

## ACGS Level 1 – C

### C.1.1

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

#### RESPONSE

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

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

#### Sources:

##### [ICTSI Website](#)

Investor Relations

[click to open](#)

##### [Policies and Practices](#)

[click to open](#)

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

Principle 14, Duties to Stakeholders, page 75

[click to open](#)

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

Customer's Welfare, page 51

[click to open](#)

##### [Latest Sustainability Report](#)

Customers, pages 90-101

[click to open](#)

## C.1.2

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

### RESPONSE

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

#### Sources:

##### [i-ACGR](#)

Principle 14, Duties to Stakeholders, page 75

[click to open](#)

##### [CG Report](#)

Suppliers and Contractors, page 54

[click to open](#)

##### [Latest Sustainability Report](#)

Supply Chain, pages 52 - 54

[click to open](#)

## C.1.3

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

### RESPONSE

**YES.** ICTSI sustains its commitment to conduct its business activities in a manner that reduces the environmental implications of its activities and protect the environment of sites and communities in which it operates. ICTSI is true to its purpose of working tirelessly to develop and operate efficient and sustainable port facilities and deliver the highest possible benefits to our customers, partners, people, shareholders, and to the communities that it serves.

The ICTSI Group continues to adopt best practices and relevant international standards like ISO 14001 and World Bank/IFC guidelines for ports, harbors and terminals and ensures that it complies fully with local environment laws and regulations. Also, ICTSI is determined to uphold

the principles of Sustainable Development in its operations, and its thrusts are documented in its Annual Sustainability Report.

**Sources:**[ICTSI Website](#)

Sustainability  
[click to open](#)

[ICTSI Purpose and Value](#)

[click to open](#)

[2021 Integrated Annual Corporate Governance Report](#)

Principle 16, Duties to Stakeholders, pages 79-80  
[click to open](#)

[2021 Corporate Governance Report](#)

Environmentally-Friendly Value Chain, pages 62-64  
[click to open](#)

[2021 Sustainability Report](#)

Environment Section, pages 28-41  
[click to open](#)

**C.1.4**

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

**RESPONSE**

**YES.** Aside from youth development and environmental protection, ICTSI has put great emphasis on community assistance as one of its development pillars. Building a symbiotic relationship between the ports and the immediate stakeholders has always been part of ICTSI's culture of doing business. Through Community Assistance, ICTSI contributes in uplifting communities through modes of support in health, livelihood, local leadership, and disaster preparedness and response, among others.

In the MICT and other ICTSI local and foreign subsidiaries, either through the ICTSI Foundation, the Sustainability and Development Unit, or designated Community Relations Officers, ICTSI seeks to contribute in the over-all effort of addressing community concerns within its area of operation. It has always worked closely with barangay leaders and other government entities, as well as with non-government-organizations (NGOs), to converge ideas and efforts in the identification, planning and execution of projects for the marginalized sectors. These projects include scholarship programs, volunteerism programs, livelihood and technological education assistance, medical missions, outreach activities, support to sports programs, Christmas-related activities, construction of classrooms, donations, disaster response and disaster and environment

related awareness programs, relief operations and various school-based assistance, among others.

**Sources:**

[ICTSI Website](#)

Sustainability  
[click to open](#)

[i-ACGR](#)

Principle 16, Duties to Stakeholders, page 80  
[click to open](#)

[CG Report](#)

Nurturing the Community, pages 64-65  
[click to open](#)

[Latest Sustainability Report](#)

Society Section, pages 103 to 121  
[click to open](#)

[Latest ICTSI Foundation Accomplishment Report](#)

[click to open](#)

## C.1.5

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

## RESPONSE

**YES.** The Code of Business Conduct serves as the framework of all the business values and principles of the Company which sets out what is expected of every employee, officer, director, consultant, contractors, business partners and other external third parties working or acting with, for or on behalf of ICTSI. Pursuant to the Code of Business Conduct, ICTSI rolled out an Anti-Bribery Compliance Policy and Procedure. This Policy sets out procedures specifically targeted at addressing corruption risks. ICTSI continues to strengthen this policy by constantly revising its provision and providing for stricter penalties in case of violation.

ICTSI holds itself to the highest ethical standards and is committed to acting with integrity in business dealings and relationships, both locally and internationally. ICTSI employees are prohibited from asking for, accepting or receiving bribes, or any other personal benefit that would induce the employee to breach his/her duty to act in good faith, to act impartially or in accordance with a position of trust. ICTSI also strictly implements its programs against tipping and other similar acts.

## Sources:

### ICTSI Website

Corporate Governance, Policies

[click to open](#)

### ICTSI Code of Business Conduct

[click to open](#)

### i-ACGR

- a. Principle 7, The Board's Governance Responsibilities, pages 34-35

[click to open](#)

- b. Principle 15, Duties to Stakeholders, page 77

[click to open](#)

### Manual on Corporate Governance ("CG Manual")

Responsibility of the Board and the Directors, page 7

[click to open](#)

### CG Report

- a. Code of Business Conduct, page 29

[click to open](#)

- b. Anti-Corruption Policy, pages 60-61

[click to open](#)

### Latest Sustainability Report

Code of Business Conduct; Anti-Corruption, pages 48 to 51

[click to open](#)

### Definitive Information Statement

SEC Form 20-IS: March 15, 2022

Anti Bribery Policy and Procedure, Annex A to DIS, pages 43 to 44

[click to open](#)

## C.1.6

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

## RESPONSE

**YES.** ICTSI Group manages its liquidity profile to be able to finance its working capital and capital expenditure requirements including the timely servicing of debt, payment to regulators and suppliers and other corporate payables.

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

**Source:**

[CG Report](#)

Duties to Stakeholders: Creditor's Rights, page 54

[click to open](#)

### C.1.7

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

## RESPONSE

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

The Report, currently in its fifth year, has a theme of Delivering a Resilient Future. The Report covers thirty (30) operational ICTSI ports out of its expanding roster of 35 terminals. It provides an even more comprehensive attestation of ICTSI's long-term commitment to sustainability. ICTSI strengthens disclosures on ESG in the report, in line with its responsibilities to identify, measure, and manage its impacts across areas of operations. ICTSI's Sustainability Report discusses discussed efforts on Environment, Economy, Society, Employees, Governance and Customers.

**Sources:**

[Latest Sustainability Report](#)

[click to open](#)

### C.2.1

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

## RESPONSE

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

### Sources:

#### [ICTSI Website](#)

Contact Us

[click to open](#)

#### [Investors](#)

[click to open](#)

#### [CG Report](#)

Corporate Information, pages 70 to 71

[click to open](#)

#### [Latest Sustainability Report](#)

Corporate Information, page 126

[click to open](#)

## C.3.1

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

## RESPONSE

**YES.** The well-being and health of all its stakeholders being its number one priority, ICTSI continues to implement enhancements in its various health, safety, and welfare policies and programs as part of its efforts to consistently provide a safe and healthy working environment for its employees. ICTSI policies and practices are disclosed in its website and in the annual reportorial requirements submitted to the Securities and Exchange Commission (SEC).

As a matter of policy and practice, the Group generally does not hire contractual employees. Instead, ICTSI chooses to nurture a dedicated staff of permanent employees who grow familiar with the industry, the company, and operations; are willing to be trained to become productive professionals; and, desire to be empowered as better citizens. As a state of relations where management and labor work hand in hand to accomplish certain goals using mutually acceptable means, LMC is based on the belief that both parties have a common interest in the success and growth of the enterprise, and consequently the economy. The Labor Management/Workplace Cooperation mechanism brought about harmonious relations between the management and the employee group resulting to industrial peace, quality and productivity in the workplace. The union recognizes certain management prerogatives and rights. On the other hand, the Management recognizes the indispensable role of the union in crafting certain policies as well as in implementing them. In terms of remuneration, ICTSI complies with and often exceeds the

minimum wages set by the respective government agencies. Benefits for full-time employees in MICT include life insurance, free medical consultations, medical and dental benefits, Health Maintenance Organization (HMO), free annual physical examination.

ICTSI is also fully committed to promoting the most stringent safety culture across its business operations. It continues to deploy and execute various Health and Safety policies and programs as part of its commitment to consistently provide a safe and healthy working environment not only for its employees, but also for contractors and other port users and to promote a positive safety culture in its business operations. These include among others, various safety induction and training, regular safety engagements with workers, safety audits, establishment of safe working procedures based on risk assessments, usage of safety software application, and deployment of cargo-handling equipment with enhanced safety features.

In 2021, ICTSI partnered with Moderna to bring the vaccination program to employees and dependents, to further strengthen the fight against the pandemic. Regular Covid-19 testing was also done and health protocols are regularly updated to help ensure the safety of all employees. All initiatives undertaken in 2020 related to Covid-19 response were continued and strengthened in 2021. This is in compliance to the government's protocols and to ensure continued safety of employees working in the terminal.

As frontliners, ICTSI faced the pandemic head on and created several protocols and guidelines to help the employees deal with this present problem. Small group discussions, electronic posters, email blasts and rapid antibody testing was done to alleviate the worries of the employees and keep them informed of the latest updates on Covid-19. The Medical Clinic promoted tele-medicine and phone consultations to respond to employee concerns 24/7. The management also thought of helping the employees boost their immune system by providing free Vitamin C supplements daily.

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

## **Sources:**

[ICTSI Website](#)

Health, Safety and Environmental Policies  
[click to open](#)



Employee Welfare

[click to open](#)

i-ACGR

Principle 15, Duties to Stakeholders, page 76

[click to open](#)

CG Report

Duties to Stakeholders – Health and Safety, pages 56-57

[click to open](#)

Latest Sustainability Report

Employees, pages 70-89

[click to open](#)

Definitive Information Statement

SEC Form 20-IS: March 15, 2022

Health, Safety and Productivity of its Employees, Annex A to DIS, pages 45-47

[click to open](#)

### C.3.2

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

## RESPONSE

**YES.** ICTSI has a policy of providing training opportunities aligned with the requirements of the local operations, based on the principle of supporting for employee development and welfare. In MICT, the flagship operation, employees regularly undergo skills- and task-related training, as well as broader education on the profession/industry. ICTSI policies and practices are disclosed in its website and in the annual reportorial requirements submitted to the Securities and Exchange Commission (SEC).

Training programs include:

1. Company Orientation Programs such as
  - a. Operations for Non-Operations;
  - b. Orientation for newly hired employees;
  - c. Outside Truck Driver's Orientation
  - d. Mandatory 8-hour Safety and Health Seminar for Workers
  - e. Orientation for HMI;
  - f. Integrated Management System (IMS) Awareness Training
  - g. IMS Internal Audit
- 2.) Technical training programs for skills enhancement

- a. Prime Movers, Reach Stackers, Quay Cranes, Rubber Tired Gantries, Sidelifter and refresher courses (for PM and RTG Operators)
- b. Kalmar RTG Basic Electrical Training
- c. VMT Operator Training
- d. Vessel Planning Familiarization
- e. Fire Fighting Seminar & Drill
- f. Earthquake Drill
- g. IMS Internal Audit Training
- h. Udemy Online Training Access
- i. TBA Training Portal for Navis
- j. GPW Manual Handling Stage 1 and 2
- k. Vessel Checker Training
- l. NCOS Training for Berth Planners
- m. Administrative Due Process Training for Leaders
- n. Energy Efficiency and Conservation Act Training
- o. Analyzing Data with Power BI

#### **Sources:**

##### ICTSI Website

Governance, Policies

[click to open](#)

##### i-ACGR

Principle 15, Duties to Stakeholders, pages 76 to 77

[click to open](#)

##### CG Report

Training and Development, pages 58-60

[click to open](#)

##### Latest Sustainability Report

Employees - Learning and Development, pages 79-81

[click to open](#)

##### Definitive Information Statement

SEC Form 20-IS: March 15, 2022

Employee Trainings, Annex A to DIS, pages 44-45

[click to open](#)

### **C.3.3**

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

## RESPONSE

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

### Sources:

#### i-ACGR

Principle 15, Duties to Stakeholders, page 76

[click to open](#)

#### SEC Form 17-A

Note 20 on Share-based Payment Plan, 2021 Annual Audited Consolidated Financial Statements, pages 85-86

[click to open](#)

#### CG Report

Duties to Stakeholders, Rewards Policy page 56

[click to open](#)

## C.4.1

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

## RESPONSE

**YES.** The Policy on Fraud Reporting, Handling of Disclosures and Complaints on Violations of Code of Business Conduct and Discipline was established wherein employees of ICTSI are mandated to immediately report any concern and/or known or suspected violations of the code and other company policies. Employees have direct access to the company's Compliance Officer and/or Global Human Resource Department or the Human Resource Department of the business units to report any violations.

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

confidentiality and that he/she shall be protected from any reprisal, retaliation and other forms of harassment.

**Sources:**

[ICTSI Website](#)

Whistleblowing Policy

[click to open](#)

[i-ACGR](#)

Principle 15, Duties to Stakeholders, pages 78-79

[click to open](#)

[CG Report](#)

Employee Whistleblowing Policy, page 61

[click to open](#)

## C.4.2

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

## RESPONSE

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

**Sources:**

[ICTSI Website](#)

Whistleblowing Policy

[click to open](#)

[i-ACGR](#)

Principle 15, Duties to Stakeholders, pages 78-79

[click to open](#)

[CG Report](#)

Employee Whistleblowing Policy, page 61

[click to open](#)