the company's operations.	Compliant	<p>The Company has an in-house internal audit function, the Audit and Compliance Group, as provided in the Section 2.11.1 of the CG Manual.</p> <p><b>Reference:</b>            *Page 11, CG Manual  <a href="https://cdnweb.ictsi.com/s3fs-public/2019-02/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0.pdf#page=12">https://cdnweb.ictsi.com/s3fs-public/2019-02/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0.pdf#page=12</a></p> <p>*Page 4, AC Charter  <a href="https://cdnweb.ictsi.com/s3fs-public/inline-files/revised-audit-committee-charter-nov-3-2020_1.pdf#page=5">https://cdnweb.ictsi.com/s3fs-public/inline-files/revised-audit-committee-charter-nov-3-2020_1.pdf#page=5</a></p>	
<b>Recommendation 12.3</b>			
1. Company has a qualified Chief Audit Executive (CAE) appointed by the Board.	Compliant	<p>Effective October 1, 2020, Ms. Catherine R. Castro was appointed as head of Internal Audit. Ms. Castro joined ICTSI's Audit and Compliance Group in September 2014. The CAE has direct management responsibility for ICTSI's Audit and Compliance Group, providing independent, objective assurance and consulting services designed to add value and improve ICTSI's operations.</p> <p><b>Reference:</b>            *Page 37, 2021 CG Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=19">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=19</a></p>	

2. CAE oversees and is responsible for the internal audit activity of the organization, including that portion that is outsourced to a third party service provider.	Compliant	<p>As stated in the Internal Audit Charter, the Head of Audit and Compliance Group has direct management responsibility for the internal audit activity of ICTSI. Reference document available upon request.</p> <p><b>Reference:</b>  *Page 4, AC Charter  <a href="https://cdnweb.ictsi.com/s3fs-public/inline-files/revised-audit-committee-charter-nov-3-2020_1.pdf#page=5">https://cdnweb.ictsi.com/s3fs-public/inline-files/revised-audit-committee-charter-nov-3-2020_1.pdf#page=5</a></p>	
3. In case of a fully outsourced internal audit activity, a qualified independent executive or senior management personnel is assigned the responsibility for managing the fully outsourced internal audit activity.	Compliant	<p>As stated in Section 2.11.1 of the Company's CG Manual, ICTSI does not outsource its internal audit activity.</p> <p><b>Reference:</b>  *Page 11, CG Manual  <a href="https://cdnweb.ictsi.com/s3fs-public/2019-02/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0.pdf#page=12">https://cdnweb.ictsi.com/s3fs-public/2019-02/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0.pdf#page=12</a></p>	
<b>Recommendation 12.4</b>			
1. Company has a separate risk management function to identify, assess and monitor key risk exposures.	Compliant	<p>Based on the Company's CG Manual, the Company has a Enterprise Risk Management system handled by a Director for Enterprise Risk Management. Refer to 2019 ERM Policy (page 6) for the roles and responsibilities. (The reference document is available upon request.)</p> <p><b>References:</b>  *Page 39, 2021 CG Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=20">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=20</a></p> <p>*Page 13, CG Manual  <a href="https://cdnweb.ictsi.com/s3fs-public/2019-02/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0.pdf#page=14">https://cdnweb.ictsi.com/s3fs-public/2019-02/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0.pdf#page=14</a></p>	

**Supplement to Recommendation 12.4**

1. Company seeks external technical support in risk management when such competence is not available internally.	Compliant	Since ICTSI has a separate risk management function, the Company has not sought external technical risk management support as of this date.	
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**Recommendation 12.5**

1. In managing the company's Risk Management System, the company has a Chief Risk Officer (CRO), who is the ultimate champion of Enterprise Risk Management (ERM).	Compliant	<p>Identify the company's Chief Risk Officer (CRO) and provide information on or reference to a document containing his/her responsibilities and qualifications/background.</p> <p>Effective October 1, 2020, Mr. Christian R. Gonzalez was appointed by the Board of Directors as CRO concurrent to his role as Executive Vice President. As CRO, his roles and responsibilities are in the 2019 ERM Policy (page 5). (The reference document is available upon request.)</p> <p>The qualifications and background of the CRO can be seen in the 2021 SEC Form 17-A and the 2021 CG Report.</p> <p><b>References:</b> *Page 97, 2021 SEC Form 17-A <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=101">https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=101</a></p> <p>*Page 39, 2021 CG Report <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=20">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=20</a></p> <p>*Page 13, CG Manual <a href="https://cdnweb.ictsi.com/s3fs-public/2019-02/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0.pdf#page=14">https://cdnweb.ictsi.com/s3fs-public/2019-02/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0.pdf#page=14</a></p>	
2. CRO has adequate authority, stature, resources and support to fulfill his/her responsibilities.		<p>The CRO has adequate authority, stature, resources and support to fulfill his responsibilities. Mr. Gonzalez has a rank of an Executive Vice-President.</p> <p>The qualifications and background of the CRO can be seen in the 2021 SEC Form 17-A and the 2021 CG Report.</p> <p><b>References:</b> *Page 97, 2021 SEC Form 17-A</p>	

		<a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=101">https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=101</a>  *Page 39, 2021 CG Report <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=20">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=20</a>	
<b>Additional Recommendation to Principle 12</b>			
1. Company's Chief Executive Officer and Chief Audit Executive attest in writing, at least annually, that a sound internal audit, control and compliance system is in place and working effectively.		Attestation mechanism is available for the Company's Chief Executive Officer and Chief Audit Executive to attest in writing, that a sound internal audit, control and compliance system is in place and working effectively.  <b>Reference:</b> *Attestation on Internal Control and Compliance Systems, ICTSI Website <a href="https://www.ictsi.com/governance/reports-and-compliance/enterprise-risk-management">https://www.ictsi.com/governance/reports-and-compliance/enterprise-risk-management</a>	
<b>Cultivating a Synergic Relationship with Shareholders</b>			
<b>Principle 13:</b> The company should treat all shareholders fairly and equitably, and also recognize, protect and facilitate the exercise of their rights.			
<b>Recommendation 13.1</b>			
1. Board ensures that basic shareholder rights are disclosed in the Manual on Corporate Governance.	Compliant	The Company ensures that basic shareholder rights are disclosed in the Company's CG Manual.  <b>Reference:</b> *Stockholders' Rights and Protection of Minority Stockholders' Interest Page 17, CG Manual <a href="https://www.ictsi.com/sites/default/files/2019-02/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0.pdf#page=18">https://www.ictsi.com/sites/default/files/2019-02/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0.pdf#page=18</a>	
2. Board ensures that basic shareholder rights are disclosed on the company's website.	Compliant	The Company ensures that the basic shareholder rights are disclosed on the company's website through the posting of the CG Manual & By-Laws where basic shareholder rights were discussed  <b>References:</b> *Stockholders' Rights and Protection of Minority Stockholders' Interest Page 17, CG Manual <a href="https://www.ictsi.com/sites/default/files/2019-02/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0.pdf#page=19">https://www.ictsi.com/sites/default/files/2019-02/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0.pdf#page=19</a>  *Section 7, By Laws <a href="https://www.ictsi.com/sites/default/files/2019-02/ictsi_amended_by-laws_23_june_2010.pdf#page=4">https://www.ictsi.com/sites/default/files/2019-02/ictsi_amended_by-laws_23_june_2010.pdf#page=4</a>	



# Supplement to Recommendation 13.1

<p>1. Company's common share has one vote for one share.</p>	<p>Compliant</p>	<p>The common stock will vote on matters scheduled to be taken up at the Annual Meeting with each share being entitled to cast one (1) vote.</p> <p>Reference:            *Appendix A, Item 6 – Voting            Pages 5-6, SEC Form 20-IS  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/International%20Container%20Terminal%20Services%20Inc_Definitive%20Information%20Statement%20_15Mar2022.pdf#page=6">https://cdnweb.ictsi.com/s3fs-public/2022-03/International%20Container%20Terminal%20Services%20Inc_Definitive%20Information%20Statement%20_15Mar2022.pdf#page=6</a></p> <p>* Item 4 – Voting Securities and Principal Holders Thereof, Page 8, SEC Form 20-IS  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/International%20Container%20Terminal%20Services%20Inc_Definitive%20Information%20Statement%20_15Mar2022.pdf#page=9">https://cdnweb.ictsi.com/s3fs-public/2022-03/International%20Container%20Terminal%20Services%20Inc_Definitive%20Information%20Statement%20_15Mar2022.pdf#page=9</a></p> <p>*Section 7, Amended By-Laws  <a href="https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi_amended_by-laws_23_june_2010.pdf#page=4">https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi_amended_by-laws_23_june_2010.pdf#page=4</a></p>	
<p>2. Board ensures that all shareholders of the same class are treated equally with respect to voting rights, subscription rights and transfer rights.</p>	<p>Compliant</p>	<p>The Board ensures that all shareholders of the same class are treated equally with respect to voting rights, subscription rights and transfer rights, as evident in Sec. 6.7 of the CG Manual.</p> <p>References:            *Stockholders' Rights and Protection of Minority Stockholders' Interest Page 17, CG Manual.            Error! Hyperlink reference not valid. <a href="https://cdnweb.ictsi.com/s3fs-public/2019-02/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0.pdf#page=18">https://cdnweb.ictsi.com/s3fs-public/2019-02/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0.pdf#page=18</a></p> <p>*Appendix A, Item 6 – Voting - Pages 5-6, SEC Form 20-IS  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/International%20Container%20Terminal%20Services%20Inc_Definitive%20Information%20Statement%20_15Mar2022.pdf#page=6">https://cdnweb.ictsi.com/s3fs-public/2022-03/International%20Container%20Terminal%20Services%20Inc_Definitive%20Information%20Statement%20_15Mar2022.pdf#page=6</a></p>	
<p>3. Board has an effective, secure, and efficient voting system.</p>	<p>Compliant</p>	<p>The Voting Procedure is defined in Item 19 of the Company's submitted SEC Form 20 -IS.</p> <p>During the 2022 Virtual Annual Shareholders' Meeting, ICTSI engaged the services of Azeus, a leading IT services provider with years of experience in successfully delivering IT solutions to various clients worldwide. The Azeus system ensured that the electronic voting in absentia was done in a secure manner.</p> <p>The requirements and procedure for participation by remote communication and voting in absentia were conveyed to ICTSI's stockholders. They were informed that they can register to be able to participate and vote during the 2022 Virtual Annual Stockholders' Meeting.</p> <p>References:            *Item 19 - Voting Procedures</p>	

		<p>Page 37, SEC Form 20-IS.  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/International%20Container%20Terminal%20Services%20Inc_Definitive%20Information%20Statement%20_15Mar2022.pdf#page=38">https://cdnweb.ictsi.com/s3fs-public/2022-03/International%20Container%20Terminal%20Services%20Inc_Definitive%20Information%20Statement%20_15Mar2022.pdf#page=38</a></p> <p>*Appendix "A", ICTSI Annual Stockholders' Virtual Meeting Requirements and Procedure for Participation by Remote Communication and Voting in Absentia  Pages 4-6, SEC Form 20-IS  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/International%20Container%20Terminal%20Services%20Inc_Definitive%20Information%20Statement%20_15Mar2022.pdf#page=5">https://cdnweb.ictsi.com/s3fs-public/2022-03/International%20Container%20Terminal%20Services%20Inc_Definitive%20Information%20Statement%20_15Mar2022.pdf#page=5</a></p>	
4. Board has an effective shareholder voting mechanisms such as supermajority or "majority of minority" requirements to protect minority shareholders against actions of controlling shareholders.	Compliant	<p>The Company has an effective voting mechanism, as discussed in its CG Manual, where cumulative voting is allowed in electing the Company's directors..</p> <p>References:  *Pages 17-18, CG Manual  <a href="https://www.ictsi.com/sites/default/files/2019-02/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0.pdf#page=18">https://www.ictsi.com/sites/default/files/2019-02/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0.pdf#page=18</a></p>	
5. Board allows shareholders to call a special shareholders' meeting and submit a proposal for consideration or agenda item at the AGM or special meeting.	Compliant	<p>The shareholders are allowed to call a special shareholders' meeting and submit a proposal for consideration or agenda item at the AGM or special meeting.</p> <p>Reference:  *Sec. 3, By-Laws  <a href="https://www.ictsi.com/sites/default/files/2019-02/ictsi_amended_by-laws_23_june_2010.pdf#page=3">https://www.ictsi.com/sites/default/files/2019-02/ictsi_amended_by-laws_23_june_2010.pdf#page=3</a></p>	
6. Board clearly articulates and enforces policies with respect to treatment of minority shareholders.	Compliant	<p>The Board clearly articulates and enforces policies with respect to treatment of minority shareholders, as referred to in Part VI of the CG Manual.</p> <p>Reference:  *Page 17, CG Manual  <a href="https://www.ictsi.com/sites/default/files/2019-02/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0.pdf#page=18">https://www.ictsi.com/sites/default/files/2019-02/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0.pdf#page=18</a></p>	

7. Company has a transparent and specific dividend policy.	Compliant	<p>The Company's Dividend Policy are stated in its reportorial requirements &amp; further disclosed in the Company's website</p> <p>References:</p> <p>*Dividend Policy, ICTSI Website  <a href="https://www.ictsi.com/policies">https://www.ictsi.com/policies</a>  <a href="https://www.ictsi.com/dividends">https://www.ictsi.com/dividends</a></p> <p>*Page 79, Annex A of SEC 20-IS  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/International%20Container%20Terminal%20Services%20Inc_Definitive%20Information%20Statement%20_15Mar2022.pdf#page=121">https://cdnweb.ictsi.com/s3fs-public/2022-03/International%20Container%20Terminal%20Services%20Inc_Definitive%20Information%20Statement%20_15Mar2022.pdf#page=121</a></p> <p>*Pages 45-46, SEC Form 17-A  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=49">https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=49</a></p>	
<b>Optional: Recommendation 13.1</b>			
1. Company appoints an independent party to count and/or validate the votes at the Annual Shareholders' Meeting.	Compliant	<p>The Company's transfer agent, Stock Transfer Services, Inc. (STSI) validates the votes during the Proxy Validation date.</p> <p>Validation of proxies 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.</p> <p>Reference:</p> <p>*Appendix A, Item 6 – Voting- Page 5, SEC 20-IS  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/International%20Container%20Terminal%20Services%20Inc_Definitive%20Information%20Statement%20_15Mar2022.pdf#page=6">https://cdnweb.ictsi.com/s3fs-public/2022-03/International%20Container%20Terminal%20Services%20Inc_Definitive%20Information%20Statement%20_15Mar2022.pdf#page=6</a></p> <p>**Requirements under Section 49 of the Revised Corporation Code of the Philippines  Page 32, SEC 20-IS  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/International%20Container%20Terminal%20Services%20Inc_Definitive%20Information%20Statement%20_15Mar2022.pdf#page=33">https://cdnweb.ictsi.com/s3fs-public/2022-03/International%20Container%20Terminal%20Services%20Inc_Definitive%20Information%20Statement%20_15Mar2022.pdf#page=33</a></p>	
<b>Recommendation 13.2</b>			

<p>1. Board encourages active shareholder participation by sending the Notice of Annual and Special Shareholders' Meeting with sufficient and relevant information at least 28 days before the meeting.</p>	<p>Compliant</p>	<p>The Notice of the 2022 Annual Stockholders' Meeting was submitted to the Philippine Stock Exchange (PSE) via PSE Edge and uploaded to the company's website (www.ictsi.com) on February 22, 2022, 58 days before the meeting.</p> <p>The Notice and the SEC Form 20-IS Information Statement were also made available through QR Code which were mailed last March 24, 2022 to Stockholders entitled to notice and to vote at the Annual Stockholders' Meeting. This was 28 days before the meeting.</p> <p>References:            *2022 Notice of Annual Stockholders' Meeting submitted to the Philippine Stock Exchange  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=1a1d80564fea7fa23470cea4b051ca8f">https://edge.pse.com.ph/openDiscViewer.do?edge_no=1a1d80564fea7fa23470cea4b051ca8f</a></p> <p>*2022 Notice of Annual Stockholders' Meeting            Pages 2-3, SEC Form 20-IS  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/International%20Container%20Terminal%20Services%20Inc_Definitive%20Information%20Statement%20_15Mar2022.pdf#page=3">https://cdnweb.ictsi.com/s3fs-public/2022-03/International%20Container%20Terminal%20Services%20Inc_Definitive%20Information%20Statement%20_15Mar2022.pdf#page=3</a></p>	
<p><b>Supplemental to Recommendation 13.2</b></p>			
<p>1. Company's Notice of Annual 1. Stockholders' Meeting contains the following information:</p>		<p>The Notice of Annual Stockholders' Meeting can be found on the Company's submitted SEC Form 20-IS.</p> <p>Reference:            *2022 Notice of Annual Stockholders' Meeting            Pages 2-3, SEC Form 20-IS  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/International%20Container%20Terminal%20Services%20Inc_Definitive%20Information%20Statement%20_15Mar2022.pdf#page=3">https://cdnweb.ictsi.com/s3fs-public/2022-03/International%20Container%20Terminal%20Services%20Inc_Definitive%20Information%20Statement%20_15Mar2022.pdf#page=3</a></p>	
<p>a. The profiles of directors (i.e., age, academic qualifications, date of first appointment, experience, and directorships in other listed companies)</p>	<p>Compliant</p>	<p>The profiles of the directors can be found on the Company's submitted SEC Form 20-IS.</p> <p>Reference:            Pages 11-15, SEC Form 20-IS  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/International%20Container%20Terminal%20Services%20Inc_Definitive%20Information%20Statement%20_15Mar2022.pdf#page=12">https://cdnweb.ictsi.com/s3fs-public/2022-03/International%20Container%20Terminal%20Services%20Inc_Definitive%20Information%20Statement%20_15Mar2022.pdf#page=12</a></p>	
<p>b. Auditors seeking appointment/re-appointment</p>	<p>Compliant</p>	<p>The profile of the auditors seeking appointment/re-appointment can be found on the Company's submitted SEC Form 20-IS.</p> <p>Reference:</p>	

		<p>*Pages 30-31, SEC Form 20-IS</p> <p><a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/International%20Container%20Terminal%20Services%20Inc_Definitive%20Information%20Statement%20_15Mar2022.pdf#page=31">https://cdnweb.ictsi.com/s3fs-public/2022-03/International%20Container%20Terminal%20Services%20Inc_Definitive%20Information%20Statement%20_15Mar2022.pdf#page=31</a></p>	
c. Proxy documents	Compliant	<p>The Proxy documents and the instructions required for them can be found on the Schedule1 - Proxy Forms provided in the SEC Form 20-IS.</p> <p>Reference:</p> <p>*Page 40, SEC 20-IS</p> <p><a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/International%20Container%20Terminal%20Services%20Inc_Definitive%20Information%20Statement%20_15Mar2022.pdf#page=40">https://cdnweb.ictsi.com/s3fs-public/2022-03/International%20Container%20Terminal%20Services%20Inc_Definitive%20Information%20Statement%20_15Mar2022.pdf#page=40</a></p>	
<b>Optional: Recommendation 13.2</b>			
1. Company provides rationale for the agenda items for the annual stockholders meeting	Compliant	<p>The Notice of Annual Stockholders' Meeting, which was included in the submitted SEC Form 20-IS, provides the rationale for the agenda items for the annual stockholders' meetings.</p> <p>Reference:</p> <p>*2022 Notice of Annual Stockholders' Meeting</p> <p>Pages 2-3, SEC Form 20-IS</p> <p><a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/International%20Container%20Terminal%20Services%20Inc_Definitive%20Information%20Statement%20_15Mar2022.pdf#page=3">https://cdnweb.ictsi.com/s3fs-public/2022-03/International%20Container%20Terminal%20Services%20Inc_Definitive%20Information%20Statement%20_15Mar2022.pdf#page=3</a></p>	
<b>Recommendation 13.3</b>			
1. Board encourages active shareholder participation by making the result of the votes taken during the most recent Annual or Special Shareholders' Meeting publicly available the next working day.	Compliant	<p>Results of the Annual Stockholders' Meeting (ASM) was uploaded in the website and was made publicly available on the same day as the ASM.</p> <p>References:</p> <p>*SEC Form 17-C submitted to PSE</p> <p><a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=ba9b43bc1f85ddaf3470cea4b051ca8f">https://edge.pse.com.ph/openDiscViewer.do?edge_no=ba9b43bc1f85ddaf3470cea4b051ca8f</a></p> <p>*SEC Form 17 C</p> <p>Disclosures tab, Investors section, ICTSI Website</p> <p><a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/Results%20of%20the%20Annual%20Stockholders%27%20Meeting%20%28April%2021%2C%202022%29.pdf">https://cdnweb.ictsi.com/s3fs-public/2022-04/Results%20of%20the%20Annual%20Stockholders%27%20Meeting%20%28April%2021%2C%202022%29.pdf</a></p> <p>*Minutes of the 2022 ASM</p> <p>Disclosures tab, Investors section, ICTSI Website</p> <p><a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/ICTSI_Minutes_ASM_21April2022_signed.pdf">https://cdnweb.ictsi.com/s3fs-public/2022-04/ICTSI_Minutes_ASM_21April2022_signed.pdf</a></p>	

2. Minutes of the Annual and Special Shareholders' Meetings were available on the company website within five business days from the end of the meeting.	Compliant	Minutes of the ASM was uploaded in the website and was made publicly available the next working day after the ASM.  Reference: *Minutes of the 2022 ASM Disclosures tab, Investors section ICTSI Website <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/ICTSI_Minutes_ASM_21April2022_signed.pdf">https://cdnweb.ictsi.com/s3fs-public/2022-04/ICTSI_Minutes_ASM_21April2022_signed.pdf</a>	
<b>Supplement to Recommendation 13.3</b>			
1. Board ensures the attendance of the external auditor and other relevant individuals to answer shareholders questions during the ASM and SSM.	Compliant	The Company's external auditor and other relevant individuals were present during the ASM and/or special meeting. Attendance of the external auditor and other relevant individuals are included in the Minutes of the ASM.  Reference: *Page 9, Minutes of the 2022 ASM <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/ICTSI_Minutes_ASM_21April2022_signed.pdf#page=9">https://cdnweb.ictsi.com/s3fs-public/2022-04/ICTSI_Minutes_ASM_21April2022_signed.pdf#page=9</a>	
<b>Recommendation 13.4</b>			
1. Board makes available, at the option of a shareholder, an alternative dispute mechanism to resolve intra-corporate disputes in an amicable and effective manner.	Compliant	As expressly mentioned under Section 2.6.15 of the CG Manual, the Company ensures that any dispute between ICTSI and its stockholders as well as ICTSI and third parties, including the regulatory authorities, shall be resolved in accordance with Republic Act 9285, otherwise known as "Alternative Dispute Resolution Act of 2004" with the approval or consent of such other parties in compliance with law.  Reference: *Page 9, CG Manual <a href="https://www.ictsi.com/sites/default/files/2019-02/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0.pdf#page=10">https://www.ictsi.com/sites/default/files/2019-02/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0.pdf#page=10</a>	
2. The alternative dispute mechanism is included in the company's Manual on Corporate Governance.	Compliant	The Company's Alternative Dispute Mechanism is found on Section 2.6.15 of the CG Manual.  Reference: *Page 9, CG Manual <a href="https://www.ictsi.com/sites/default/files/2019-02/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0.pdf#page=10">https://www.ictsi.com/sites/default/files/2019-02/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0.pdf#page=10</a>	
<b>Recommendation 13.5</b>			

1. Board establishes an Investor Relations Office (IRO) to ensure constant engagement with its shareholders.	Compliant	<p>The Company has established an Investor Relations Office (IRO) and a policy on communicating or relating with stockholders and other stakeholders of ICTSI through an effective investors relations program. The CFO or another senior officer designated by the Board shall exercise oversight responsibility over this program. This is referred to in Section 2.6.6 of the CG Manual.</p> <p>The Investor Relations Office is headed by Mr. Arthur Tabuena. The contact details of the Investor Relations Office can be found on the Company's website.</p> <p>References:</p> <p>*Section 2.6.6, Page 8 of the CG Manual  <a href="https://www.ictsi.com/sites/default/files/2019-02/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0.pdf#page=9">https://www.ictsi.com/sites/default/files/2019-02/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0.pdf#page=9</a></p> <p>*Investor Relations – IR Contacts  <a href="https://www.ictsi.com/investors">https://www.ictsi.com/investors</a></p> <p>*Pages 46-47, 2021 CG Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=25">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=25</a></p>	
2. IRO is present at every shareholder's meeting.	Compliant	<p>The Investor Relations Officer is always present during the shareholders' meeting. He is responsible for filing all the necessary disclosures to the PSE and SEC. Attendance of the Investor Relations Officer is included in the Minutes of the ASM</p> <p>References:</p> <p>*Page 2, Minutes of the 2022 ASM  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/ICTSI_Minutes_ASM_21April2022_signed.pdf#page=2">https://cdnweb.ictsi.com/s3fs-public/2022-04/ICTSI_Minutes_ASM_21April2022_signed.pdf#page=2</a></p> <p>*SEC Form 17-C submitted to PSE  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=ba9b43bc1f85ddaf3470cea4b051ca8f">https://edge.pse.com.ph/openDiscViewer.do?edge_no=ba9b43bc1f85ddaf3470cea4b051ca8f</a></p> <p>*Results of the Annual Stockholders' Meeting  SEC Form 17 C, Disclosures tab, Investors section, ICTSI Website  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/Results%20of%20the%20Annual%20Stockholders%27%20Meeting%20%28April%2021%2C%202022%29.pdf">https://cdnweb.ictsi.com/s3fs-public/2022-04/Results%20of%20the%20Annual%20Stockholders%27%20Meeting%20%28April%2021%2C%202022%29.pdf</a></p>	
<b>Supplemental Recommendations to Principle 13</b>			
1. Board avoids anti-takeover measures or similar devices that may entrench ineffective management or the existing controlling	Compliant	<p>There are no anti-takeover measures or similar devices in place. Sections 2.5 and 2.6 of the CG Manual effectively bars the enacting of such anti-takeover measures.</p> <p>Qualifications and disqualifications of the Board of Directors as well as of the Independent Directors are provided in the CG Manual and By-Laws of the Company.</p> <p>References:</p>	

shareholder group		<p>*Pages 7-9, CG Manual  <a href="https://www.ictsi.com/sites/default/files/2019-02/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0.pdf#page=8">https://www.ictsi.com/sites/default/files/2019-02/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0.pdf#page=8</a></p> <p>*Page 4, CG Manual  <a href="https://www.ictsi.com/sites/default/files/2019-02/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0.pdf#page=5">https://www.ictsi.com/sites/default/files/2019-02/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0.pdf#page=5</a></p> <p>*Page 7, By- Laws  <a href="https://www.ictsi.com/sites/default/files/2019-02/ictsi_amended_by-laws_23_june_2010.pdf#page=9">https://www.ictsi.com/sites/default/files/2019-02/ictsi_amended_by-laws_23_june_2010.pdf#page=9</a></p>	
2. Company has at least thirty percent (30%) public float to increase liquidity in the market.	Compliant	<p>The Company's public float as of March 31, 2022 is 51.45% (of total common shares only); 38.30% (of total voting shares).</p> <p>References:            *Public Ownership Report            Disclosures tab, Investors section, ICTSI website  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/Public%20Ownership%20Report%20as%20of%20March%2031%2C%202022.pdf">https://cdnweb.ictsi.com/s3fs-public/2022-04/Public%20Ownership%20Report%20as%20of%20March%2031%2C%202022.pdf</a></p> <p>*Public Ownership Report, PSE Edge  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=164922c1055c47433470cea4b051ca8f">https://edge.pse.com.ph/openDiscViewer.do?edge_no=164922c1055c47433470cea4b051ca8f</a></p>	
<b>Optional: Principle 13</b>			
1. Company has policies and practices to encourage shareholders to engage with the company beyond the Annual Stockholders' Meeting	Compliant	<p>The Company has policies and practices to encourage shareholders to engage with the company beyond the Annual Stockholders' Meeting. This can be found on the Sustainability Report and Part VI. – Promotion of Shareholders Right of the CG Manual.</p> <p>The Company has quarterly media, analysts' and investors' briefings as channels of communication to ensure the timely and accurate dissemination of public, material and relevant information to its shareholders and other investors.</p> <p>Management presents and discusses the financial and operational performance of the Company. A Q&amp;A segment commences immediately after the presentation where participants are given the opportunity to raise questions about the Company and its interim performance.</p> <p>The Company's website has "Contact Us" section to connect with the Company and share feedback, concerns or provide suggestions.</p> <p>References:            *Promotion of Shareholders Right            Page 18, CG Manual  <a href="https://www.ictsi.com/sites/default/files/2019-02/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0.pdf#page=19">https://www.ictsi.com/sites/default/files/2019-02/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0.pdf#page=19</a></p> <p>*Stakeholders Engagement Map</p>	



		<p>Page 27, 2021 Sustainability Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ictsi-2021-sustainability-report_0.pdf#page=14">https://cdnweb.ictsi.com/s3fs-public/2022-03/ictsi-2021-sustainability-report_0.pdf#page=14</a></p> <p>*Channels of Communication, Page 35, 2021 CG Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=18">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=18</a></p> <p>*1Q 2022 Notice of Investors' Briefing, PSE Edge  <a href="https://edge.pse.com.ph/openDiscViewer.do?edge_no=c48061e4f80f8ebd3470cea4b051ca8f">https://edge.pse.com.ph/openDiscViewer.do?edge_no=c48061e4f80f8ebd3470cea4b051ca8f</a></p> <p>*Schedule of Investors' Briefing, Earnings Release, Investors section, ICTSI Website  <a href="https://www.ictsi.com/investors">https://www.ictsi.com/investors</a></p> <p>*ICTSI Website – Contact Us  <a href="https://www.ictsi.com/contact-us">https://www.ictsi.com/contact-us</a></p>	
2. Company practices secure electronic voting in absentia at the Annual Shareholders' Meeting.	Compliant	<p>During the 2022 Virtual Annual Shareholders' Meeting, ICTSI engaged the services of Azeus, a leading IT services provider with years of experience in successfully delivering IT solutions to various clients worldwide. The Azeus system ensured that the electronic voting in absentia was done in a secure manner.</p> <p>In ICTSI's Annual Stockholders' Virtual Meeting requirements and procedure for participation by remote and voting in absentia (Appendix "A" of the Notice of ICTSI Annual Stockholders' Meeting attached to SEC Form 20-IS), ICTSI's stockholders were informed that they can register to be able to participate and vote during the 2022 Virtual Annual Stockholders' Meeting.</p> <p>Reference:  *Appendix "A", ICTSI Annual Stockholders' Virtual Meeting Requirements and Procedure for Participation by Remote Communication and Voting in Absentia  Pages 4-6, SEC Form 20-IS  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/International%20Container%20Terminal%20Services%20Inc_Definitive%20Information%20Statement%20_15Mar2022.pdf#page=5">https://cdnweb.ictsi.com/s3fs-public/2022-03/International%20Container%20Terminal%20Services%20Inc_Definitive%20Information%20Statement%20_15Mar2022.pdf#page=5</a></p>	
<b>Duties to Stakeholders</b>			
<b>Principle 14:</b> The rights of stakeholders established by law, by contractual relations and through voluntary commitments must be respected. Where stakeholders' rights and/or interests are at stake, stakeholders should have the opportunity to obtain prompt effective redress for the violation of their rights.			
<b>Recommendation 14.1</b>			
1. Board identifies the company's various stakeholders and promotes cooperation between them and the company in creating wealth, growth and	Compliant	<p>Guided by the CG Manual, the Company's Sustainability Report puts forth the Company's policies and programs for its various stakeholders.</p> <p>References:  *Page 7, CG Manual, Section 2.5.1. General Responsibility  <a href="https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf#page=8">https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf#page=8</a></p>	

sustainability.		<p>*Page 8, CG Manual, Section 2.6.7. on Duties and Functions of the Board - EESG  <a href="https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf#page=9">https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf#page=9</a></p> <p>*Pages 8-9, CG Manual, Section 2.6.12 Identify ICTSI's stakeholders  <a href="https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf#page=9">https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf#page=9</a></p> <p>* Pages 26-27, Stakeholder Identification and Engagement, 2021 Sustainability Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ictsi-2021-sustainability-report_0.pdf#page=14">https://cdnweb.ictsi.com/s3fs-public/2022-03/ictsi-2021-sustainability-report_0.pdf#page=14</a></p>	
<b>Recommendation 14.2</b>			
1. Board establishes clear policies and programs to provide a mechanism on the fair treatment and protection of stakeholders.	Compliant	<p>Guided by the CG Manual, the Company regularly engages the stakeholders where legitimate concerns regarding the fair treatment of all concerned are addressed. Moreover, stakeholder welfare is also addressed by the Company through different projects.</p> <p>References:            *Pages 8-9, CG Manual  <a href="https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf#page=9">https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf#page=9</a></p> <p>*Pages 50-69, Duties to Stakeholders, 2021 CG Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=26">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=26</a></p>	
<b>Recommendation 14.3</b>			
1. Board adopts a transparent framework and process that allow stakeholders to communicate with the company and to obtain redress for the violation of their rights.	Compliant	<p>The stakeholder can communicate with the Company through the Investor Relations Office to obtain redress for the violation of their rights</p> <p>References:            *Investors Tab, ICTSI Website  <a href="https://www.ictsi.com/investors">https://www.ictsi.com/investors</a></p> <p>*Page 35, Channels of Communication, 2021 CG Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=18">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=18</a></p> <p>*Page 53, Whistleblowing Policy for Stakeholders, 2021 CG Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=27">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=27</a></p> <p>*Pages 70-71, Corporate Information, 2021 CG Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=36">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=36</a></p> <p>*Page 120, Corporate Information, 2021 Sustainability Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ictsi-2021-sustainability-report_0.pdf#page=64">https://cdnweb.ictsi.com/s3fs-public/2022-03/ictsi-2021-sustainability-report_0.pdf#page=64</a></p>	

**Supplement to Recommendation 14.3**

1. Company establishes an alternative dispute resolution system so that conflicts and differences with key stakeholders is settled in a fair and expeditious manner.	Compliant	<p>The Company's alternative dispute resolution system is in accordance with the Republic Act 9285, otherwise known as the Alternative Dispute Resolution Act of 2004. This is clearly provided under Sec. 2.6.15 of the CG Manual.</p> <p>References: *Page 9, CG Manual <a href="https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf#page=10">https://cdnweb.ictsi.com/s3fs-public/2020-01/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0_1.pdf#page=10</a></p> <p>*Page 53, Alternative Dispute Resolution for Stakeholders, 2021 CG Report <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021 ICTSI Corporate Governance Report_vfinal.pdf.pdf#page=27">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021 ICTSI Corporate Governance Report_vfinal.pdf.pdf#page=27</a></p>	
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**Additional Recommendations to Principle 14**

1. Company does not seek any exemption from the application of a law, rule or regulation especially when it refers to a corporate governance issue. If an exemption was sought, the company discloses the reason for such action, as well as presents the specific steps being taken to finally comply with the applicable law, rule or regulation.	Compliant	<p>ICTSI and its Board of Directors, officers and employees are committed to sound, prudent, and effective overall management, effective risk management, provision of efficient management information systems, providing access to reliable financial and operational information, cost-effective and profitable business operations, alongside with compliance with laws, rules, regulations, and contracts.</p> <p>The Company did not seek any exemption from the application of a law, rule or regulation especially when it refers to a corporate governance issue.</p> <p>References: *Page 10, CG Manual <a href="https://cdnweb.ictsi.com/s3fs-public/2019-02/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0.pdf#page=11">https://cdnweb.ictsi.com/s3fs-public/2019-02/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0.pdf#page=11</a></p> <p>*Page 51, 2021 CG Report <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=26">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=26</a></p>	
2. Company respects intellectual property rights.	Compliant	<p>The Company complies with all laws, regulations, and contract, including, but not limited to, intellectual property laws. The Company has not violated any intellectual property law as demonstrated by the fact that it has no pending cases filed against it for the violation of intellectual property laws.</p> <p>References: *Page 10, CG Manual <a href="https://www.ictsi.com/sites/default/files/2019-02/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0.pdf#page=11">https://www.ictsi.com/sites/default/files/2019-02/ictsi-revised_manual_on_corporate_governance_v3.0_may_31_2017_for_website_0.pdf#page=11</a></p> <p>*Page 53, Intellectual Property, 2021 CG Report <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=27">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=27</a></p>	

<b>Optional: Principle 14</b>			
1. Company discloses its policies and practices that address customers' welfare	Compliant	<p>The 2021 CG Report and 2021 Sustainability Report discuss in depth the policies, programs and practices that address customers' welfare.</p> <p>References:            *Page 51, Customer's Welfare 2021 CG Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=27">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021 ICTSI Corporate Governance Report_vfinal.pdf.pdf#page=27</a></p> <p>*Pages 90-101, Customers, 2021 Sustainability Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ictsi-2021-sustainability-report_0.pdf#page=46">https://cdnweb.ictsi.com/s3fs-public/2022-03/ictsi-2021-sustainability-report_0.pdf#page=46</a></p>	
2. Company discloses its policies and practices that address supplier/contractor selection procedures	Compliant	<p>Policies, programs and practices that address supplier/contractor selection procedures are provided through the link/reference to the documents containing the same:</p> <p>References:            *Page 54, Suppliers and Contractors, 2021 CG Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=28">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=28</a></p> <p>*Pages 52-54, Supply Chain, 2021 Sustainability Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ictsi-2021-sustainability-report_0.pdf#page=27">https://cdnweb.ictsi.com/s3fs-public/2022-03/ictsi-2021-sustainability-report_0.pdf#page=27</a></p>	
<b>Principle 15:</b> A mechanism for employee participation should be developed to create a symbiotic environment, realize the company's goals and participate in its corporate governance processes.			
<b>Recommendation 15.1</b>			
1. Board establishes policies, programs and procedures that encourage employees to actively participate in the realization of the company's goals and in its governance.	Compliant	<p>The Company recognizes that employees are a major stakeholder and as such, are engaged in order to reach the Company's goals. ICTSI believes the employees' active participation is essential to the Company's continued success.</p> <p>References:            *Pages 70-89, Employees, 2021 Sustainability Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ictsi-2021-sustainability-report_0.pdf#page=36">https://cdnweb.ictsi.com/s3fs-public/2022-03/ictsi-2021-sustainability-report_0.pdf#page=36</a></p> <p>*Page 55, Employee Participation, 2021 CG Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=28">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=28</a></p>	

#### Supplement to Recommendation 15.1

1. Company has a reward/compensation policy that accounts for the performance of the company beyond short-term financial measures.	Compliant	<p>The Company has a reward/compensation policy that accounts for the performance of the company beyond short-term financial measures.</p> <p>References:</p> <p>*Page 56, Rewards Policy, 2021 CG Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=29">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=29</a></p> <p>*Pages 50-51, Note 20 on Share-based Payment Plan, SEC Form 17-A  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=375">https://cdnweb.ictsi.com/s3fs-public/2022-03/ICTSI%20SEC%20Form%2017A%20and%20Consolidated%20FS%202021%26ICTSI_PFS1221.pdf#page=375</a></p>	
2. Company has policies and practices on health, safety and welfare of its employees.	Compliant	<p>The Company has policies and practices on health, safety and welfare of its employees.</p> <p>References:</p> <p>*Health, Safety and Environmental Policies, ICTSI Website  <a href="https://ictsi.com/policies">https://ictsi.com/policies</a></p> <p>*Employee Welfare, ICTSI Website  <a href="https://ictsi.com/policies">https://ictsi.com/policies</a></p> <p>*Pages 70-89, Employees, 2021 Sustainability Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ictsi-2021-sustainability-report_0.pdf#page=36">https://cdnweb.ictsi.com/s3fs-public/2022-03/ictsi-2021-sustainability-report_0.pdf#page=36</a></p> <p>*Pages 56-57, 2021 CG Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=29">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=29</a></p> <p>*Pages 45-47, Annex A to SEC Form 20-IS  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/International%20Container%20Terminal%20Services%20Inc_Definitive%20Information%20Statement%20_15Mar2022.pdf#page=87">https://cdnweb.ictsi.com/s3fs-public/2022-03/International%20Container%20Terminal%20Services%20Inc_Definitive%20Information%20Statement%20_15Mar2022.pdf#page=87</a></p>	
3. Company has policies and practices on training and development of its employees.	Compliant	<p>The Company implements policies and practices on training and development of employees.</p> <p>Reference:</p> <p>*Pages 58-60, Training and Development, 2021 CG Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=30">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=30</a></p> <p>*Pages 79-81, Learning and Development, 2021 Sustainability Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ictsi-2021-sustainability-report_0.pdf#page=40">https://cdnweb.ictsi.com/s3fs-public/2022-03/ictsi-2021-sustainability-report_0.pdf#page=40</a></p> <p>*Pages 44-45, Annex A to SEC Form 20-IS  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/International%20Container%20Terminal%20Services%20Inc_Definitive%20Information%20Statement%20_15Mar2022.pdf#page=87">https://cdnweb.ictsi.com/s3fs-public/2022-03/International%20Container%20Terminal%20Services%20Inc_Definitive%20Information%20Statement%20_15Mar2022.pdf#page=87</a></p>	

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<b>Recommendation 15.2</b>			
1. Board sets the tone and makes a stand against corrupt practices by adopting an anti-corruption policy and program in its Code of Conduct.	Compliant	<p>The Company sets the tone and makes a stand against corrupt practices by adopting an anti-corruption policy and program in its Code of Business Conduct. Pursuant to the Code, ICTSI continues to strengthen its Anti-Bribery Compliance Policy and Procedure by setting out procedures specifically targeted at addressing corruption risks.</p> <p>References:            *Pages 3- 4, Code of Business Conduct  <a href="https://www.ictsi.com/sites/default/files/inline-files/ictsi - code of business conduct.pdf#page=4">https://www.ictsi.com/sites/default/files/inline-files/ictsi - code of business conduct.pdf#page=4</a>              *Pages 60-61, Anti-Corruption Policy, 2021 CG Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=31">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=31</a>              *Pages 48-51, Code of Business Conduct; Anti-Corruption, 2021 Sustainability Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ictsi-2021-sustainability-report_0.pdf#page=25">https://cdnweb.ictsi.com/s3fs-public/2022-03/ictsi-2021-sustainability-report_0.pdf#page=25</a>              *Pages 43-44, Annex A to SEC Form 20-IS  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/International%20Container%20Terminal%20Services%20Inc_Definitive%20Information%20Statement%20 15Mar2022.pdf#page=85">https://cdnweb.ictsi.com/s3fs-public/2022-03/International%20Container%20Terminal%20Services%20Inc_Definitive%20Information%20State ment%20 15Mar2022.pdf#page=85</a> </p>	
2. Board disseminates the policy and program to employees across the organization through trainings to embed them in the company's culture.	Compliant	<p>This Code of Business Conduct is implemented and rolled out to all Directors, Senior Management, employees and all covered personnel, and is monitored by the Compliance Officer.</p> <p>The Company conducts an orientation program and relevant annual continuing training for all directors as well as information campaigns, orientation program or workshops on corporate governance available to its directors, officers and employees.</p> <p>References:            *Page 20, CG Manual  <a href="https://cdnweb.ictsi.com/s3fs-public/2019-02/ictsi-revised manual on corporate governance v3.0 may 31 2017 for website 0.pdf#page=21">https://cdnweb.ictsi.com/s3fs-public/2019-02/ictsi-revised manual on corporate governance v3.0 may 31 2017 for website 0.pdf#page=21</a>              *Page 48, Code of Business Conduct, 2021 Sustainability Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ictsi-2021-sustainability-report_0.pdf#page=25">https://cdnweb.ictsi.com/s3fs-public/2022-03/ictsi-2021-sustainability-report_0.pdf#page=25</a>              *Page 51, Anti-Bribery Training, 2021 Sustainability Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ictsi-2021-sustainability-report_0.pdf#page=26">https://cdnweb.ictsi.com/s3fs-public/2022-03/ictsi-2021-sustainability-report_0.pdf#page=26</a>              *Page 29, Code of Business Conduct, 2021 CG Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=15">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=15</a> </p>	
<b>Supplement to Recommendation 15.2</b>			

1. Company has clear and stringent policies and procedures on curbing and penalizing employee involvement in offering, paying and receiving bribes.	Compliant	<p>The Company's policy and procedures on penalizing employees involved in corrupt practices are referred in the following documents:</p> <p>References:            *Code of Business Conduct  <a href="https://ictsi.com/policies">https://ictsi.com/policies</a></p> <p>*Page 29, 2021CG Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=15">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=15</a></p> <p>*Pages 60-61, Anti-Corruption Policy, 2021 CG Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=31">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=31</a></p> <p>*Pages 48-49, Anti-Corruption, 2021 Sustainability Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ictsi-2021-sustainability-report_0.pdf#page=25">https://cdnweb.ictsi.com/s3fs-public/2022-03/ictsi-2021-sustainability-report_0.pdf#page=25</a></p>	
<b>Recommendation 15.3</b>			
1. Board establishes a suitable framework for whistleblowing that allows employees to freely communicate their concerns about illegal or unethical practices, without fear of retaliation	Compliant	<p>The Board, through the Code of Business Conduct and other related policies, provides employees direct access to the Company's Compliance Officer to report any violations. If the subject person of the report is a Director, the report may be made directly to the Board.</p> <p>The Policy on Fraud Reporting establishes a formal mechanism to encourage officers, directors, employees, contractors and subcontractors, suppliers and other business partners to raise serious concerns or malpractice involving ICTSI. The identity of the employee-informant is treated with confidentiality. Rights of the employee-informant are protected based on applicable policies and local laws.</p> <p>References:            *Whistleblowing Policy, ICTSI Website  <a href="https://ictsi.com/policies">https://ictsi.com/policies</a></p> <p>*Page 61, Employee Whistleblowing Policy, 2021 CG Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=31">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=31</a></p>	
2. Board establishes a suitable framework for whistleblowing that allows employees to have direct access to an independent member of the Board or a unit created to	Compliant	<p>The Board through, the Code of Business Conduct and other related policies, gives employees direct access to the Company's Compliance Officer.</p> <p>The Compliance Office and even the Human Resource Department handle whistleblowing/fraud reporting or reports of any violations of the Code of Business Conduct and the Company's policies and procedures.</p> <p>References:            *Whistleblowing Policy, ICTSI Website  <a href="https://ictsi.com/policies">https://ictsi.com/policies</a></p>	

handle whistleblowing concerns.		*Page 61, Employee Whistleblowing Policy, 2021 CG Report <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021 ICTSI Corporate Governance Report_vfinal.pdf.pdf#page=31">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021 ICTSI Corporate Governance Report_vfinal.pdf.pdf#page=31</a>	
3. Board supervises and ensures the enforcement of the whistleblowing framework.	Compliant	The Board through the Code of Business Conduct and other related policies puts forth a whistleblowing framework or mechanism for reporting of violations of the Code and the Company's policies and procedures.  References: *Whistleblowing Policy, ICTSI Website <a href="https://ictsi.com/policies">https://ictsi.com/policies</a>  *Page 61, Employee Whistleblowing Policy, 2021 CG Report <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021 ICTSI Corporate Governance Report_vfinal.pdf.pdf#page=31">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021 ICTSI Corporate Governance Report_vfinal.pdf.pdf#page=31</a>	
<b>Principle 16:</b> The company should be socially responsible in all its dealings with the communities where it operates. It should ensure that its interactions serve its environment and stakeholders in a positive and progressive manner that is fully supportive of its comprehensive and balanced development.			
<b>Recommendation 16.1</b>			
1. Company recognizes and places importance on the interdependence between business and society, and promotes a mutually beneficial relationship that allows the company to grow its business, while contributing to the advancement of the society where it operates.	Compliant	The Company's Sustainability Report outlines the Company's social & community programs & initiatives.  Reference: *Pages 102 to 121, Society Section, 2021 Sustainability Report <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ictsi-2021-sustainability-report_0.pdf#page=52">https://cdnweb.ictsi.com/s3fs-public/2022-03/ictsi-2021-sustainability-report_0.pdf#page=52</a>  *ICTSI Foundation Accomplishment Report 2021 <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Foundation%20Accomplishment%20Report%20v1_sf.pdf">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Foundation%20Accomplishment%20Report%20v1_sf.pdf</a>	
<b>Optional: Principle 16</b>			
1. Company ensures that its value chain is environmentally friendly or is consistent with promoting sustainable development	Compliant	The Company's value chain is environmentally friendly and consistent with promoting sustainable development. 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 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.  References: *ICTSI Purpose and Values <a href="https://www.ictsi.com/about-ictsi">https://www.ictsi.com/about-ictsi</a>	



		<p>*Pages 28-41, Environment Section, 2021 Sustainability Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ictsi-2021-sustainability-report_0.pdf#page=15">https://cdnweb.ictsi.com/s3fs-public/2022-03/ictsi-2021-sustainability-report_0.pdf#page=15</a></p> <p>*Pages 62-64, Environmentally-Friendly Value Chain, 2021 CG Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=32">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=32</a></p>	
2. Company exerts effort to interact positively with the communities in which it operates	Compliant	<p>The Company has various community and sectoral development initiatives with the communities in which the Company operates.</p> <p>References:</p> <p>*Pages 112 to 134, Society Section, 2021 Sustainability Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-03/ictsi-2021-sustainability-report_0.pdf#page=52">https://cdnweb.ictsi.com/s3fs-public/2022-03/ictsi-2021-sustainability-report_0.pdf#page=52</a></p> <p>*Pages 64-65, Nurturing the Community, 2021 CG Report  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=33">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Corporate%20Governance%20Report_vfinal.pdf.pdf#page=33</a></p> <p>*ICTSI Foundation Accomplishment Report 2021  <a href="https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Foundation%20Accomplishment%20Report%20v1_sf.pdf">https://cdnweb.ictsi.com/s3fs-public/2022-04/2021%20ICTSI%20Foundation%20Accomplishment%20Report%20v1_sf.pdf</a></p>	

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

MAY 30 2022

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

CEsar A. BUENAVENTURA  
Independent Director

CHIEF JUSTICE DIOSDADO M. PERALTA (RET.)  
Independent Director

CARLOS C. EJERCITO  
Independent Director

RAFAEL D. CONSING, JR.  
Compliance Officer

RAFAEL T. DURIAN  
Corporate Secretary

MAY 30 2022

SUBSCRIBED AND SWORN to before me this \_\_\_ day of \_\_\_\_\_, affiants exhibiting to me their passports, as follows:

Enrique K. Razon, Jr.  
Diosdado M. Peralta  
Carlos De Castro Ejercito  
Rafael D. Consing, Jr.  
Rafael T. Durian  
Cesar A. Buenaventura

PASSPORT NO.  
Passport No.  
Passport No.  
Passport No.  
Passport No.  
Passport No.

DATE OF ISSUE  
April 19, 2018  
February 26, 2020  
August 17, 2019  
February 18, 2019  
February 25, 2022  
November 29, 2018

PLACE OF ISSUE  
DFA Manila  
DFA Manila  
DFA NCR East  
DFA Manila  
DFA NCR Northeast  
DFA Manila

Doc No. 781  
Page No. 147  
Book No. 9  
Series of 2022.

ATTY. PEDRO D. GONZALEZ  
Notary Public Until June 30, 2022  
Notarial Commission 2020 - 044 Mla  
1150 Gen. Luna St., Ermita, Manila  
IBP# 165729 Pasig - 10-14-2021  
PTR# 0154718 Mla - 1-3-2022  
Roll # 12088, TIN# 132-436-687  
MCLE Compl. No VI-0021170 until 4-14-2022