

MOMENTUM WHERE IT MATTERS



CORPORATE GOVERNANCE REPORT 2022

About our theme

Standing in the middle of the horizon, ICTSI locates its purpose between landside logistics and shipping: serving stakeholders within the value chain and the larger community of each port.

For this ICTSI Corporate Governance Report 2022, we focus on **momentum where it matters**: ICTSI's strategic application of Company's resources and willpower to areas where we can make the most impact. We are committed to developing our capabilities to track, support, and accelerate progress in key areas for our stakeholders.

Our corporate governance practices are based on the Manual of Corporate Governance and aligned with the Code of Corporate Governance for Publicly Listed Companies issued by the Philippine Securities and Exchange Commission. We also follow the ASEAN Corporate Governance Scorecard, a joint initiative by the ASEAN Capital Market Forum and the Asian Development Bank.

This report integrates the Principles and Recommendations of the Code of Corporate Governance to guide readers. We provide examples of how we comply with relevant recommendations and illustrate our efforts to ensure good corporate governance.

MOMENTUM
WHERE IT
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CORPORATE GOVERNANCE REPORT 2022



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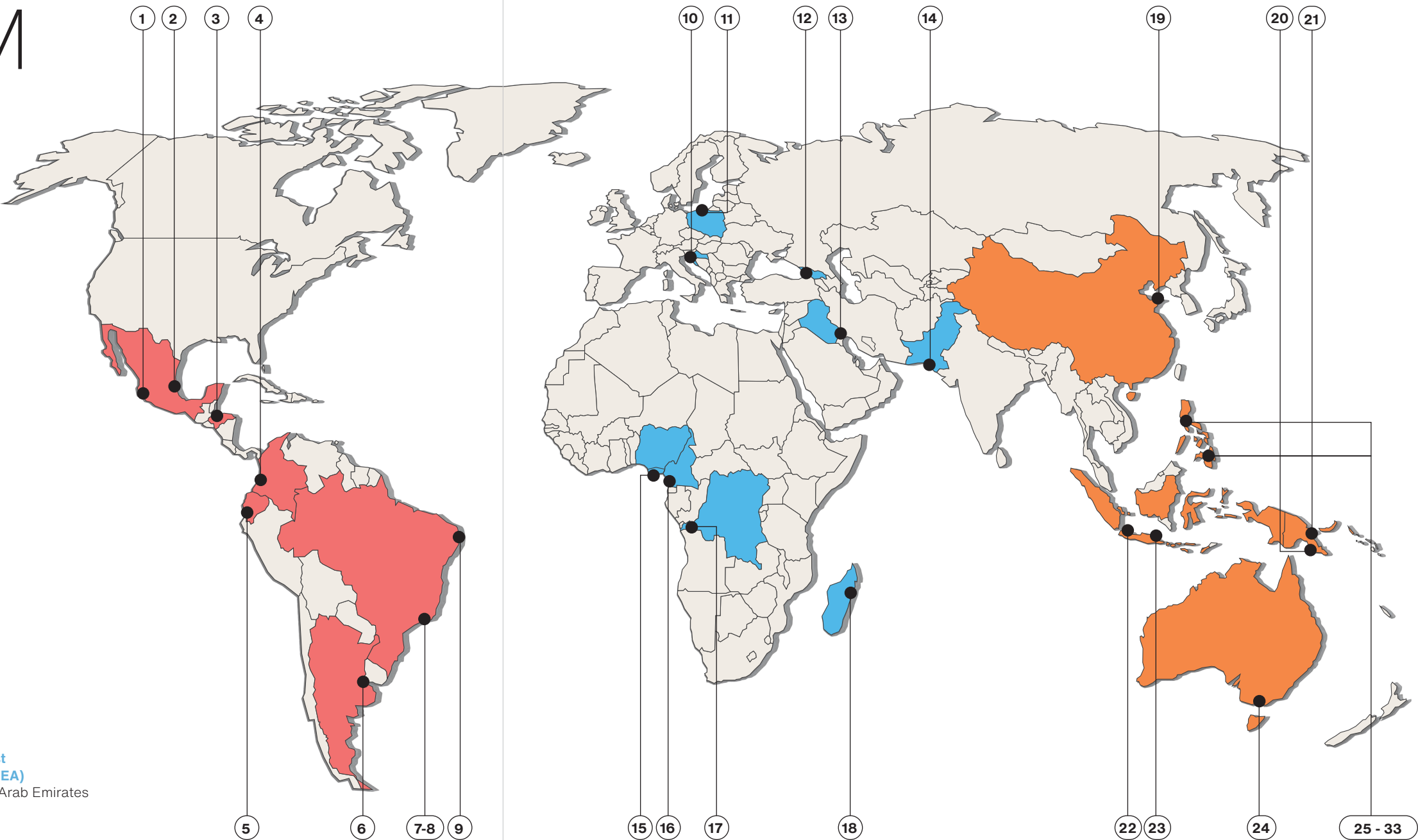
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MOMENTUM WHERE IT MATTERS

CORPORATE OFFICES

- Asia Pacific
Manila, Philippines
- Americas
Panama City, Panama
- Europe,
the Middle East
and Africa (EMEA)
Dubai, United Arab Emirates



THE AMERICAS				EUROPE, THE MIDDLE EAST & AFRICA				ASIA PACIFIC			
1. Contecon Manzanillo Manzanillo, Mexico	6. TecPlata Buenos Aires, Argentina	10. Adriatic Gate Container Terminal Rijeka, Croatia	15. Onne Multipurpose Terminal Port Harcourt, Nigeria	19. Yantai International Container Terminals Shandong, China	22. Tanjung Priok Berths 300-303 Jakarta, Indonesia	Philippines		20. Motukea International Terminal Port Moresby, Papua New Guinea	23. East Java Multipurpose Terminal Lamongan, Indonesia	25. Manila International Container Terminal	30. Laguna Gateway Inland Container Terminal Calamba City
2. Tuxpan Maritime Terminal Veracruz, Mexico	7. Rio Brasil Terminal Rio de Janeiro, Brazil	11. Baltic Container Terminal Gdynia, Poland	16. Kribi Multipurpose Terminal Kribi, Cameroon	21. South Pacific International Container Terminal Lae, Papua New Guinea	24. Victoria International Container Terminal Melbourne, Australia	26. NorthPort	31. Bauan International Port Bauan, Batangas				
3. Puerto Cortés Cortés, Honduras	8. iTracker Rio de Janeiro and Barra Mansa, Brazil	12. Batumi International Container Terminal Adjara, Georgia	17. Matadi Gateway Terminal Kongo Central, D.R. Congo			27. Manila Harbor Center	32. Mindanao Container Terminal Tagoloan, Misamis Oriental				
4. Puerto Aguadulce Buenaventura, Colombia	9. Tecon Suape Pernambuco, Brazil	13. Basra Gateway Terminal Umm Qasr, Iraq	18. Madagascar International Container Terminal Toamasina, Madagascar			28. Cavite Gateway Terminal Tanza, Cavite	33. Makar Wharf General Santos City				
5. Contecon Guayaquil Guayaquil, Ecuador		14. Pakistan International Container Terminal Karachi, Pakistan				29. Subic Bay International Terminals (NCT 1 and 2) Olongapo City					

2022 AWARDS

June 2022:

ICTSI was one of the Most Honored Companies during the Institutional Investor All Asia Executive Team Awards Recognition 2022. Rafael D. Consing, Jr., former Senior Vice President and Chief Financial Officer was ranked third best CFO among small and midcap companies, while Arthur R. Tabuena, Treasury Director and Head of Investor Relations was ranked among the Best IR Professionals, both voted for by Buyside and Combined categories. ICTSI's investor relations program was ranked third best in the group.

July 2022:

ICTSI was recognized by Alpha Southeast Asia as having the Best Annual Report in the Philippines, among the Most Organized Investor Relations, Strongest Adherence to Corporate Governance and second best in having the Most Consistent Dividend Policy in Southeast Asia.

October 2022:

Corporate Governance Asia recognizes ICTSI as having Asia's Best CSR and one of the Best Investor Relations Companies in the Philippines during the 12th Asian Excellence Award. Key ICTSI officers were likewise recognized, including Chairman and President Enrique K. Razon Jr. as Asia's Best CEO (Investor Relations); former Senior Vice President and Chief Financial Officer Rafael D. Consing Jr. as Asia's Best CFO (Investor Relations); and Treasury Director and Head of Investor Relations Arthur R. Tabuena as Best Investor Relations Professional.

December 2022:

ICTSI was recognized by The Asset ESG Corporate Awards as one of the elite companies in Asia showing All-Round Excellence in Financial Performance, Management, Corporate Governance, Social Responsibility, Environmental Responsibility and Investor Relations, earning the Platinum citation. ICTSI's Victoria-Anepa'an Mountain Range Wildlife Conservation Project was also recognized as among the Best Initiatives for Environmental Responsibility.

February 2023:

ICTSI was recognized by the Institute of Corporate Directors, as one of the leading publicly-listed companies (PLCs) in the Philippines based on the ASEAN Corporate Governance Scorecard (ACGS).

February 2023:

ICTSI was recognized for its Leadership in Sustainable Environment, Social and Governance during the Future CFO Excellence Awards held in Singapore.

Board Composition

PRINCIPLE 1

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.

RECOMMENDATION 1.1

- 01 Board is composed of directors with collective working knowledge, experience or expertise that is relevant to the company’s industry/sector.
- 02 Board has an appropriate mix of competence and expertise.
- 03 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

THE BOARD GOVERNANCE RESPONSIBILITIES

ICTSI places great importance on robust corporate governance. It continues to uphold and improve the principles and policies embodied in its Manual on Corporate Governance as well as the best practices of good corporate governance, which serves as the framework of rules, systems and processes that governs the performance of the ICTSI Board of Directors and Management.

As the primary governance arm, the Board ensures that its mandate is effectively carried out through a competent mix of

skills, learning, and experience among the Directors and strict observance of qualification requirements laid out by Philippine laws and prevailing global practice.

The Board acts on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the Company and all its stockholders. It espouses accountability, fairness, and transparency in all Company dealings and relationships.

NAME OF DIRECTOR	COMPANY AFFILIATIONS	POSITION
ENRIQUE K. RAZON JR. FILIPINO, 62 YEARS OLD Director of ICTSI since 1987 and its Chairman since 1995 → Doctor of Science in Logistics Honoris Causa De La Salle University → Member US Philippines Society ASEAN Business Club Philippines, Inc.	ICTSI*	Chairman and President
	IWI Container Terminal Holdings, Inc.	Chairman and President
	ICTSI Foundation, Inc.	Chairman
	Razon Industries, Inc.	Chairman and President
	Sureste Realty Corporation	Chairman and President
	Quasar Holdings, Inc.	Chairman and President
	Falcon Investco Holdings, Inc.	Chairman and Chief Executive Officer
	Achillion Holdings, Inc.	Chairman and President
	Collingwood Investment Company Ltd.	Chairman and President
	Bravo International Port Holdings, Inc.	Chairman and President
	Provident Management Group, Inc.	Chairman and President
	Bloomberry Resorts Corporation*	Chairman and Chief Executive Officer
	Manila Water Company, Inc.*	Chairman and Chief Executive Officer
	Prime Infrastructure Capital, Inc.	Chairman
	Sureste Properties, Inc.	Chairman
	Monte Oro Resources and Energy, Inc.	Chairman
	Bloomberry Resorts & Hotels, Inc.,	Chairman
	Prime Strategic Holdings, Inc.	Chairman
	Pilipinas Golf Tournament, Inc.	Chairman
	ICTSI (Hongkong) Ltd.	Chairman
	Australian Container Terminals Ltd.	Chairman
	Pentland International Holdings Ltd.	Charman
	CLSA Exchange Capital	Chairman
	Xcell Property Ventures, Inc.	Chairman

NAME OF DIRECTOR	COMPANY AFFILIATIONS	POSITION
CESAR A. BUENAVENTURA FILIPINO, 93 YEARS OLD Independent Director of ICTSI since 2019 → Bachelor of Science in Civil Engineering University of the Philippines → Master's Degree in Civil Engineering Major in Structures Lehigh University Bethlehem → Honorary Officer of the Order of the British Empire (OBE) by Her Majesty Queen Elizabeth, 1991 Former Director: → Philippine American Life Insurance Co. → AG&P Co. of Manila → Ayala Corporation* → First Philippine Holdings Corp.* → Philippine Airlines* → Philippine National Bank* → Benguet Corporation* → Asian Bank → Ma. Cristina Chemical Industries → Paysetter International Inc. → Maibarara Geothermal Inc. → Manila International Airport Authority → Shell Group of Companies	ICTSI*	Independent Director
	Mitsubishi Hitachi Power Systems Phils., Inc.	Chairman
	Buenaventura Echauz and Partners, Inc.	Chairman
	DMCI Holdings, Inc.*	Vice Chairman
	Semirara Mining and Power Corp.*	Director
	iPeople, Inc.*	Director
	Petroenergy Resources Corp.*	Director
	Concepcion Industrial Corp.*	Director
	Pilipinas Shell Petroleum Corp.*	Director
	DM Consunji Inc.	Director
	The Country Club	Director
	Manila Water Company, Inc.*	Independent Director
	Manila Water Foundation	Independent Trustee
	Pilipinas Shell Foundation, Inc.	Trustee
	Bloomberry Cultural Foundation	Trustee
	ICTSI Foundation, Inc.	Trustee
	ICTSI*	Independent Director
	Century Properties Group, Inc.*	Independent Director
	Bloomberry Resorts Corporation*	Independent Director
	Mount Grace Hospitals, Inc. and its affiliates and subsidiaries	President and Chief Executive Officer
	→ Bachelor's Degree in Business Administration - Cum Laude University of the East → Master's Degree in Business Administration Ateneo Graduate School of Business → Program for Management Development Harvard Business School Former Independent Director: → Aboitiz Power Corporation* → Bloomberry Resorts Corporation* → Monte Oro Resources and Energy Corporation Former Director: → United Laboratories Inc. and several of its subsidiaries → National Grid Corporation of the Philippines → Ayala Greenfield Development Corporation → Fort Bonifacio Development Corporation → Bonifacio Land Corporation	

NAME OF DIRECTOR	COMPANY AFFILIATIONS	POSITION
CHIEF JUSTICE DIOSDADO M. PERALTA (ret.) FILIPINO, 69 YEARS OLD Independent Director of ICTSI since August 2021 → Bachelor of Science San Juan de Letran → Bachelor of Laws University of Santo Tomas → Doctor of Laws Honoris Causa University, Laoag City, Ilocos Norte Chief Justice of the Supreme Court of the Philippines from October 23, 2019 until retirement on March 27, 2021	ICTSI*	Independent Director
	Bloomberry Resorts Corporation*	Independent Director
	San Miguel Corporation*	Independent Director
	Philippine Business Bank	Independent Director
	Manila Hotel	Independent Director
JOSE C. IBAZETA FILIPINO, 80 YEARS OLD Director of ICTSI since 2009 → Bachelor of Science in Economics Ateneo de Manila University → Master's Degree in Business Administration University of San Francisco → MBC in Banking and Finance New York University Member of the Board of Trustees of Radio Veritas and St. James the Great Parish Foundation	ICTSI*	Director
	ICTSI Foundation, Inc.	Vice President and Trustee
	Prime Metro Power Holdings Corporation	Director
	A. Soriano Corporation*	Consultant to the Chairman of the Board
	Anscor Consolidated Corporation	Director
	AFC Agribusiness Corporation	Director
	Anscor Holdings, Inc.	Director
	Minuet Realty Corporation	Director
	Phelps Dodge Philippine Energy Products Corporation	Director
	Island Aviation, Inc.	Chairman and President
	Vicinetum Holdings, Inc.	Director
	Philippine Stratbase Consultancy Incorporated	Founding Chairman and Director
	Atlantic Gulf & Pacific Company of Manila	Senior Advisor to the CEO and a Member of Compliance Committee
	Pamalican Holdings, Inc.	Chairman and President

NAME OF DIRECTOR	COMPANY AFFILIATIONS	POSITION
STEPHEN A. PARADIES FILIPINO, 69 YEARS OLD Director of ICTSI since 1987 → Bachelor of Science Degree, Major in Business Management The Santa Clara University, California Former Director: → UnionBank of the Philippines Former Group Chief Financial Officer, Senior Vice President and Corporate Information Officer → Aboitiz Equity Ventures, Inc	ICTSI*	Director
	IWI Container Terminal Holdings, Inc.	Director
	Sociedad Puerto Industrial Aguadulce S.A.	Director
	Apex Mining Co. Inc.*	Director
	Union Investments Corp.	Director
	Sureste Properties, Inc.	Director
	Prime Metro BMD Corp.	Director
	Prime Metro Power Holdings, Inc.	Director
	Prime Metro Infrastructure Capital, Inc.	Director
	MORE Palawan Power Corp.	Director
	Amber Electric & Power Corp.	Director
	The Country Club Inc.	Director
	Bloomberry Cultural Foundation, Inc.	Trustee
	Napagapa Beverages, Inc.	Chairman
ANDRES SORIANO III AMERICAN, 71 YEARS OLD Director of ICTSI since 1992 → Bachelor of Science in Economics Major in Finance and International Business Wharton School of Finance and Commerce - University of Pennsylvania → Member G.E. Asian Advisory Wharton East Asia Executive Board Former President and Chief Operating Officer and subsequently the Chairman and Chief Executive Officer → San Miguel Corporations Former Chairman: → Coca-Cola (Philippines) → Coca-Cola Amatil (Australia) → Nestle (Philippines).	MORE Electric & Power Corp.	Chairman
	ICTSI*	Director
	A. Soriano Corporation*	Chairman and Chief Executive Officer
	Anscor Consolidated Corp.	Chairman and President
	The Andres Soriano Foundation, Inc.	Chairman
	Phelps Dodge International Philippines, Inc.	Chairman
	Phelps Dodge International Philippines, Inc.	Chairman
	Seven Seas Resorts and Leisure, Inc.	Chairman
	Pamalican Resort, Inc.	Chairman

*Publicly Listed Corporation

RECOMMENDATION 1.2

- 01
- Board is composed of a majority of non-executive directors.

Supermajority of Non-Executive Directors

There are seven (7) seats in the Board of Directors of ICTSI and more than a majority of these are held by Non-Executive Directors. There are six (6) Non-Executive Directors while there is only one (1) Executive Director. ICTSI adheres to the guidance that attaining the right

composition of Non-Executive Directors and Independent Directors with the Executive Directors assures check and balance in the decision-making process and protection of the company's interest over the interest of the individual shareholders.

Carlos C. Ejercito	Non-Executive Director; Independent Director
Chief Justice Diosdado M. Peralta (ret.)	Non-Executive Director; Independent Director
Cesar A. Buenaventura	Non-Executive Director; Independent Director
Jose C. Ibazeta	Non-Executive Director
Stephen A. Paradies	Non-Executive Director
Andres Soriano III	Non-Executive Director
Enrique K. Razon Jr.	Executive Director

RECOMMENDATION 1.3

- 01
- Company provides in its Board Charter and Manual on Corporate Governance a policy on training of directors.
- 02
- Company has an orientation program for first time directors.
- 03
- Company has relevant annual continuing training for all directors.

Training and Orientation

Policy on Directors' Training

Section 9.3 of the Company's Manual on Corporate Governance provides that ICTSI shall conduct an orientation program and relevant annual continuing training for all Directors as well as information campaigns, orientation program or workshops on corporate governance available to its directors, officers and employees.

Onboarding for First-Time Directors

The Company conducts an orientation and on-boarding for first-time Directors of ICTSI.

The most recent orientation was on July 2021 when the Offices of Compliance Officer, Corporate Secretary, and Investor Relations held a 2-day virtual Onboarding Program for Chief Justice Diosdado M. Peralta (ret.) after he accepted his nomination as Independent Director of the Company. Chief Justice Peralta is the newest addition to the ICTSI Board.

The Onboarding Program provides an overview of the operations of the Company, the leading practices on corporate governance, and organizational structure.

Along with the Onboarding, the Company also provided Chief Justice Peralta an Onboarding kit which contains the (i) Company, Directors and Officers profiles; (ii) latest disclosures and annual

reportorial reports including Minutes of Annual Stockholders' Meetings, SEC Form 20-IS, 17-A, General Information Sheet and Sustainability Report; (iii) Charter Documents such as Articles of Incorporation, By-Laws, and all its amendments; and (iii) Board Committee and Global Organizational Structure.

Annual Corporate Governance Training

On December 2, 2022, the Company engaged the services of the SEC accredited training provider, Center for Global Best Practices for the 2022 Corporate Governance Training. This was attended by the Board of Directors, Compliance Officer, Chief Risk Officer, Head of Internal Audit, Corporate Secretary and Assistant Corporate Secretaries and the Senior Management of the Company.



As part of the Company’s leading practice, all the Regional Heads and Directors of the Company’s Philippine subsidiaries also attended the 2022 CG Training.

NAME	POSITION	TOPIC DISCUSSED	ORGANIZER	DATE
Enrique K. Razon Jr.	Chairman and President; Executive Director	Crisis Communication and Dealing with Controversies	Center for Global Best Practices	December 2, 2022
Cesar A. Buenaventura	Non Executive Director; Independent Director			
Carlos C. Ejercito	Non Executive Director; Independent Director			
Chief Justice Diosdado M. Peralta (ret.)	Non Executive Director; Independent Director			
Jose C. Ibazeta	Non-Executive Director			
Stephen A. Paradies	Non-Executive Director			
Andres Soriano III	Non-Executive Director	Advance Corporate Governance Training	Institute of Corporate Directors	August 30, 2022
Christian Martin R. Gonzalez	Executive Vice President, Chief Compliance Officer, Chief Sustainability Office	Crisis Communication and Dealing with Controversies	Center for Global Best Practices	December 2, 2022
Sandy A. Alipio	Senior Vice President, Global Financial Controller, Chief Risk Officer			
Emilio Manuel V. Pascua	Chief Financial Officer			
Caroline C. Causon	Vice President, Head of Financial Management and Budget			
Antonio G. Coronel	Vice President, Logistics and Supply Chain			
Jose Manuel M. De Jesus	Vice President, Regulatory Affairs			
Arnie D. Tablante	Vice President, Treasurer			
Rafael T. Durian	Corporate Secretary			
Silverio Benny J. Tan	Assistant Corporate Secretary			
Benjamin Edison M. Gorospe III	Assistant Corporate Secretary			
Catherine D. Castro	Head of Internal Audit			

RECOMMENDATION 1.4

01 Board has a policy on board diversity.

Board Diversity

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

In its effort toward strengthening its corporate governance and leading with integrity, the Company continues to implement the Human Capital Statement it launched last 2020, and see through its practical outworking in human right, health and safety, and diversity and inclusion, among others.

OPTIONAL: RECOMMENDATION 1.4

01 Company has a policy on and discloses measurable objectives for implementing its board diversity and reports on progress in achieving its objectives.

Measurable Objectives for Board Diversity Implementation and Progress

The ICTSI Diversity and Equal Opportunities Policy creates a work environment where respect for inclusion and diversity is maintained and where people do not discriminate or are discriminated against due to disability, age, sexual orientation or preference, civil status, race, origin, religious or political beliefs, and socio-economic status among others. The Policy was formulated in 2021. In 2022, this was approved by the Board of Directors and rolled out to the ICTSI Group.



RECOMMENDATION 1.5

- 01

Board is assisted by a Corporate Secretary.
- 02

Corporate Secretary is a separate individual from the Compliance Officer.
- 03

Corporate Secretary is not a member of the Board of Directors.
- 04

Corporate Secretary attends training/s on corporate governance.

Corporate Secretaries

The Board is assisted by Atty. Rafael T. Durian as Corporate Secretary and Attys. Silverio Benny J. Tan and Atty. Benjamin Edison M. Gorospe III as Assistant

Corporate Secretaries who are not members of the Board of Directors of ICTSI and have adequate experience in board governance.

	COMPANY AFFILIATIONS	DESIGNATION
RAFAEL T. DURIAN FILIPINO, 89 YEARS OLD Corporate Secretary since 1987 → Bachelor of Laws San Beda College → Member of the Philippine Bar → Former Partner Cruz Durian Alday & Cruz-Matters Law Office	ICTSI*	Corporate Secretary
	Razon Industries, Inc.	Director
	Sureste Realty Corp.	Director
	Provident Management Group, Inc.	Director

	COMPANY AFFILIATIONS	DESIGNATION
SILVERIO BENNY J. TAN FILIPINO, 66 YEARS OLD Assistant Corporate Secretary → Bachelor of Laws (Cum Laude) University of the Philippines College of Law → Bachelor of Arts in Political Science (Cum Laude) University of the Philippines Iloilo College → Member of the Philippine Bar Third Placer, 1982 Philippine Bar Retired Partner, former Managing Partner, and current Off-Counsel → Picazo Buyco Tan Fider & Santos Law Offices	ICTSI*	Assistant Corporate Secretary
	Prime Strategic Holdings, Inc.	Director and Corporate Secretary
	Bravo International Port Holdings Inc.	Director and Corporate Secretary
	Alpha International Port Holdings Inc.	Director and Corporate Secretary
	Eiffle House Inc.	Director and Corporate Secretary
	Cyland Corp.	Director and Corporate Secretary
	Trident Water Company Holdings Inc.,	Director and Corporate Secretary
	Negros Perfect Circles Food Corp.	Director and Corporate Secretary
	MORE Electric and Power Corporation	Director
	Celestial Corporation	Director
	Skywide Assets Ltd.	Director
	Dress Line Holdings Inc. and its subsidiaries	Director
	Apex Mining Company Inc.* and its subsidiaries	Corporate Secretary
	Itogon Suyoc Resources Inc.	Corporate Secretary
	Monte Oro Resources and Energy Inc.	Corporate Secretary
	Bloomberry Resorts Corporation*	Corporate Secretary
	Sureste Properties, Inc.	Corporate Secretary
	Bloomberry Resorts and Hotels Inc.	Corporate Secretary
	Bloomberry Cruise Terminals Inc.	Corporate Secretary
	Prime Infrastructure Capital Corporation	Corporate Secretary
	Manila Water Company, Inc.,*	Corporate Secretary
	Lakeland Village Holdings Inc.	Corporate Secretary
	Devoncourt Estates Inc.	Corporate Secretary
	Pilipinas Golf Tournaments, Inc.	Corporate Secretary
	Bloomberry Cultural Foundation Inc.,	Corporate Secretary
	Razon and Co. Inc.'s subsidiaries	Corporate Secretary
	Prime Strategic Holdings Inc.'s subsidiaries	Corporate Secretary
	University of the Philippines	Corporate Secretary
	Visayas Foundation Inc.	Corporate Secretary

	COMPANY AFFILIATIONS	DESIGNATION
BENJAMIN EDISON M. GOROSPE III <i>FILIPINO, 55 YEARS OLD</i> Assistant Corporate Secretary of ICTSI since 2013 → Bachelor of Laws University of the Philippines College of Law → Bachelor of Science in Commerce, Major in Accounting Xavier University → Certified Public Accountant Joined ICTSI* in 2003 as a Tax Manager. Prior to this, he worked with the Tax Department of SyCip Gorres Velayo & Co. (a member firm of Ernst & Young Global Limited) for five years and with its Audit Department for one year.	ICTSI*	Assistant Corporate Secretary
	Davao Integrated Port & Stevedoring Services Corp.	Director and Corporate Secretary
	Mindanao International Container Terminal Services, Inc.	Director and Corporate Secretary
	Cordilla Properties Holdings, Inc.	Director and Corporate Secretary
	International Container Terminal Holdings, Inc.	Assistant Secretary
	Global Procurement Ltd.	Assistant Secretary
	ICTSI Ltd.	Assistant Secretary
	ICTSI Honduras Ltd.	Assistant Secretary
	ICTSI Georgia Corp.	Assistant Secretary
	Falconer Aircraft Management, Inc.;	Corporate Secretary
	ICTSI Far East Pte. Ltd.	Director
	ICTSI South Asia Pte. Ltd.	Director
	Tungsten RE Ltd.,	Director
	Consultports S.A. de C.V.	Director
	Aviation Concepts Technical Services, Inc.	Assistant Corporate Secretary
	ICTSI Honduras Ltd.	Assistant Corporate Secretary

*Publicly Listed Company

RECOMMENDATION 1.6

- 01Board is assisted by a Compliance Officer.
- 02Compliance Officer has a rank of Senior Vice President or an equivalent position with adequate stature and authority in the corporation.
- 03Compliance Officer is not a member of the board.
- 04Compliance Officer attends training/s on corporate governance.

Compliance Officer

As provided under the SEC Code of Corporate Governance for Publicly Listed Companies (SEC Memorandum Circular No. 19, series of 2016):

The Compliance Officer is a member of the company’s management team in charge of the compliance function. Similar to the Corporate Secretary, he is primarily liable to the corporation and its shareholders, and not to the Chairman or President of the company. He/she has, among others, the following duties and responsibilities:

- a. Ensures proper onboarding of new directors (i.e., orientation on the company’s business, charter, articles of incorporation and by-laws, among others);
- b. Monitors, reviews, evaluates and ensures the compliance by the corporation, its officers and directors with the relevant laws, this Code, rules and regulations and all governance issuances of regulatory agencies;
- c. Reports the matter to the Board if violations are found and recommends the imposition of appropriate disciplinary action;
- d. Ensures the integrity and accuracy of all documentary submissions to regulators;

- e. Appears before the SEC when summoned in relation to compliance with this Code;
- f. Collaborates with other departments to properly address compliance issues, which may be subject to investigation;
- g. Identifies possible areas of compliance issues and works towards the resolution of the same;
- h. Ensures the attendance of board members and key officers to relevant trainings; and
- i. Performs such other duties and responsibilities as may be provided by the SEC.

Since 2016 until his retirement from ICTSI on 18 January 2023, **Mr. Rafael D. Consing, Jr.**, Senior Vice President and Chief Financial Officer, concurrently served as Compliance Officer.

His career started at the Multinational Investment Bancorporation in June 1989. From 1999 to 2007, he assumed various roles in HSBC, including Director and the Head of Debt Capital Markets for the Philippines, and subsequently for South East Asia. He later became the Managing Director and the Head of the Financing Solutions Group, Asia Pacific. In HSBC, Mr. Consing was involved in strategic and

situational financing and advisory activities, including acquisition, and leveraged finance, debt capital markets, credit ratings and capital advisory. He also held positions in investment banking with Bankers Trust NY, Deutsche Bank, and ING Barings. In 1993 to 1995, Mr. Consing served as the Vice President and the Treasurer of Aboitiz & Company, Inc. and Aboitiz Equity Ventures, Inc.

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

Following the retirement of Mr. Consing and effective 18 January 2023, the Executive Vice President, **Mr. Christian R. Gonzalez**, has been appointed Compliance Officer concurrent to his role as Chief Sustainability Officer of ICTSI.

Mr. Gonzalez has over 25 years of experience in the port industry particularly in container terminal management and operation. As Executive Vice President, he has oversight over the ICTSI Group’s operating terminals and business development worldwide. As Chief Sustainability Officer, he drives the integration of sustainability into the core of the business.

Mr. Gonzalez has been with ICTSI since 1997. In 2005, he was appointed CEO of the Group’s Madagascar operations. He was the lead in redeveloping the terminal, implementing operational and administrative initiatives amid a challenging environment to turn around the terminal into one of Africa’s most efficient. Mr. Gonzalez was also key in the acquisition and development of the concession in Melbourne, Australia’s first automated terminal.

Mr. Gonzalez sits on the board of several ICTSI subsidiaries both in the Philippines and abroad. He is also the President of ICTSI Foundation, Inc., the ICTSI Group’s corporate social responsibility arm. Mr. Gonzalez takes the lead in sponsoring and implementing programs for the youth, social development and the environment in areas particularly where the Group has a business presence.

Outside of ICTSI, Mr. Gonzalez is a Board Member of Bloomberry Resorts Corp., owner of Solaire Resort and Casino in the Philippines, and of Prime Infrastructure Capital, the Razon Group’s infrastructure division with projects worldwide.

Mr. Gonzalez is a Board Trustee of Asia Society Philippines and of the Philippine Athletics Track and Field Association.

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

Mr. Gonzalez is not a member of the Board of ICTSI. Neither was Mr. Consing during his role as Compliance Officer. Both gentlemen annually attended the Annual Corporate Governance for Directors and Key Officers which ICTSI conducts in-house and duly accredited by the SEC, which latest training was held on December 2, 2022.

Fiduciary Roles And Accountabilities

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



Directors act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the company.

Duties of Care and of Loyalty

ICTSI Manual on Corporate Governance

Sections 2.5.2 and 2.5.3 A director owes the duty to be obedient, loyal and diligent to ICTSI. Obedience imposes on the directors the obligation to act only within ICTSI’s corporate powers as defined by its Articles of Incorporation and By-laws and by the Corporation Code and other applicable laws. Directors should manage ICTSI with reasonable diligence, care and prudence. They cannot be held liable for mistakes or errors in the exercise of their business judgment when they act in good faith with due care and prudence.

A director has fiduciary responsibility to ICTSI and its stockholders. His duty to be loyal requires him to act in ICTSI’s best interest and prevents him from acquiring for himself a business opportunity which belongs to ICTSI.

Each ICTSI Director commits to the fiduciary duties of care and of loyalty. Actions are made on a fully informed basis and supported with proper due diligence. Furthermore, and paramount to all responsibilities, the Directors act for the best interest of ICTSI more than that of any controlling group or any stakeholder.

That these duties take central importance for the Directors are evident both in their regular and special agenda taken and deliberated during the past year for approval and implementation. All these vital matters are documented in the minutes of meetings and other reports and publicly disclosed especially for easy access of ICTSI’s shareholders and stakeholders via the Investors sub-site of Company Website (<https://investors.ictsi.com/>).

RECOMMENDATION 2.2

- 01 Board oversees the development, review and approval of the company's business objectives and strategy.
- 02 Board oversees and monitors the implementation of the company's business objectives and strategy

SUPPLEMENT TO RECOMMENDATION 2.2

- 01 Board has a clearly defined and updated vision, mission and core values.
- 02 Board has a strategy execution process that facilitates effective management performance and is attuned to the company's business environment, and culture.

Oversight on Business Objectives and Strategy

ICTSI at Glance

ICTSI builds and operates efficient and sustainable origin and destination gateway terminals in markets where we can leverage our competitive strength and create long-term sustainable value.

Our Purpose

To make ports around the world drivers of positive change and sustainable growth.

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

Our Values

ICTSI's commitment to our partners and communities began more than three decades ago in the Philippines. Our projects and terminals now extend across six continents and are anchored by many of the same founding values that have underpinned our sustainable approach to growing our business and our host

Respect for All

We place the utmost importance on safety, community and diversity. The well-being and health of all our stakeholders is our number one priority. We strive to have the highest standards in place to ensure our people and stakeholders are safe, respected and treated fairly.

Trust

We lead with integrity, respect and compassion for our people, partners and communities and our environment. We take great pride in working responsibly to earn trust and to keep it.

Collaboration

We are a diverse and inclusive company working together and exploring new ways of doing things to deliver the best possible outcome for all our stakeholders. As a responsible business, we embrace equality of opportunity and empower all our people to adapt, collaborate and innovate across borders.

Tenacity

Our people work tirelessly with the utmost determination to achieve their goals and deliver on commitments to partners, stockholders, host communities and the

Passion

We are pioneers in an industry with deep linkages to the host economies and communities in which we operate. Our people relish the challenge of exploring new opportunities, operating terminals, creating sustainable benefits for our host communities and protecting the environment, while also delivering returns to our stockholders.

- policies and procedures, annual budgets, and business plans;
- Set performance objectives;
 - Monitor implementation and corporate performance; and
 - Oversee major capital expenditures, acquisitions and divestitures.

Thus, the Board makes it as part of its annual year-end checklist the regular monitoring of the implementation of the Company's business objectives and strategy and review of the same for the necessary re-alignment and update. On December 15, 2022, the Board included in its meeting the:

Among other duties and functions of the Board laid down in ICTSI's Manual of Corporate Governance, the ICTSI Directors extend an active hand in the formulation, monitoring, review, and approval of ICTSI's business objectives and strategy to sustain the Company's long-term viability and strength.

- Review and approval of the corporate strategies and objectives;
- Monitoring of the implementation and assessment of effective performance; and
- Review and affirmation of the Company's Purpose and Values to be attuned to the set strategies and objectives.

- Review and guide corporate strategy, major plans of action, risk management

RECOMMENDATION 2.3

- 01 Board is headed by a competent and qualified Chairperson.

Competent and Qualified Chairperson

The SEC Code of Corporate Governance for PLCs prescribes that the roles and responsibilities of the Chairman include, among others, the following:

- a. Makes certain that the meeting agenda focuses on strategic matters, including the overall risk appetite of the corporation, considering
- b. Guarantees that the Board receives accurate, timely, relevant, insightful, concise, and clear information to enable it to make sound decisions;
- c. Facilitates discussions on key issues by fostering an environment conducive for constructive debate and leveraging on the skills and expertise of individual directors;

the developments in the business and regulatory environments, key governance concerns, and contentious issues that will significantly affect operations;

- d. Ensures that the Board sufficiently challenges and inquires on reports submitted and representations made by Management;
- e. Assures the availability of proper orientation for first-time directors and continuing training opportunities for all directors; and
- f. Makes sure that performance of the Board is evaluated at least once a year and discussed/followed up on.

Mr. Enrique K. Razon Jr. has been a Director of ICTSI since 1987 and the Chairman of the Board of Directors since 1995. He is also Chairman of Bloomberry Resorts Corp. (BRC), owner of Solaire Resort and Casino in Entertainment City and in Quezon City, Philippines. He is Chairman of Manila Water Company (MWC), the private concessionaire of Metropolitan Waterworks and Sewerage System that serves the more than seven million population of the East Zone of Metro Manila and the Rizal Province.

ICTSI, BRC and MWC are listed in the Philippine Stock Exchange.

Mr. Razon also chairs Prime Infrastructure Capital, Inc. (Prime Infra) focused on environmentally resilient and socially relevant projects that help enable the Philippines and emerging economies move forward on their sustainable economic growth plans. Prime Infra develops and operates critical infrastructure in the renewable energy, water, and waste management and sustainable fuel sectors.

Prime Infra acquired a 45-percent operating stake in the Malampaya deep water gas-to-power project, which produces natural gas that supplies up to 20 percent of Luzon’s total electricity requirement. Prime Infra is the developer of the 1,400 MW Ahunan pumped storage hydropower plant, and the Terra Solar battery energy

storage system project hailed as the world’s largest endeavor of its kind.

Recently, Prime Infra inaugurated phase 1 of the Wawa Bulk Water Supply Project, a national flagship infrastructure project that ensures water security in Metro Manila and Rizal Province. Upon completion of phase 2, the facility will deliver at least 518 million liters per day.

Mr. Razon sits on the Board of most ICTSI subsidiaries worldwide and of several foreign and Philippine corporations. His other investments are in real estate, mining, oil and gas exploration, and leisure facilities including a golf course in the Philippines. Mr. Razon also chairs the ICTSI Foundation, Inc., which implements the ICTSI Group’s corporate social responsibility advocacies worldwide. He is also Chairman of Pilipinas Golf Tournaments, Inc., which stages the Philippine Golf Tour, Southeast Asia’s largest professional golfing circuit.

Mr. Razon is a member of the US Philippines Society, ASEAN Business Club, and Philippines, Inc.

RECOMMENDATION 2.4

- 01 Board ensures and adopts an effective succession planning program for directors, key officers and management.
- 02 Board adopts a policy on the retirement for directors and key officers.

Succession Planning and Retirement Program

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 Audit & Compliance Group.

For Management, succession planning and professional development planning are managed together with annual performance/compensation reviews. These programs and policies are regularly reviewed by the Remuneration Committee and the Global Corporate Human Resources Department.

RECOMMENDATION 2.5

- 01 Board ensures and adopts an effective succession planning program for directors, key officers and management.
- 02 Board adopts a policy on the retirement for directors and key officers.

OPTIONAL: RECOMMENDATION 2.5

- 01 Board approves the remuneration of senior executives.
- 02 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.

Annual Review of Compensation and Remuneration

Company By-Laws

Section 8.As compensation, the Board of Directors shall receive no more than two percent (2%) of the profits obtained during the year after deducting therefrom general expenses, remunerations to officers and employees, depreciation on buildings, machineries, transportation units, furniture, and other properties. Such compensation shall be apportioned among the directors in such manner as the Board of Directors duly assembled as a Board, may deem proper.

ICTSI Manual on Corporate Governance

Section 2.10 Remuneration of Directors and Officers
2.10.1 Levels of remuneration shall be sufficient to attract and retain the directors, if any, and officers needed to run ICTSI successfully. A proportion of executive director’s or officers, remuneration may be structured so as to link rewards to corporate and individual performance.

2.10.2 Corporations may establish formal and transparent procedure for the development of a policy on executive remuneration or determination of remuneration levels for individual directors and officers depending on the particular needs of ICTSI. No director should participate in deciding his remuneration.
2.10.3 ICTSI’s annual reports and information and proxy statements shall include a clear, concise and understandable disclosure of all fixed and variable compensation that may be paid, directly or indirectly, to its directors and top four (4) management officers, in the aggregate, during the preceding fiscal year as provided by law.
2.10.4 To protect the funds of a corporation, the Commission may, in exceptional cases, e.g., when a corporation is under receivership or rehabilitation, regulate the payment of the compensation, allowances, fees and fringe benefits to its directors and officers.

Charter of the Remuneration Committee

Section V. Compensation Policies
Compensation Policies and Programs for the directors, President and other executives
→ Assist the Board in setting the remuneration policy for directors and executives.
→ Determine any criteria necessary to measure the performance of management in discharging executive functions and responsibilities.
→ Review and monitor ICTSI’s remuneration and incentive framework applying to directors and executives and the associated strategies, systems, policies and processes implemented and reported.
→ Approve the remuneration and incentive awards of executives based on the recommendations of the President and consistent with the remuneration policy.

During the Regular Board Meeting held on December 15, 2022, the Board aligned the remuneration of Directors, Key Officers and Senior Executives with the long-term interests of the Company. In determining the proper compensation, the Board ensures that the (i) level of the 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.

RECOMMENDATION 2.6

- 01 Board has a formal and transparent board nomination and election policy.
- 02 Board nomination and election policy is disclosed in the company's Manual on Corporate Governance.
- 03 Board nomination and election policy includes how the company accepted nominations from minority shareholders.
- 04 Board nomination and election policy includes how the board shortlists candidates.
- 05 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.
- 06 Board has a process for identifying the quality of directors that is aligned with the strategic direction of the company.

OPTIONAL: RECOMMENDATION 2.6

- 01 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.

Board Nomination and Election Policy

ICTSI Manual on Corporate Governance

Section 2.6.11 – Duties and Functions of the Board

- Pass upon the qualification of nominees to the Board, establish a nomination sub-committee which it can delegate such function or implement a process for the selection of directors who can add value and contribute independent judgment to the formulation of sound corporate strategies and policies.
- Appoint competent, professional, honest and highly-motivated management officers.

Section 2.12 – Other Committees

The Board may also organize the following committees:

- i. A Nomination Subcommittee, which may be composed of at least three (3) members and one of whom should be an independent director, to review and evaluate the qualifications of all persons nominated to the Board and other appointments that require Board approval and to assess the effectiveness of the Board's processes and procedures in the election or replacement of directors;

The Board has a formal and transparent board nomination and election policy and is disclosed in the Company's Manual on Corporate Governance.

The profiles of the nominee Directors are sent to the Office of the Corporate Secretary and the qualifications of the nominees are being evaluated and assessed by the Nomination Committee based on the skills, experience and the value that each nominee can contribute to the Company. After such deliberations, the Nomination Committee will present the profiles of the shortlisted nominated

director to the Board of Directors for further evaluation and assessment. The Board, based on each nominee's qualifications, ensures that each director can contribute an independent judgment to the formulation of sound corporate strategies and policies.

All qualified nominated directors who accepted the nomination send an acceptance letter of such nomination to the Company through the Office of the Corporate Secretary.

RECOMMENDATION 2.7

01

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.

02

RPT policy includes appropriate review and approval of material RPTs, which guarantee fairness and transparency of the transactions.

03

RPT policy encompasses all entities within the group, taking into account their size, structure, risk profile and complexity of operations.

Related Party Transactions Policy

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

In compliance with SEC Memorandum Circular No. 10-2019, the Company

submitted its Related Party Transaction (RPT) Policy to the Philippine Securities and Exchange Commission on October 23, 2019. A copy of the RPT Policy is also made available on the ICTSI website at <https://www.ictsi.com/governance/policies>. The Committee approves RPT only on the affirmative vote of the majority of its members at a meeting, or, to the extent allowed by law, by unanimous written consent of the members.

RECOMMENDATION 2.8

01

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).

02

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).

Selection and Assessment of Management and Heads of Other Control Functions

ICTSI Manual on Corporate Governance

Section 2.6.3. Duties and Functions of the Board
Select and appoint the President, Chief Finance Officer (CFO), and other senior officers of ICTSI. The executive officers shall have the requisite maturity, motivation, integrity, competence and professionalism necessary to effectively perform their duties and responsibilities to ICTSI. The Board may adopt a professional development program for employees and officers, and a succession planning program for the Board and the management to ensure growth and continued increase in shareholders' value.

Section 2.6.6. Duties and Functions of the Board
Establish an Investor's 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. The IRO shall be present at every shareholders' meeting

Section 2.6.17. Duties and Functions of the Board
Appoint a Compliance Officer who shall have the rank of at least Vice President or its equivalent position

Section 2.8.3. Internal Control Responsibilities of the Board
ICTSI may appoint an Internal Auditor or any other officer designated by the Board, or the Audit Committee through which the Board, senior management and stockholders may be provided with reasonable assurance that its key organizational and operational controls are effective, appropriate and complied with. The Internal Auditor shall be guided by the International Standards on Professional Practice of Internal Auditing.

The ICTSI Group Senior Management

Enrique K. Razon Jr.
Chairman and President

Christian Martin R. Gonzalez
Executive Vice President

SENIOR VICE PRESIDENTS

Anders Kjeldsen
SVP, Regional Head
The Americas

Hans-Ole Madsen
SVP, Regional Head - Europe,
the Middle East and Africa

Humberto Godfried Wieske
SVP, Head of Global Commercial

Sandy A. Alipio
SVP, Global Financial Controller

Emilio Manuel V. Pascua
Chief Financial Officer

VICE PRESIDENTS

Caroline C. Causon
VP, Head of Financial
Management and Budget

Nathan Clarke
VP, Head of Global Engineering -
Infrastructure and Project Delivery

Antonio G. Coronel
VP, Logistics and
Supply Chain

Robin Cruickshanks
VP, Head of Global Corporate
Human Resources

Jose Manuel M. De Jesus
VP, Regulatory Affairs

Brian Mark Hibbert
VP, Global Chief
Information Officer

Damien Samuel Huppert
VP, Head of Global Procurement

Johan Swart
VP, Head of Global Engineering -
Equipment Maintenance

Arnie D. Tablante
VP and Treasurer

The Board of Directors is primarily responsible for approving the selection of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions, i.e. Chief Risk Officer (CRO), Chief Compliance Officer (CCO), and Head of Internal Audit (HIA). Prior to evaluation by the Board of Directors of the qualification of the nominated members of the Management, the same were evaluated and assessed by the Nomination Committee.

Annually, the Board of Directors assesses the performance of the Management as led by the CEO and supported by the CRO, Compliance Officer, and HIA. This is part of the Annual Corporate Governance Assessment rolled out to the Board of Directors. For the year 2022, the assessment will be facilitated by an external facilitator as recommended by the Securities and Exchange Commission through its Memorandum Circular No. 19 series of 2016 that a Company shall engage an external facilitator once every three years.

RECOMMENDATION 2.9

01

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.

02

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.



Board's Performance Management Framework for Management and Personnel

The Company has an Annual Compensation Review which is an annual global coordinated effort where performance bonus recommendations, salary increases and promotions are managed. Where the departments and respective members have agreed Key Performance Indices (KPIs), the Global Corporate Human Resources Department (GCHR) collects the documents showing the employees' achievements against their

KPIs and analyzes these against the GCHR Guidelines for Compensation Review. Using the data gathered during the review, the GCHR is able to determine appropriate recommendations for performance bonus, salary increase, and promotions. Additionally and equally important, the GCHR is also able to pinpoint high potential employees and identify training needs to bridge any skill gaps for all concerned employees.

RECOMMENDATION 2.10

- 01 Board oversees that an appropriate internal control system is in place.
- 02 The internal control system includes a mechanism for monitoring and managing potential conflict of interest of the Management, members and shareholders.
- 03 Board approves the Internal Audit Charter.

Oversight Responsibility on Internal Control

The control environment of ICTSI consists of:

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

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

- a. Defining the duties and responsibilities of the President;
- b. Selecting or approving an individual with appropriate competence, vision, integrity and experience to fill the President's role;
- c. Reviewing proposed senior management appointments;
- d. Ensuring that the selection, appointment and retention of qualified and competent management and officers holding control functions; and

- e. Reviewing ICTSI's personnel and human resource policies and its sufficiency, conflict of interest situations, changes to the compensation plan for employees and officers and management succession plans.

Internal Audit Charter

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

RECOMMENDATION 2.11

- 01 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.
- 02 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.

Oversight Responsibility ERM Framework

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 Section 2.6.9 of the Manual on Corporate Governance and the 2021 Corporate Governance 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.

ICTSI has a formal ERM Policy that was approved and released in May 2016. Further revisions were made in May 2018, May 2019 and May 2020 and accordingly approved by the BROC. In 2021, the ERM Policy was also reviewed but no changes were made. For 2022, the ERM Policy underwent review and will be completed on April 2023. Any revisions will be reviewed and approved by the BROC in May 2023.

RECOMMENDATION 2.11

- 01
- Board has a Board Charter that formalizes and clearly states its roles, responsibilities and accountabilities in carrying out its fiduciary role.
- 02
- Board Charter serves as a guide to the directors in the performance of their functions.
- 03
- Board Charter is publicly available and posted on the company’s website.

Board Charter

The ICTSI Board of Directors strictly abides by and adheres to its Board Charter wherein its roles, responsibilities and accountabilities in carrying out its fiduciary roles are clearly set forth, including those of the Chairman. It also establishes the standards and criteria for Board performance evaluation.

The Board Charter is included in the Manual of Corporate Governance and is made publicly available through the Company Website: <https://www.ictsi.com/governance>.

ADDITIONAL RECOMMENDATION TO PRINCIPLE 2

- 01
- Board has a clear insider trading policy.

Insider Trading Policy

ICTSI complies with laws, rules and regulations on Insider Trading. In particular, ICTSI's policy is to ensure that directors, Officers and employees of the Company who are aware of any material, non-public information concerning the Company or a third party with whom the Company does business, shall not engage

in any transaction in the Company’s or such third party’s securities through observance of a Blackout Period, which commences from the date when the material non-public information is obtained or is known and up to two full trading days after the price sensitive information is disclosed.

OPTIONAL: PRINCIPLE 2

- 01
- 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.
- 02
- Company discloses the types of decision requiring board of directors’ approval.

Loans to Directors

There are no loans extended to Directors. The Company will ensure that any grant will be at arm’s length basis and at market rates.

Board of Directors’ Approval

The Company's By-Laws rest upon the Board of Directors the authority to decide on and approve corporate acts as enumerated below. As of date, the Board has not created an Executive Committee. All corporate acts for approval are presented by the Management to the Board for the needed authority.

- a.
- To purchase. or otherwise acquire in any lawful manner, for and in the name of the Corporation, any and all properties, rights, interests or privileges whatsoever deemed necessary or convenient for the Corporation's business, at such price and subject to such terms and conditions as it may deem proper or convenient.
- b.
- To invest the funds of the Corporation in any other corporation or business or for any purpose other than those for which it was organized, whenever in its judgment, the interest of the Corporation would thereby be promoted, subject to such stockholder

- approval or authorization as may be necessary under the law.
- c.
- To sell, lease, exchange, assign, transfer or otherwise dispose of any property, real or personal, belonging to the Corporation whenever in its judgment, the . interest of the Corporation would thereby be promoted, subject to such stockholder authorization or approval as may be necessary under the law.
- d.
- To incur such indebtedness as it may deem necessary, subject to such stockholder approval or authorization as may be required by law and, for such purpose, to make and issue evidence of such indebtedness including, without limitation; notes, deeds of trust, instruments or securities and/or to mortgage or otherwise encumber all or part of the properties and rights of the Corporation.
- e.
- Upon recommendation of the Chairman and the President and in accordance with the applicable provisions of these By-Laws, to determine and prescribe the qualifications, duties, term of office, compensation, remuneration, incentives and other benefits of officers and/or employees. Pursuant thereto, to appoint or elect or enter into contracts which such officers and/or employees, under such terms and conditions as the board may determine to be in the best interest of the Corporation.

- f. Upon recommendation of the Chairman and/or the President, to create other offices it may deem necessary and determine how such offices will be filled;

g. With regard to shares issued in total or partial payment of debts contracted by the Corporation, for whatsoever properties it may have acquired or in payment of services rendered to the Corporation, to impose such conditions regarding the transfer of said shares as it may deem convenient; subject, however, to the limitations fixed by law.

h. To prosecute, maintain, defend, compromise or abandon any law suit in which the Corporation or its officers are either plaintiffs or defendants in connection with the business of the Corporation, and to settle all claims for or against the Corporation on such terms and conditions as it may deem fit.

i. To determine whether any, and if any, what part of the surplus profits of the Corporation arising from its business or retained earnings, available for declaration as dividends, shall be declared as dividends, subject to the provisions of law.

j. To create, by a resolution passed by a majority of all members of the Board, an Executive Committee of five (5) members, a majority of whom shall be members of the Board of Directors. Except as specifically limited by law or by the Board, a member of the Executive Committee may designate in writing an Alternate to represent him and vote at any meeting. Such Alternate need not be a member of the Board of Directors, provided that the other three (3) members of the Executive Committee present at any meeting of the Executive Committee are members of the Board. The Executive Committee, when the Board is not in session, shall have and may exercise the powers of the Board which could lawfully be delegated in the management of the business and affairs of the Corporation. The Executive Committee shall act by the majority vote of all its members, namely, three of five,
- provided there is no dissenting vote or opposition from the other members. Among the powers to be delegated to the Executive Committee is the authority to approve expenditures up to one Hundred Thousand U.S. Dollars for any purchase or acquisition, provided that Capital Expenditures shall always be subject to Board approval. In case of any dissenting vote or opposition, the issue shall be presented to the Board of Directors for resolution. The Board shall have the power at any time to remove and replace the members of, and fill vacancies in, the Executive Committee.

k. To create, by resolution passed by a majority of all members of the Board, one or more standing or special committees of directors including a Compensation Committee, with such powers and duties as may be specified in the enabling resolution.

l. To appoint any person, corporation, association, partnership or entity duly organized and registered in accordance with the laws of the Republic of the Philippines, as general managers or management consultants or technical consultants, under such terms and conditions and for such compensation as the Board may determine.

m. To guarantee, for and on behalf of the Corporation, obligations of the other corporations in which it has lawful interest.

n. To appoint trustees who for the benefit of the Corporation, may receive and retain such properties, as may belong to the Corporation or in which it has interest, and to execute such deeds and perform such acts as may be necessary to transfer the ownership of said properties to its trustee.

o. To enter into any transaction, obligation or contract and perform such acts and execute such deeds as it may deem essential for the proper administration of the Corporation's property, business and affairs or the accomplishment of any of the purposes for which the Corporation was organized.

Board Committees

PRINCIPLE 3

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.

RECOMMENDATION 3.1



Board establishes board committees that focus on specific board functions to aid in the optimal performance of its roles and responsibilities.

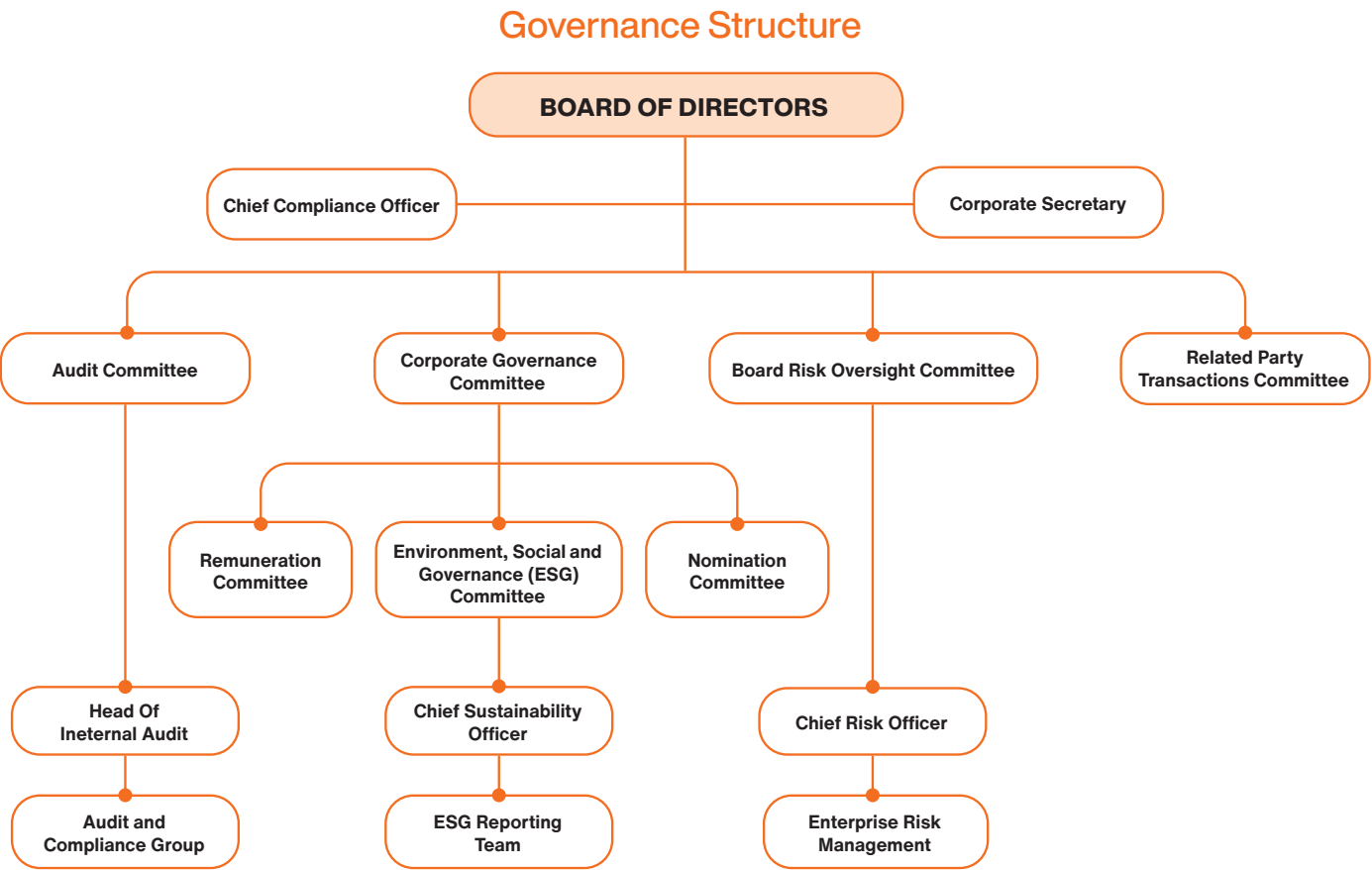
ICTSI Board Committees

Establishing Board Committees allows for specialization in issues and leads to better management of the workload of the Board Directors. The type of committees to be established depend on the company's size, risk profile, and complexity of operations.

In ICTSI, as prescribed by the Manual on Corporate Governance, the Board of Directors established the following: Audit Committee; Corporate Governance Committee, which has the Nomination Committee and Remuneration Committee;

Board Risk Oversight Committee; and the Related Party Transaction Committee.

Additionally, in 2020, the Board in accordance with the recommendation of the Corporate Governance Committee also established the Environmental, Social, and Governance (ESG) Committee as the third subcommittee under the Corporate Governance Committee. This signifies ICTSI's continuous commitment to uphold the principles of sustainable development in its operations and thrusts.



	AUDIT COMMITTEE	CORPORATE GOVERNANCE COMMITTEE	NOMINATION COMMITTEE	REMUNERATION COMMITTEE	ENVIRONMENT, SOCIAL AND GOVERNANCE COMMITTEE	BOARD RISK OVERSIGHT COMMITTEE	RELATED PARTY TRANSACTION COMMITTEE
Cesar A. Buenaventura	M Independent	C Independent	-	-	M Independent	M Independent	C Independent
Carlos C. Ejercito	C Independent	M Independent	M Independent	M Independent	-	M Independent	M Independent
Chief Justice Diosdado M. Peralta (ret.)	-	M Independent	-	-	C Independent	M Independent	M Independent
Jose C. Ibazeta	-	-	C	-	-	-	-
Stephen A. Paradies	M	-	M	M	M	C	-
Andres Soriano III	-	-	-	C	-	-	-

RECOMMENDATION 3.2

01

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.

02

Audit Committee is composed of at least three appropriately qualified non-executive directors, the majority of whom, including the Chairman is independent.

03

All the members of the committee have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance.

04

The Chairman of the Audit Committee is not the Chairman of the Board or of any other committee.

SUPPLEMENT TO RECOMMENDATION 3.2

01

Audit Committee approves all non-audit services conducted by the external auditor.

02

Audit Committee conducts regular meetings and dialogues with the external audit team without anyone from management present.

OPTIONAL: RECOMMENDATION 3.2

01

Audit Committee meet at least four times during the year.

02

Audit Committee approves the appointment and removal of the internal auditor.

Audit Committee

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

The Audit Committee is responsible for assisting the Board in fulfilling its oversight responsibilities to ICTSI’s stakeholders relating to the Company’s financial statements and financial reporting

process, governance, and internal control systems, the internal and external audit process, and the Company’s process for monitoring compliance with contracts, laws and regulations and the ICTSI Code of Business Conduct.

The Audit Committee is composed of majority of Independent Directors who maintains independence from Management and the controlling stockholder. It is required to meet at least four (4) times in a calendar year. Further, the Chairman of the

Audit Committee is not a Chairman of the Board or any other Board Committee.

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.

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.

The Audit Committee approves the appointment and removal of the internal auditor.

2022 Audit Committee Meetings:
→ March 1, 2022
→ May 4, 2022
→ August 2, 2022
→ November 4, 2022

RECOMMENDATION 3.3

01

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.

02

Corporate Governance Committee is composed of at least three members, all of whom should be independent directors.

03

Chairman of the Corporate Governance Committee is an independent director

OPTIONAL: RECOMMENDATION 3.3

01

Corporate Governance Committee meet at least twice during the year.

Corporate Governance Committee

Chairman: **Cesar A. Buenaventura**
(Independent Director)

Member: **Carlos C. Ejercito**
(Independent Director)

Member: **Chief Justice Diosdado M. Peralta** (ret.)
(Independent Director)

The Corporate Governance Committee is responsible for ensuring that ICTSI is in compliance with corporate governance principles and practices.

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

The Committee, composed of three Independent Directors, meets at least twice a year to oversee the implementation of the Corporate Governance Framework.

2022 Corporate Governance Committee Meetings:

- March 1, 2022
- May 4, 2022
- August 2, 2022
- November 4, 2022

Nomination Committee

Chairman: **Jose C. Ibazeta**

Member: **Stephen A. Paradies**

Member: **Carlos C. Ejercito**
(Independent Director)

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

The Nomination Committee is composed of two Non-Executive Directors and one Independent Director who meet periodically to assess the Board and its Committees, as well as the Executive Management of the Company.

2022 Nomination Committee Meeting:

- March 1, 2022
- December 15, 2022

Remuneration Committee

Chairman: **Andres Soriano III**

Member: **Stephen A. Paradies**

Member: **Carlos C. Ejercito**
(Independent Director)

The Remuneration Committee was organized to establish a formal and transparent procedure for developing a policy on remuneration of the Directors and Senior Officers to ensure that their compensation is consistent with the

Company's culture, strategy and the business environment in which it operates.

This Committee is composed of two Non-Executive Directors and one Independent Director who meet periodically to ensure that the remuneration levels is competitively set to attract and retain the most qualified and experienced Directors and executives.

2022 Remuneration Committee Meeting:

- December 15, 2022
- March 1, 2022

Environmental, Social and Governance Committee

Chairman: **Chief Justice Diosdado M. Peralta** (ret.)
(Independent Director)

Member: **Stephen A. Paradies**

Member: **Cesar A. Buenaventura**
(Independent Director)

In line with its Purpose to make ports around the world a driver for positive and sustainable growth, the Company recently established its Environment, Social and Governance (ESG) Committee under the Corporate Governance Committee. The ESG Committee is responsible for formulating policies and implementing programs which aim to develop and operate efficient and sustainable port facilities and deliver the highest possible benefits to Company's customers, partners, people, shareholders, and to the communities it serves.

The ESG Committee is composed of two Independent Directors and one Non-executive Director who meet periodically to review the Company's ESG policies, targets and achievements towards its commitment to sustainability.

2022 ESG Committee Meetings:

- March 1, 2022
- May 4, 2022
- August 2, 2022

RECOMMENDATION 3.4

- 01
- 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.
- 02
- BROC is composed of at least three members, the majority of whom should be independent directors, including the Chairman.
- 03
- The Chairman of the BROC is not the Chairman of the Board or of any other committee.
- 04
- At least one member of the BROC has relevant thorough knowledge and experience on risk and risk management.

Board Risk Oversight Committee

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

The Committee is composed of three Independent Directors and one Non-Executive Director who meet periodically to discuss the Company’s prioritized and residual risk exposures based on regular management reports and assess how the concerned units or officers are addressing and managing risks.

- 2022 Board Risk Oversight Committee Meetings:
- March 1, 2022
- May 4, 2022
- August 2, 2022
- November 4, 2022

The Board Risk Oversight Committee is responsible for the oversight of ICTSI's risk management framework, including key strategic and operational risks, as well as the adequacy and effectiveness of its risk management system.

Risk appetite levels and risk tolerance limits are annually reviewed by the Committee based on changes and development in the business, regulatory framework, external economic and business environment and when major events occur that are considered to have major impact on ICTSI. The Committee also provides oversight over Management’s activities in managing credit, market, liquidity, operational, legal and other risk exposures of the Company.

RECOMMENDATION 3.5

- 01
- Board establishes a Related Party Transactions (RPT) Committee, which is tasked with reviewing all material related party transactions of the company.
- 02
- RPT Committee is composed of at least three non-executive directors, two of whom should be independent, including the Chairman.

Related Party Transactions Committee

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

conflicts of interest or potential conflicts of interest. Such transactions with related parties, including write-off of exposures, are subject to a periodic independent review or audit process.

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

- 2022 Related Party Transactions Committee Meetings:
- March 1, 2022
- May 4, 2022
- August 2, 2022
- November 4, 2022

The Related Party Transaction Committee is responsible in reviewing the integrity and transparency of related party transactions between and among ICTSI and its joint ventures, subsidiaries, associates, affiliates, major stockholders, officers and directors including their spouses, children and dependent siblings and parents, and interlocking director relationships by members of the Board. This is geared toward the protection of the interest of the Company.

The Committee is also responsible for ensuring that appropriate disclosure is made, and/or information is provided to regulating and supervising authorities relating to the Company’s related party transactions exposures, and policies on

RECOMMENDATION 3.6

01

All established committees have a Committee Charter stating in plain terms their respective purposes, memberships, structures, operations, reporting process, resources and other relevant information.

02

Committee Charters provide standards for evaluating the performance of the Committees.

03

Committee Charters were fully disclosed on the company’s website.

Charters of the Board Committees

Each of the ICTSI Board Committees has adopted a Board Committee Charter. The Charter, by standard, lays down the organization of the committee, a statement of the committee’s policy, scope of committee authority and responsibility, procedures, training and education, remuneration, and performance evaluation

as among the important information to be included in the Charter.

All the Charters of the Board Committees are fully disclosed in the Company Website (<https://investors.ictsi.com/corporate-governance/board-committees>).

Board Participation

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

01

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.

02

The directors review meeting materials for all Board and Committee meetings.

03

The directors ask the necessary questions or seek clarifications and explanations during the Board and Committee meetings.

Directors’ Attendance

Pursuant to Section 3, Article III of Company’s By-Laws, the Board should hold a regular meeting every month, but special meetings may also be called by the

Chairman of the Board or the President. The attendance of the Board for the Annual Stockholders Meeting as well as Regular and Special Board Meetings in 2022 is as follows:

BOARD	BOARD	NO. OF MEETINGS ATTENDED/ HELD	NO. OF MEETINGS ATTENDED/ HELD
Chairman of the Board and President	Enrique K. Razon Jr.	19/19	100%
Independent Director	Cesar A. Buenaventura	19/19	100%
Independent Director	Carlos C. Ejercito	19/19	100%
Independent Director	Chief Justice Diosdado M. Peralta (ret.)	19/19	100%
Director	Jose C. Ibazeta	19/19	100%
Director	Stephen A. Paradies	19/19	100%
Director	Andres Soriano III	19/19	100%

To encourage active participation and give each member of the board an adequate time to prepare for the meeting, the Office of the Corporate Secretary provides the materials at least five days prior to a meeting.

Below are the items approved by the Board of Directors from 21 April 2022 up to 20 April 2023 and are included in the SEC Form 20-IS or Definitive Information Statement as part of the matters to be ratified by the Stockholders:

- Availment, amendment, and renewal of credit, risk, and term loan facilities with various banks and other treasury transactions
- Guarantees loan facilities of subsidiaries in various banks
- Appointment of Attorneys-in-Fact for various transactions
- Awarding of shares under Stock Incentive Plan
- Shareholders' Agreement with San Miguel Holdings, Inc.

- Capital infusion to its subsidiaries as deposit for future subscription
- Appointment of Data Protection Officer
- Declaration of regular and special cash dividends
- Plans to use the dividends received from the Company's foreign subsidiaries to fund the Company's working capital requirements, and dividend distributions, among others
- Election of Mr. Emilio Manuel V. Pascua as Chief Financial Officer to serve the unexpired term of Mr. Rafael D. Consing, Jr.
- Appointment of Mr. Christian Martin R. Gonzalez, Executive Vice President as, the new Chief Compliance Officer
- Appointment of Mr. Sandy A. Alipio, Senior Vice President, as the new Chief Risk Officer
- Review of the Company's Purpose and Values
- Review of Remuneration of the Board of Directors and Executive Officers

RECOMMENDATION 4.2

01

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.

Multiple Board Seats

The Company has a Nomination Committee that, among others, oversees the due diligence as to candidates for nomination or re-nomination as Board members; recommends to the Board the appointment, re-election and retirement of directors; and recommends the candidates for new directors who have the appropriate range of skills, experience and expertise that will best complement the other members of the Board. Directors who pass the

vetting by the Nomination Committee shall be considered to have complied with this requirement.

The Board assesses and considers the optimum number of each nominated Director's membership in other boards and determines the capacity of each director to perform his duties and responsibilities diligently and efficiently. This process applies to all independent and non-executive directors.

OPTIONAL RECOMMENDATION TO PRINCIPLE 4:

01

Company does not have any executive directors who serve in more than two boards of listed companies outside of the group.

02

Company schedules board of directors' meetings before the start of the financial year.

03

Board of directors meet at least six times during the year.

04

Company requires as minimum quorum of at least 2/3 for board decisions.

Other Matters

In compliance with Section 3, Article III of Company's By-Laws which provides that the Board shall hold a regular meeting on the third week of each month, the Board of Directors, in its regular meeting held on 15 December 2022, approved the schedule of the meetings for the year 2023.

In 2022, the Board of Directors conducted a total of 19 synchronous and

asynchronous regular and Special Board Meetings. Furthermore, the Board have reached 100% in attendance in all the 19 meetings and unanimously approved the matters discussed and needed approval in each meeting.

RECOMMENDATION 4.3

01

The directors notify the company's board before accepting a directorship in another company.

Acceptance of Other Directorships

In addition to duties and responsibilities of a Director as indicated in the Company's By-Laws, Manual on Corporate Governance, and the relevant Memorandums Circular of the Securities and Exchange Commission, each Director is expected to notify the Board, through the Corporate Secretary, before accepting a directorship in other companies.

Each Director provides the Company, through the Offices of Corporate Secretary and Chief Compliance Officer, an updated list of directorships in other companies, and notifies the Company for any other changes made.

Independence

PRINCIPLE 5

The board should endeavor to exercise an objective and independent judgment on all corporate affairs.

RECOMMENDATION 5.1

01 The Board has at least 3 independent directors or such number as to constitute one-third of the board, whichever is higher.

RECOMMENDATION 5.2

01 The independent directors possess all the qualifications and none of the disqualifications to hold the positions.

Objective and Independent Judgment

Revised Corporation Code of the Philippines

Section 22 The board of the following corporations vested with public interest shall have independent directors constituting at least twenty percent (20%) of such board:

- a. Corporations covered by Section 17.2 of Republic Act No. 8799, otherwise known as "The Securities Regulation Code", namely those whose securities are registered with the Commission, corporations listed with an exchange or with assets of at least Fifty million pesos (P50,000,000.00) and having two hundred (200) or more holders of shares, each holding at least one hundred (100) shares of a class of its equity shares;

The minimum number of Independent Directors set by law, i.e. the Revised Corporation Code and the Securities Regulation Code of the Philippines, for a publicly listed company such as ICTSI is 20% of the number of seats in the Board. There are seven (7) seats in ICTSI's Board of Directors. Hence, the minimum number of seats that must be occupied by Independent Directors are two (2) seats.

ICTSI Manual of Corporate Governance

Section 2.1.2. Composition of the Board - At least two (2) directors shall be an independent director or such number of independent directors that constitutes twenty percent (20%) of the members of the Board, whichever is lesser, in no case less than two (2) as provided by law.

Nonetheless, leading best practices of good corporate governance recommend the allotment of at least three (3) seats or one-third of the Board, whichever is higher, for Independent Directors. Thus, since 2019, ICTSI has increased the number of Independent Directors from two (2) to three (3) seats.

Qualified and Competent Independent Directors

SEC Code of Corporate Governance for Publicly Listed Companies

Independent directors need to possess a good general understanding of the industry they are in. Further, it is worthy to note that independence and competence should go hand-in-hand. It is therefore important that the non-executive directors, including independent directors, possess the qualifications and stature that would enable them to effectively and objectively participate in the deliberations of the Board.

An Independent Director refers to a person who, ideally:

- a. Is not, or has not been a senior officer or employee of the covered company unless there has been a change in the controlling ownership of the company;
- b. Is not, and has not been in the three years immediately preceding the election, a director of the covered company; a director, officer, employee of the covered company's subsidiaries, associates, affiliates or related companies; or a director, officer, employee of the covered company's substantial shareholders and its related companies;
- c. Has not been appointed in the covered company, its subsidiaries, associates, affiliates or related companies as Chairman "Emeritus," "Ex-Officio" Directors/Officers or Members of any Advisory Board, or otherwise appointed in a capacity to assist the Board in the performance of its duties and responsibilities

within three years immediately preceding his election;

- d. Is not an owner of more than two percent (2%) of the outstanding shares of the covered company, its subsidiaries, associates, affiliates or related companies;
- e. Is not a relative of a director, officer, or substantial shareholder of the covered company or any of its related companies or of any of its substantial shareholders. For this purpose, relatives include spouse, parent, child, brother, sister and the spouse of such child, brother or sister;
- f. Is not acting as a nominee or representative of any director of the covered company or any of its related companies;
- g. Is not a securities broker-dealer of listed companies and registered issuers of securities. "Securities broker-dealer" refers to any person holding any office of trust and responsibility in a broker-dealer firm, which includes, among others, a director, officer, principal stockholder, nominee of the firm to the Exchange, an associated person or salesman, and an authorized clerk of the broker or dealer;
- h. Is not retained, either in his personal capacity or through a firm, as a professional adviser, auditor, consultant, agent or counsel of the covered company, any of its related companies or substantial shareholder,

or is otherwise independent of Management and free from any business or other relationship within the three years immediately preceding the date of his election;

i. Does not engage or has not engaged, whether by himself or with other persons or through a firm of which he is a partner, director or substantial shareholder, in any transaction with the covered company or any of its related companies or substantial shareholders, other than such transactions that are conducted at arm's length and could not materially interfere with or influence the exercise of his independent judgment;

j. Is not affiliated with any non-profit organization that receives significant funding from the covered company or any of its related companies or substantial shareholders; and

k. Is not employed as an executive officer of another company where any of the covered company's executives serve as directors.
Related companies, as used in this section, refer to (a) the covered entity's holding/parent company; (b) its subsidiaries; and (c) subsidiaries of its holding/parent company.

ICTSI Manual on Corporate Governance

Section 1.2 Independent Director – A person who, apart from his fees and shareholdings, is independent of Management and free from any business or other relationship which could reasonably be perceived to materially interfere with his exercise of independent judgment in carrying out his responsibilities as a director.

The Independent Directors of the Company are more than qualified to hold the position and possess none of the disqualifications to serve as such.

The Independent Directors of ICTSI

Cesar A. Buenaventura

Mr. Buenaventura has been an Independent Director of ICTSI since February 12, 2019 and re-elected thereafter. On April 21, 2022, he was appointed as a member of Audit Committee, Environment, Social and Governance Committee, Board Risk Oversight Committee, Related Party Transactions Committee and a Chairman of Corporate Governance Committee of ICTSI. On April 16, 2021, he was elected as Independent Director of Manila Water Company, Inc. He also serves as an Independent Trustee of Manila Water Foundation, Inc.

Carlos C. Ejercito

Mr. Ejercito was elected as Independent Director of ICTSI on April 21, 2022 and was appointed as the Chairman of the Audit Committee and a member of the Corporate Governance Committee, Nomination Sub-Committee, Remuneration Sub-Committee, Board Risk Oversight Committee and Related Party Transactions Committee of ICTSI.

He was previously an Independent Director of Aboitiz Power Corporation and Century Properties Group, Inc.

Chief Justice Diosdado M. Peralta (ret.)

Chief Justice Peralta has been ICTSI's Independent Director since August 6, 2021 and re-elected thereafter. On April 21, 2022, he was appointed as Chairman of the Environmental, Social and Governance Committee and member of the Corporate Governance Committee, Board Risk Oversight Committee and Related Party Transactions Committee of ICTSI.

He is also an Independent Director of Bloomberry Resorts Corporation.

Chief Justice Peralta was appointed by President Rodrigo Roa Duterte as the Chief Justice of the Supreme Court from October 23, 2019 until his retirement on March 27, 2021.

A summary of the qualifications and other directorships of the Independent Directors is provided on Page 13-14 of this Report.

SUPPLEMENT TO RECOMMENDATION 5.2

- 01
- Company has no shareholder agreements, by-laws provisions, or other arrangements that constrain the directors’ ability to vote independently.

Independent Vote by All Directors

Company By-Laws

Section 1, Article III – Board of Directors. The corporate powers, business and property of the Corporation shall be exercised, conducted and controlled by the Board of Directors elected annually at the regular meeting of the shareholders and by officers elected by the Board.

ICTSI Manual on Corporate Governance

Section 2.7.5 – Duties and Responsibilities of a Director. To exercise independent judgment in deciding Board matters.

An ICTSI Director is given the mandate to act in the best interest of the Company in a manner characterized by transparency, accountability, and fairness. Independent judgment to carry out such mandate is given utmost protection by the Company. Hence, there is no provision in the Company’s Charter, including its by-Laws and the Manual on Corporate Governance that constrains a Director’s ability to vote independently. Neither are there any other document or agreement, for example, shareholders’ agreements, that places such constraint.

RECOMMENDATION 5.3

- 01
- The independent directors serve for a cumulative term of nine years (reckoned from 2012).
- 02
- The company bars an independent director from serving in such capacity after the term limit of nine years.
- 03
- 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.

Term Limit for Independent Directors

The Code of Corporate Governance for Publicly Listed Companies issued by the Philippine Securities and Exchange Commission set the term limit for all the Independent Directors of ICTSI. Based on its Recommendation 5.3, an Independent Director should serve a maximum

cumulative term of nine years. Reckoning of the cumulative nine-year term is from 2012, in connection with SEC Memorandum Circular No. 9, Series of 2011.

The above prescribed term limit is strictly observed by ICTSI.

INDEPENDENT DIRECTOR	TERM IN OFFICE	
Octavio Victor R. Espiritu	April 19, 2012*	April 15, 2012*
Joseph R. Higdon	April 19, 2012*	July 28, 2021
Cesar A. Buenaventura	February 12, 2019	up to present
Carlos C. Ejercito	April 15, 2021	up to present
Chief Justice Diosdado M. Peralta (ret.)	August 6, 2021	up to present

* Reckoning of the cumulative nine-year term

The Company is aware that the Code of Corporate Governance for PLCs recognizes instances that a a PLC may want to retain an independent director who has served the maximum term limit. In such case, the Code provides that the Board should provide meritorious justification/s and seek shareholders’ approval during the annual

shareholders’ meeting. Nonetheless, ICTSI has, so far, complied with the term limit and this provision has not been necessary. There is no Independent Director of ICTSI that has served for more than the maximum prescribed term limit nor thereafter been nominated and elected as a non-independent director.

RECOMMENDATION 5.4

- 01
- The positions of Chairman of the Board and Chief Executive Officer are held by separate individuals.
- 02
- The Chairman of the Board and Chief Executive Officer have clearly defined responsibilities.

Defined Responsibilities for the Chairman of the Board and the President

Mr. Enrique K. Razon Jr. is the Company's Chairman of the Board and President. The Company finds it practicable and more efficient to unify the positions of the Chairman of the Board and the President considering the nature of its business.

Pursuant to ICTSI's Manual on Corporate Governance, given that these positions are unified, the proper checks and balances are put in place and the respective duties and responsibilities of the Chairman and the President are clearly defined to ensure that the Board of Directors gets the benefit of independent views and perspective. Also, the Non-Executive Directors conduct separate periodic meetings without the presence of any Executive to evaluate the performance of the Board and the

Management and may call on the External Auditor and/or the Chief Compliance Officer, Chief Risk Officer, and Head of Internal Audit as resource persons.

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

RECOMMENDATION 5.5

- 01
- If the Chairman of the Board is not an independent director, the board designates a lead director among the independent directors.

Designation of Lead Independent Director

In 2019, ICTSI has increased the number of Independent Directors from two (2) to three (3) seats. The Company intends to further

strengthen its compliance with the best practices in good corporate governance and designate a Lead Independent Director.

RECOMMENDATION 5.6

- 01
- Directors with material interest in a transaction affecting the corporation abstain from taking part in the deliberations on the transaction.

Abstention Against Material Interests

The transactions of the Company during Fiscal Year 2022 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.

RECOMMENDATION 5.7

- 01
- 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.
- 02
- The meetings are chaired by the lead independent director.

Meeting of Non-Executive Directors and Independent Directors

With Mr. Carlos C. Ejercito as presiding officer, the Company's Non-Executive Officers and Independent Directors had a meeting without the presence of an Executive Director on 3 March 2023. The Chief Compliance Officer, Chief Risk

Officer, Head of Internal Audit, and Chief Financial Officer were invited as resource persons and the discussion focused on performance assessment of newer business units and status of long-standing audit issues .

Assessment

PRINCIPLE 6

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 6.1

- 01 Board conducts an annual self-assessment of its performance as a whole.
- 02 The Chairman conducts a self-assessment of his performance.
- 03 The individual members conduct a self-assessment of their performance.
- 04 Each committee conducts a self-assessment of its performance.
- 05 Every three years, the assessments are supported by an external facilitator.

Annual Corporate Governance Assessment

One of the evaluations implemented through the Office of the Chief Compliance Officer is the Annual Corporate Governance Assessment (ACG Assessment). The Chairman and each member of the ICTSI Board of Directors assesses their individual and group performance at the Board of Directors level and at the Board Committee level.

The evaluation results are presented to all those concerned for any necessary recommendations to further improve the corporate governance in the Company.

The Company has engaged the services of an external facilitator, Good Governance Advocates & Practitioners of the

Philippines, to evaluate and support the results of the 2019 ACG Assessment.

For the 2022 ACG Assessment, this was rolled out to the Board of Directors and heads of the control functions for the first quarter of 2023. To mark the third year since the first engagement for the 2019 ACG Assessment, the Company shall again engage an external facilitator to evaluate the 2023 ACG Assessment.

RECOMMENDATION 6.2

- 01 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.
- 02 The system allows for a feedback mechanism from the shareholders.

Assessment Criteria and Process

The Criteria for the ACG Assessment include the following:

I. Board Self-Assessment

- a. Board Composition
- b. Board Efficiency
- c. Board Meetings and Participation

II. Chairman and Individual Director’s Self-Rating

- a. Independence
- b. Participation
- c. Expertise

III. Committee Member’s Self-Assessment

- a. Committee Composition
- b. Committee Meetings and Participation
- c. Committee functions and processes

IV. Shareholder’s Feedback (Investors Relations Office)

The evaluation areas are based on the mandate and requirements of the Company’s Manual on Corporate Governance, as well as the Code of Corporate Governance for Publicly Listed Corporations issued by the Philippine Securities and Exchange Commission and the ASEAN Corporate Governance Scorecard.

To assess the leadership, integrity, diligence and corporate governance practice of the Management, the Board makes a similar assessment for the Chairman of the Board, President, as well as the head of other control functions, such as the Chief Risk Officer, Chief Compliance Officer and Head of Internal Audit.

Through its Investors Relations Office, ICTSI works to provide transparent, continuous, and targeted dialogue with all stakeholders, and aims to build understanding and trust with the financial media, analysts, and stockholders through the following regular channels of engagement:

- Company’s Website
- Quarterly Investors’ Briefing
- Investor (Equity) Conferences
- Direct communication and regular meetings with investors
- Annual Shareholders Meeting
- Annual Audited Financial Statements
- Annual Sustainability Report
- Annual Corporate Governance Report
- Interim Quarterly Unaudited Financial Statements

High Ethical Standards

PRINCIPLE 7

Members of the Board are duty-bound to apply high ethical standards, taking into account the interests of all stakeholders.

- RECOMMENDATION 7.1**
- 01

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.
- 02

The Code is properly disseminated to the Board, senior management and employees.
- 03

The Code is disclosed and made available to the public through the company website.

Code of Business Conduct

The Code of Business Conduct serves as the ICTSI Group’s statement of values, beliefs and commitments. It is a formal document that provides guidance to doing ethical business practices, acting with utmost integrity, transparency and accountability, and ensuring compliance with all applicable laws, regulations and policies across all operations globally.

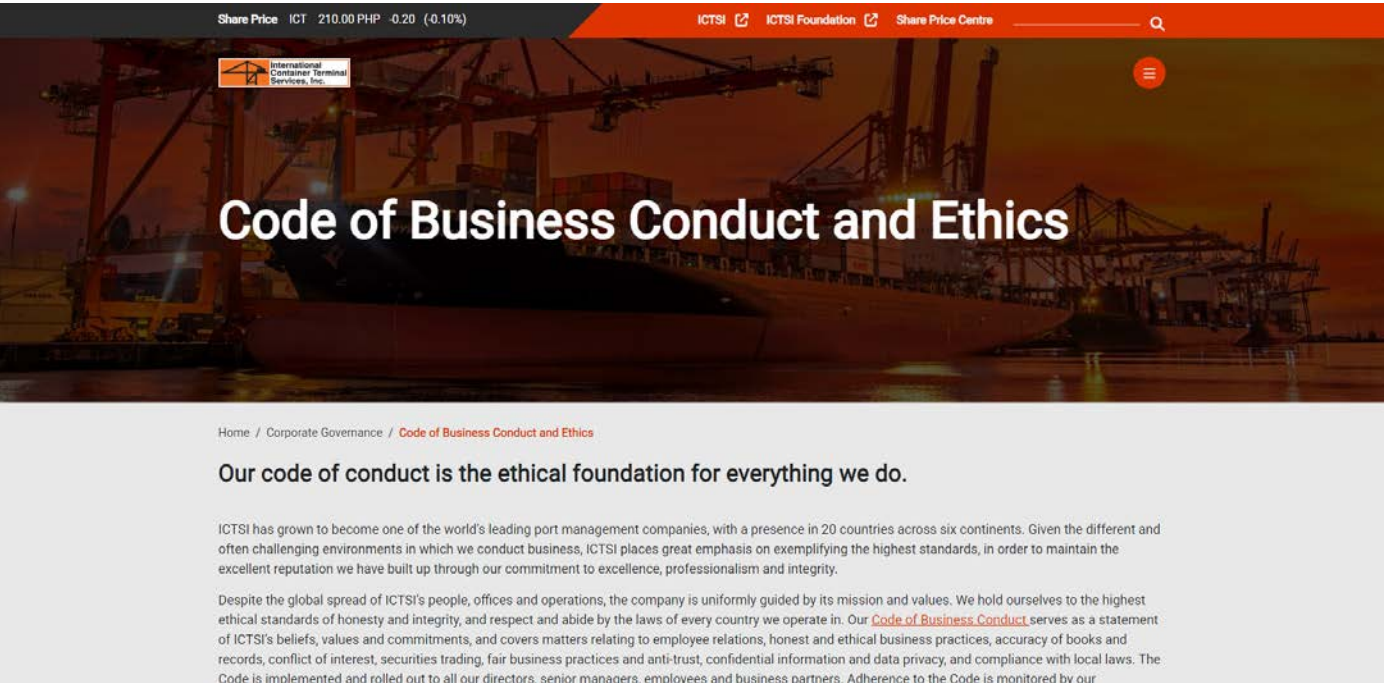
The Code is applied and disseminated to the Board, senior management, employees, consultants, contractors, trainees, seconded staff, casual workers and agency staff, interns, agents or

any other person associated with ICTSI including external third parties acting with, for or on behalf of ICTSI such as agents, contractors and vendors. It is a consolidation of the business principles that serves as framework on how ICTSI operates. The Code stresses the importance of competence and integrity in dealing with the stakeholders. It focuses on the Company’s values and commitment on employee relations, ethical business practices that include anti-bribery and corruption obligations, business gifts and hospitality, charitable donations and

political activities and contributions. A copy of the Code is available and may be accessed by employees in the Global Policies Dashboard of the Corporate Governance Portal. It may likewise be accessed at the Company Website.

As the Company takes any violation of the Code seriously, employees are expected to familiarize themselves with the provisions of the Code. Any person

who has any knowledge of fraud or any violation of the Code is expected to report the same as clearly provided under the Policy on Fraud Reporting, Complaints and Non-Compliance of Policies. This policy provides the reporter various reporting channels for any complaints and disclosure. Reports are treated with confidentiality and the reporter is protected from any form of retaliation, harassment and reprisal.



ICTSI communicates its Code of Business Conduct to all employees, consultants, contractors, and any other person associated with the Company, including external third parties acting with, for or on behalf of ICTSI such as agents, contractors and vendors.

SUPPLEMENT TO RECOMMENDATION 7.1

01

Company has clear and stringent policies and procedures on curbing and penalizing company involvement in offering, paying and receiving bribes.

Anti-Corruption Policy

The Code of Business Conduct (and the Anti-Bribery Compliance Policy and Procedure (the ABC Policy), as amended, set out clear limitations and guidelines for identification and dealing with bribery and corruption issues. The main objective is to maintain the appropriate standards for ethical business practices as embodied in the Code and to curb and avert all opportunities for bribery and corruption.

The ABC Policy strictly prohibits employees 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 or to act impartially. ICTSI policy against tipping strictly penalizes the acts of receiving and/or soliciting or exacting monetary consideration from port users, company clients or the public in consideration of work. It covers facilitating payments which includes anything of value in order to secure an improper business advantage or to influence any act or decision of any person in order to obtain or retain business for ICTSI. It shall be the responsibility of the covered individuals to be familiar and to comply with the policy and any violation shall be immediately reported using the available reporting channels as provided under the Policy on Fraud Reporting, Complaints and Non-Compliance of Policies.

The Company does not tolerate any act of bribery, corruption or unethical practices of any kind, whether taken directly or on its behalf, that would result in the violation of our policies and/or anti-bribery laws it is subject to. Severe consequences shall be meted to those who shall commit any violation such as termination of employment for erring employees and the termination of the business relationship with covered external third parties and other civil and/or criminal penalties.

RECOMMENDATION 7.2

01

Board ensures the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics.

02

Board ensures the proper and efficient implementation and monitoring of compliance with company internal policies.

Compliance with the Code of Business Conduct and Other Internal Policies

The Company's Manual on Corporate Governance provides that that Board shall ensure the faithful compliance by ICTSI with all applicable laws, regulations and applicable best business practices.

The Code of Business Conduct serves as the ICTSI Group's statement of values, beliefs and commitments that provides guidance to doing ethical business practices and ensuring compliance with all applicable laws, regulations and policies. The Company has an existing compliance program which ensures that it conducts its business in accordance with the fundamental values and principles as embodied in the Code. The Board ensures that all the stakeholders are familiar with the provisions of the Code and other related internal company policies. ICTSI takes violation of the Code seriously and makes reporting or disclosure of any information related to any violation of the Code mandatory.

The Company's Policy on Fraud Reporting, Complaints and Non-Compliance of Policies provides for specific process in handling and investigating any complaint or disclosure. Any complaint or disclosure must be filed with the respective Human Resource Department (HRD) of the Business Unit (BU) or with the Global Corporate Human Resource (GCHR) Department for Corporate Functions

through appropriate channels such as personal reporting, mail, electronic mail, telephone or website.

The complaint or disclosure may also be filed directly with the Office of the Chief Compliance Officer should any personnel from the HRD or GCHR be compromised. Initial evaluation of the complaint shall subsequently be done to determine its sufficiency before the appropriate committee conducts an extensive investigation on the complaint. The Investigating Committee shall then submit to the Executive Vice President, for Corporate Functions, or to the Head of the BU, for BU level, a comprehensive written report of its findings, together with all the evidence gathered and submitted, its conclusions based on its assessment of facts presented and the recommendation on further actions to take against the respondent.

There shall be no retaliation and reprisals against those who report suspected violations in good faith and their identity will be protected to the extent consistent with and allowed by law.

Corporate Disclosure

PRINCIPLE 8

The company should establish corporate disclosure policies and procedures that are practical and in accordance with best practices and regulatory expectations.

RECOMMENDATION 8.1

01

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.

Corporate Disclosure Policies

The Board establishes corporate disclosure policies and procedures to ensure a comprehensive, accurate, reliable and timely report to all stockholders and other stakeholders on ICTSI’s financial condition, results and business operations. ICTSI’s disclosures are posted and are made available on the respective websites of the Company, the Philippine Stock Exchange (PSE) and the Philippine Securities and Exchange Commission (SEC).

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

The Company, through full, fair, timely and accurate disclosures, complies with all disclosure requirements under the law. ICTSI promptly makes available in the Company’s website (under Investor Relations/Company Disclosures section) all information disclosed to the PSE and the SEC.

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

DISCLOSURE AND
TRANSPARENCY

SUPPLEMENT TO RECOMMENDATION 8.1

01

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.

02

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.

Annual and Quarterly Reports

ICTSI's Annual and Quarterly Consolidated Reports, Cash Flow Statements, and Special Audit Revisions are made available through the Company Website within

ninety days from the end of the Fiscal Year, while Interim Reports are published within forty-five days from the end of the reporting period.

REPORT	DISCLOSED AND PUBLISHED DATES	DAYS FROM THE END OF REPORTING PERIOD
1Q 2022 (For quarter period ended Mar. 31, 2022)	2022-05-05	35
2Q 2022 (For quarter period ended June 30, 2022)	2022-08-04	35
3Q 2022 (For quarter period ended Sept. 30, 2022)	2022-11-07	38
2022 Annual Report and Audited FS (Target Date)	2022-11-07	65

Risks Relating to the ICTSI Group’s Business

Risks are disclosed in the Company’s annual reports 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.

RECOMMENDATION 8.2

01

Company has a policy requiring all directors to disclose/report to the company any dealings in the company’s shares within three business days.

02

Company has a policy requiring all officers to disclose/report to the company any dealings in the company’s shares within three business days.

Dealings in Company’s Shares

ICTSI Manual on Corporate Governance

Section 8.2 Disclosure and Transparency - All material information, i.e. anything that could potentially affect share price, and which could adversely affects its viability or the interest of its stockholders and other stakeholders should be publicly and timely disclosed in the manner provided by law. Such information would include earnings results, acquisition or disposal of major asset, board changes, related party transactions, shareholdings of directors and changes to ownership.

Other information that should be disclosed includes remuneration of all directors and senior management as provided in applicable disclosure rules, corporate strategy, and off-balance sheet transactions. All disclosed information should be released via the approved stock exchange procedure for company announcements or through the annual report and other structured or unstructured reports provided by law.

Directors, Officers, and controlling stockholders are required to report their dealings in Company shares within three (3) business days from the date of the ICTSI share-related transactions. The transactions include any acquisition, disposal, or change in the shareholdings, whether direct or indirect, of the Directors and Principal Officers.

SUPPLEMENT TO RECOMMENDATION 8.2

01

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).

Proper Regulatory Disclosure

ICTSI discloses to the PSE and SEC the ownership (direct and indirect) and any acquisition or disposal of ICTSI securities by ICTSI Directors, Officers and controlling stockholders pursuant to the PSE Revised Disclosures and the Securities Regulations Code. ICTSI Directors and Key Officers are likewise prohibited from buying or selling ICTSI securities during the period within which material non-public information is known or obtained and up to two full trading days after the price sensitive information is disclosed.

ICTSI also discloses the Company’s purchase of its shares from the market, i.e. Share Buy-Back Transactions, within the same day or before the start of the next trading day.

All Forms 23-A (Initial Statement of Beneficial Ownership of Securities) and Forms 23-B (Statement of Changes in Beneficial Ownership of Securities) and List of Top 100 Stockholders disclosures/ reports are properly filed with the SEC and the PSE.

All these reports are uploaded in the Company’s website under Investor Relations/Corporate Disclosures/SEC Filings section.

ICTSI, likewise, discloses the Company’s Map of Subsidiaries through the Annual Report and the shares held by directors for full year 2022 through the Information Statement.

RECOMMENDATION 8.3

01

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.

02

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.

The profiles of the nominated members of the Board of Directors are being disclosed in the Definitive Information Statement or SEC Form 20-IS for the Shareholders’ information and evaluations.

The profiles of the Key Officers elected by the Board of Directors during the

Organizational Board Meeting held on April 21, 2022 were disclosed to the Philippine Stock Exchange immediately after the meeting. The qualifications were likewise presented in the SEC Form 20-IS for the Shareholders’ information.

RECOMMENDATION 8.4

01

Company provides a clear disclosure of its policies and procedure for setting Board remuneration, including the level and mix of the same.

02

Company provides a clear disclosure of its policies and procedure for setting executive remuneration, including the level and mix of the same.

03

Company discloses the remuneration on an individual basis, including termination and retirement provisions. Provide breakdown of director remuneration and executive compensation, particularly the remuneration of the CEO.

Remuneration Policies

Company By-Laws

Section 8. As compensation, the Board of Directors shall receive no more than two (2) percent (2%) of the profits obtained

during the year after deducting therefrom general expenses, remunerations to officers and employees, depreciation on buildings, machineries, transportation units, furniture and other properties.

ICTSI Manual on Corporate Governance

Section 2.10 Remuneration of Directors and Officers

2.10.1 Levels of remuneration shall be sufficient to attract and retain the directors, if any, and officers needed to run ICTSI successfully. A proportion of executive director's or officers, remuneration may be structured so as to link rewards to corporate and individual performance. 2.10.2 Corporations may establish formal and transparent procedure for the development of a policy on executive remuneration or determination of remuneration levels for individual directors and officers depending on the particular needs of ICTSI. No director should participate in deciding his remuneration. 2.10.3 ICTSI's annual reports and information and proxy statements shall include a clear, concise and understandable disclosure of all fixed and variable compensation that may be paid, directly or indirectly, to its directors and top four (4) management officers, in the aggregate, during the preceding fiscal year as provided by law.

2.10.4 To protect the funds of a corporation, the Commission may,

in exceptional cases, e.g., when a corporation is under receivership or rehabilitation, regulate the payment of the compensation, allowances, fees and fringe benefits to its directors and officers.

Charter of the Remuneration Committee

Section V Compensation Policies and Programs for the directors, President and other executives

- Assist the Board in setting the remuneration policy for directors and executives.
- Determine any criteria necessary to measure the performance of management in discharging executive functions and responsibilities.
- Review and monitor ICTSI's remuneration and incentive framework applying to directors and executives and the associated strategies, systems, policies and processes implemented and reported.
- Approve the remuneration and incentive awards of executives based on the recommendations of the President and consistent with the remuneration policy.

The Board has a clear disclosure of its policies and procedure for setting Board remuneration, including the level and mix of the same. These policies and procedures are in accordance with the Company By-Laws, Manual on Corporate Governance, Charter of the Remuneration Committee and are disclosed to the Philippine Stock Exchange and Securities

and Exchange Commission (SEC) through the Company's Annual Report or SEC Form 17-A and Definitive Information Statements or SEC Form 20-IS. The Annual Reports and the Information Statements are uploaded in the Company's website under Investor Relations/Corporate Disclosures/ SEC Filings section.

Compensation of Directors and Executive Officers

The members of the Board of Directors receive directors' fees as compensation 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 2021, 2022 or in the coming year, for any service provided as a director.

NAME AND PRINCIPAL POSITION	YEAR	SALARY	BONUS AND OTHERS ²	TOTAL ³
ENRIQUE K. RAZON JR. Chairman of the Board and President				
CHRISTIAN R. GONZALEZ Executive Vice President & Chief Compliance Officer				
EMILIO MANUEL V. PASCUA⁴ Chief Financial Officer				
RAFAEL D. CONSING, JR.⁵ Senior Vice-President, Chief Financial Officer & Compliance Officer				
SANDY A. ALIPIO Senior Vice-President, Global Financial Controller & Chief Risk Officer				
GIGI ILUMINADA T. MIGUEL⁶ Vice-President and Treasurer				
BENJAMIN M. GOROSPE III Assistant Corporate Secretary				
Chairman of the Board and President and four (4) highest paid executive officers, as a group	2023 (Estimate)	US\$0.4M	US\$2.4M	US\$2.8M
	2022 (Actual)	0.4M	3.3M	3.7M
	2021 (Actual)	0.4M	2.5M	2.9M
All officers and Directors, as a group, Unnamed ¹	2023 (Estimate)	1.3M	14.8M	16.1M
	2022 (Actual)	1.4M	12.9M	14.3M
	2021 (Actual)	1.4M	8.9M	10.3M

¹Including four (4) highest paid executive officers
²Mainly includes non-cash compensation based on Stock Incentive Plan paid out of the allocated Treasury Shares of ICTSI
³Includes total compensation paid in the Philippines by the registrant and its subsidiaries
⁴Appointed to the new position effective January 18, 2023
⁵Resigned effective January 18, 2023
⁶Resigned effective September 15, 2021

The aggregate compensation paid to the Chairman of the Board and President, and four (4) highest paid executive officers named below, as a group, for 2022 amounted to US\$3.7 million (2021: US\$3.0 million). The estimated amount of compensation expected to be paid in 2023 to the Chairman of the Board and President and four (4) highest paid executive officers as a group, amounted to US\$2.8 million.

There are no existing compensatory plans or arrangements, including payments to

be received from ICTSI by any named executive officer from a change-in-control of the Company, except for the automatic vesting of awarded shares under the Stock Incentive Plan referred to below. Certain officers were granted awards under the Stock Incentive Plan (SIP) in 2020, 2021 and 2022. Discussion on the SIP is further disclosed in Note 20, Share-based Payment Plan, to the Annual Audited Consolidated Financial Statements.

RECOMMENDATION 8.5

- 01 Company discloses its policies governing Related Party Transactions (RPTs) and other unusual or infrequently occurring transactions in their Manual on Corporate Governance.
- 02 Company discloses material or significant RPTs reviewed and approved during the year.

OPTIONAL: RECOMMENDATION 8.5

- 01 Company discloses that RPTs are conducted in such a way to ensure that they are fair and at arms’ length.

SUPPLEMENT TO RECOMMENDATION 8.5

- 01 Company requires directors to disclose their interests in transactions or any other conflict of interests.

Disclosures on Related Party Transactions

The Company discloses all transactions with related parties in its Annual Reports and complies with the rules of Material Related Party Transactions as set forth in the above memorandum circular. In addition to Material RPTs, the Company’s Related Party Transactions Policy provides for the approval process for Significant RPTs that have a slightly lower threshold.

For 2022, the RPTs do not meet the threshold for both Material and Significant Related Party Transactions.

As required under the Manual on Corporate Governance, the Company fully discloses all relevant and material information on individual Board members and ICTSI’s Senior Management members to assess potential conflicts of interest that might affect their judgment.

RECOMMENDATION 8.6

- 01 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.
- 02 Board appoints an independent party to evaluate the fairness of the transaction price on the acquisition or disposal of assets.

Acquisition or Disposal of Assets

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

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

In case of acquisition or disposal of assets, the Board of Directors appoints an independent party to evaluate the fairness of the transaction price may vary per transaction. Disclosures on shareholder agreements, voting trust agreements, confidentiality agreements and such other agreements that may impact on the control, ownership, and strategic direction of the Company may be found in the Company Website (<https://investors.ictsi.com/company-disclosures/sec-filings>).

RECOMMENDATION 8.7

- 01
- Company’s corporate governance policies, programs and procedures are contained in its Manual on Corporate Governance (MCG).
- 02
- Company’s MCG is submitted to the SEC and PSE.
- 03
- Company’s MCG is posted on its company website.

SUPPLEMENT TO RECOMMENDATION 8.7

- 01
- Company submits to the SEC and PSE an updated MCG to disclose any changes in its corporate governance practices.

Manual on Corporate Governance

ICTSI adopted a Manual on Corporate Governance to serve as the framework of rules, systems and processes that govern the performance of the Board of Directors and Management. Following its adoption in 2013 and subsequent revision and submission to the Philippine government through the Securities and Exchange Commission (SEC) in 2017, the Manual outlines the duties and responsibilities of the Board in overseeing the interests of all stockholders.

ICTSI continues to uphold such principles and policies and employs them as guidance towards efficient and right decision-making. The most recent updates and revisions on the Manual were made on May 16, 2017 and duly submitted to the Philippine Securities and Exchange Commission and the Philippine Stock Exchange.

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

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

The Manual on Corporate Governance is made available and can be accessed in the Company Website.

OPTIONAL: PRINCIPLE 8

- 01
- Does the company’s Annual Report disclose the following information:
- a.
- Corporate Objectives
- b.
- Financial performance indicators
- c.
- Non-financial performance indicators
- d.
- Dividend Policy
- e.
- Biographical details (at least age, academic qualifications, date of first appointment, relevant experience, and other directorships in listed companies) of all directors
- f.
- Attendance details of each director in all directors’ meetings held during the year
- g.
- Total remuneration of each member of the board of directors

- 02
- 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.

- 03
- 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.

- 04
- 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.

- 05
- 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).

Annual Report

The 2022 Annual Report or the Annual Financial Statements (SEC Form 17-A) was submitted by ICTSI to Securities and Exchange Commission and Philippine Stock Exchange on March 6, 2023.

In accordance with the requirements, the Annual Report has among its content the following: Financial Performance Indicators (Section 6.2. - Result of Operations and Key Performance and in Supplementary Schedule 13 - Financial Soundness Indicators); Non-Financial Performance Indicators Dividend Policy (Section 2.2.2. - Key Performance Indicators and Section 6.3 - Comparison of Operating Results for the Years Ended December 31, 2021 and 2022); Dividends (Section 5.3 - Dividends and Dividend Policy); Biographical Details of All Directors (Item 9 - Directors and Executive Directors); and Remuneration of the BOD (Item 10 – Executive Compensation).

Compliance with Code of Corporate Governance

The Company’s foundation of corporate governance is established in its Manual of Corporate Governance and its practices are well attuned to the Code of Corporate Governance for Publicly Listed Companies issued by the Philippine Securities and Exchange Commission through SEC Memorandum Circular No. 19 series of 2016.

As stated in the Annual Report, the responsibility in evaluating the compliance by ICTSI with the Manual and the applicable rules and regulations such as the Code of Corporate Governance is vested by the Board of Directors upon the Chief Compliance Officer. As affirmed by the Office of the Chief Compliance Officer, the Company has not deviated from the Manual and has taken the following measures to further enhance ICTSI’s adherence to principles and practices of good corporate governance:

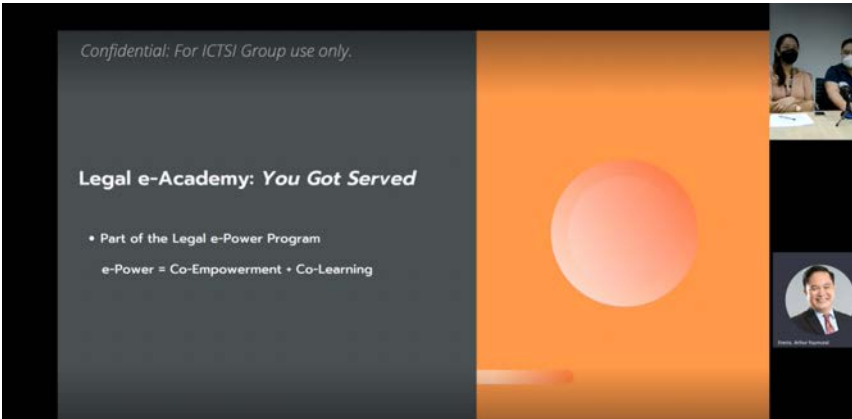
- a. Engagement of services of an independent third-party evaluator for the 2022 Annual Corporate Governance Assessment;
- b. Establishment of an Environmental, Social, and Governance Committee chaired by Chief Justice Diosdado M. Peralta (ret.) with Mr. Stephen A. Paradies and Cesar A. Buenaventura as members;
- c. Appointment of the Executive Vice President, Mr. Christian Martin R. Gonzalez as Chief Sustainability Officer;
- d. Engagement of services of the SEC accredited training provider, Center for Global Best Practices, for the 2022 Corporate Governance Training held on December 2, 2022 and attended by the Board of Directors, Chief Compliance Officer, Chief Risk Officer, Corporate Secretary and Assistant Corporate Secretaries and the Senior Management of the Company;
- e. Annual attestation by the Chief Executive Officer or Terminal Manager and the Chief Financial Officer of each ICTSI subsidiary that it:
 - Abides with ICTSI Purposes and Values;
 - Implements the directives of ICTSI Manual on Corporate Governance and Code of Business Conduct;
 - Conforms with all the applicable Information Technology-related standards as provided by relevant laws, government policies and rules and industry regulations;
 - Has established corporate disclosure policies and procedures in coordination with ICTSI’s Investor Relations Office and in accordance with regulatory requirements;
 - Maintains appropriate accounting policies and management actions for internal control over Financial Reporting (ICFR) – Control Evaluation Template;
 - Has identified all major risks at the entity level (ERM) for the Company and has developed appropriate management actions that will mitigate the impact of these risks on business

- operations at the level of risk appetite set by management;
- Treats all shareholders fairly and equitably; recognizes, protects, and facilitates the exercise of their rights; and encourages active shareholder participation;
- Respects the rights of its stakeholders;
- Implements policies, programs and procedures that encourage its employees to actively participate in the realization of the Company’s goals and in its governance; and
- Is socially responsible in all its dealings with its immediate communities and ensures that its interactions serve the environment and stakeholders in a positive and progressive manner, follows and implements the directives of the ICTSI CG Manual;
- f. Webinars across the ICTSI Group to continually ensure the proper adoption of the ICTSI Group Policies, including, but not limited to, the Code of Business Conduct, Anti-Bribery Policy, Principles on Human Capital and Diversity and Equal Opportunities Policy.

Review of Material Controls and Risk Management Systems

The ICTSI Board, through the Audit Committee, conducts a regular review and update of the Internal Audit Charter. This Charter outlines the framework used by the Audit & Compliance Group to achieve its objectives of providing timely feedback and appropriate recommendations for the improvement of ICTSI’s risk management, internal controls, and governance processes. The Board of Directors also reviewed ICTSI’s internal control, as Management have determined as necessary, to enable the preparation of the Company’s consolidated financial statements which are free from material misstatement, whether due to fraud or error.

ICTSI’s Board of Directors, through the Board Risk Oversight Committee (BROC),



In 2022, the ICTSI Global Corporate Legal Affairs (GCLA) department conducted a two-part webinar series for in-house paralegals and business units as part of its Legal e-Academy program to ensure the Company’s compliance with the Anti-Dummy Law.

primarily oversees ICTSI’s overall risk management activities. This includes the review and approval of the revised Enterprise Risk Management Policy, which will be presented by ICTSI Management to the BROC in May 2023.

Material Key Risks

ICTSI included and disclosed in its 2022 Annual Report all key risks relating to financial and operational matters (including IT, environmental, social, economic, etc.) to which the Company is materially exposed to.

External Auditor

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

- 01
- Audit Committee has a robust process for approving and recommending the appointment, reappointment, removal, and fees of the external auditors.



External Auditor

The Audit Committee reviews and monitors the rotation process of the External Auditor and makes recommendations to the Board on their appointment or discharge at least on an annual basis. The reappointment of

SyCip Gorres Velayo & Co. (SGV) as the Company's external auditor was approved by the Shareholders during the Annual Meeting held on April 21, 2022.

RECOMMENDATION 9.2

- 01
- Audit Committee Charter includes the Audit Committee's responsibility on:
- i. assessing the integrity and independence of external auditors;
 - ii. exercising effective oversight to review and monitor the external auditor's independence and objectivity; and
 - iii. exercising effective oversight to review and monitor the effectiveness of the audit process, taking into consideration relevant Philippine professional and regulatory requirements.

SUPPLEMENT TO RECOMMENDATIONS 9.2

- 01
- 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.
- 02
- Audit Committee ensures that the external auditor has adequate quality control procedures.

Oversight by the Audit Committee

Audit Committee Charter

III. Authority

The Audit Committee has authority to conduct or authorize inquiries into any matters within its scope of responsibility with full access to all books, records, facilities, and personnel of the Company. It is empowered to:

- Appoint and oversee the work of any registered public accounting firm employed by the organization.
- Resolve any disagreements between management and the auditor regarding financial reporting.
- Retain independent counsel, accountants, or others to advise the committee or to assist in the conduct of an investigation.
- Meet with the organization's officers, internal auditors, external auditors, or outside counsel as necessary.

V. Responsibilities

A. Financial Reporting and Disclosures

- 1. Review significant accounting and reporting issues, including complex or unusual transactions and highly judgmental areas.
- 2. Review recent professional and regulatory pronouncements and understand their impact on the financial statements.
- 3. Review the annual consolidated financial statements whether consistent with information known to committee members and reflect appropriate accounting principles.
- 4. Review with management and the external auditors the results of the audit, including any difficulties encountered.
- 5. Review regulatory filings before release as to consistency with reported financial statements

and compliance with financial reporting regulations.

6. Review with management and the external auditors all matters required to be communicated to the Audit Committee under generally accepted auditing standards.

7. Review and approve the quarterly, half-year and annual financial statements before their submission to the Board, with particular focus on the following matters:

Any change/s in accounting policies and practices

→ Major judgment areas

→ Significant adjustments resulting from the audit

→ Going concern assumptions

→ Compliance with International Financial Reporting Standards

→ Compliance with tax, legal and regulatory requirements.

D. External Audit

1. Prior to the commencement of the audit, discuss with the external auditors the nature, scope, fees and expenses of the audit, including coordination of audit efforts with internal auditing to secure proper coverage and minimize duplication of efforts.

2. Review and monitor the integrity, independence, objectivity, performance, rotation process of the external auditors and exercise final approval on their appointment or discharge on an annual basis.

3. Review the reports submitted by external auditors.

4. Review the disposition of the recommendations in the external auditor's management letter.

5. Evaluate and determine the non-audit work, if any, of the external auditor, and review periodically the non-audit fees paid to the external auditor in relation to ICTSI's overall consultancy expenses. The Audit Committee shall disallow any non-audit work that will conflict with his duties as an external auditor or may pose a threat to his independence. The non-audit work, if allowed, should be disclosed in the Company's annual report as may be required by law.

6. On a regular basis, meet separately with the external auditors to discuss any matters that the Committee or auditors believe should be discussed privately.

After the selection and appointment of an External Auditor, the Audit Committee reviews and monitors its integrity, independence, objectivity, and performance. The Audit Committee approves audit plans, scope and frequency before the conduct of the external audit. In order to ensure that there are no

services rendered by the External Auditor that may impair their independence. The Audit Committee reviews the nature of the non-audit related services rendered by the External Auditor, and as necessary, including appropriate fees paid for these services.

RECOMMENDATION 9.3

01

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.

02

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.

SUPPLEMENT TO RECOMMENDATION 9.3

01

Fees paid for non-audit services do not outweigh the fees paid for audit services.

Non-Audit Services

The nature of non-audit services performed by the External Auditor was 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.

Following the guidelines on Non-Audit Services, the Audit Committee monitors all situation against any conflict of interest to maintain and uphold the objectivity of the External Auditor.

Non-Audit Services Fees do not outweigh the fees paid for Audit Services.

3-Year Summary of Non-Audit and Audit Services Fees

NON-AUDIT FEES	2020	2021	2022
Tax Fees	US\$226.0	238.9	239.0
Other Fees	227.8	87.7	167.1

	2020	2021	2022
Audit Fees	US\$1,458	1,469.3	1,511.2
Audit-Related Fees	572.5	406.2	54.3

ADDITIONAL RECOMMENDATION TO 9.3

01

Company’s external auditor is duly accredited by the SEC under Group A category.

02

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).

Proper Accreditations

The Company's duly appointed External Auditor, SGV, possesses all the required professional and regulatory accreditations. Furthermore, SGV regularly undergoes the

SEC Oversight Assurance Review (SOAR) Inspection Program. Most recently, SGV submitted to the SOAR Inspection Program on August 1-12, 2022.

External Auditor

SyCip Gorres Velayo & Co.

Audit Engagement Partner: Roel E. Lucas

Accreditation Number: BOA/PRC Reg. No. 0001,

August 25, 2021, valid until April 15, 2024

SEC Partner Accreditation No. 98200-SEC (Group A),

valid to cover audit of 2022 to 2026 Financial Statements of SEC covered institutions

SEC Firm Accreditation No. 0001-SEC (Group A),

valid to cover audit of 2021 to 2025 financial statements of SEC covered institutions

BIR Accreditation No. 08-001998-095-2022,

November 7, 2022, valid until November 6, 2025

Economic, Environmental, Social and Governance Issues

PRINCIPLE 10

The company should ensure that the material and reportable non-financial and sustainability issues are disclosed.

RECOMMENDATION 10.1

01

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.

02

Company adopts a globally recognized standard/framework in reporting sustainability and non-financial issues.

Board Policy on Disclosure of Non-Financial Information

Pursuant to the provision of the Revised Manual on Corporate Governance which clearly provides that the Board shall adopt a policy on the disclosure of non-financial information, ICTSI endeavors to integrate sound and comprehensive economic, environmental, social and governance principles and practices into its business, which underpin and reinforce sustainability.

Sustainability is represented at the Board level through the Environment, Social and Governance (ESG) Committee which

is responsible for setting, reviewing, approving, and overseeing the Company’s sustainability strategy, policies, programs, targets and performance, and for managing ESG matters, including the annual public Sustainability Report. It is also responsible for formulating policies and implementing programs 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.



Sustainability Report

ICTSI began documenting its sustainability journey in the year 2017 with the launch of its Annual Sustainability Report. The maiden report focused on the flagship Manila International Container Terminal. The succeeding reports have continuously broadened its scope. In 2021, ICTSI further strengthened disclosures on ESG, in line with its responsibilities to identify, measure, and manage its impacts across areas of operations. The 2021 edition covered 30 operational ICTSI ports all over the globe. For 2022, the report again covered 30 terminals with the theme “Momentum Where It Matters.”

ICTSI continues to adopt the Global Reporting Initiative (GRI) Standards. It is

one of four globally accepted frameworks allowed by the Philippine Securities and Exchange Commission (SEC) for sustainability reporting, particularly by companies listed in the Philippine Stock Exchange. The report has been prepared in accordance with GRI Standards: Core option, Indicating data on the GRI Topic-Specific Standards and Topic-Specific Disclosures. The Company continues to review and realign its Sustainability Reporting Framework, taking into account emerging issues, interests of stakeholders, and its environmental, social, and governance materiality topics.

ICTSI identified ten high impact material issues based on the results of our materialist assessment and stakeholder survey delivered by an independent external auditor. The material issues are safety and well-being, economic performance, customer engagement and satisfaction, sustainable supply chain, compliance, corporate governance and business ethics, digitalization, workforce engagement, emissions and climate change, and learning and development. These material issues show the level of importance that all our stakeholders put in strengthening our sustainability in our operations.

In line with ICTSI's commitment to the governance of sustainability, the company established the ESG Reporting Team, a dedicated group composed of our Global Investor Relations, Global Corporate Legal Affairs and Global Public Relations who work collaboratively to develop the Sustainability Report. Our Executive Vice President and Chief Sustainability Officer, Mr. Christian R. Gonzalez, supervises the reporting team while our Board-level ESG Committee approves the report for publishing. Last March 2023, our 2022 Sustainability Report was submitted to the SEC and uploaded on our website which enabled our continued transparency to our stakeholders.

Channels of Communication

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

01 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.

Quarterly Investors’ Briefing Conferences



ICTSI conducts quarterly analysts’/ investors’ briefing conference calls where Management presents and discusses the financial and operational performance of the Company. A Q&A segment commences immediately after the presentation where participants are given the opportunity to raise questions about ICTSI and its interim performance. The conference meeting link is sent to all confirmed participants. A recording of the conference call is also available upon request.

Notice of analysts’/investors’ briefings is made available at least five days before the conference. The Notice is uploaded in the Company’s website, under the Disclosures tab of Investor Relations section, immediately after filing with the Philippine Stock Exchange and the Securities and Exchange Commission.

Earnings results and presentation materials for the briefing calls are also available at the Company’s website, under Investors’ Briefing tab of the Investor Relations section. All materials – notices, earnings results, and presentation materials – are also distributed to all investors and analysts through e-mail from the Investor Relations Department. Schedule of the briefing calls for the past years can be viewed under the Investor Relations section of the Company Website (See: <https://investors.ictsi.com/investor-relations/financial-information/investors-briefing>).

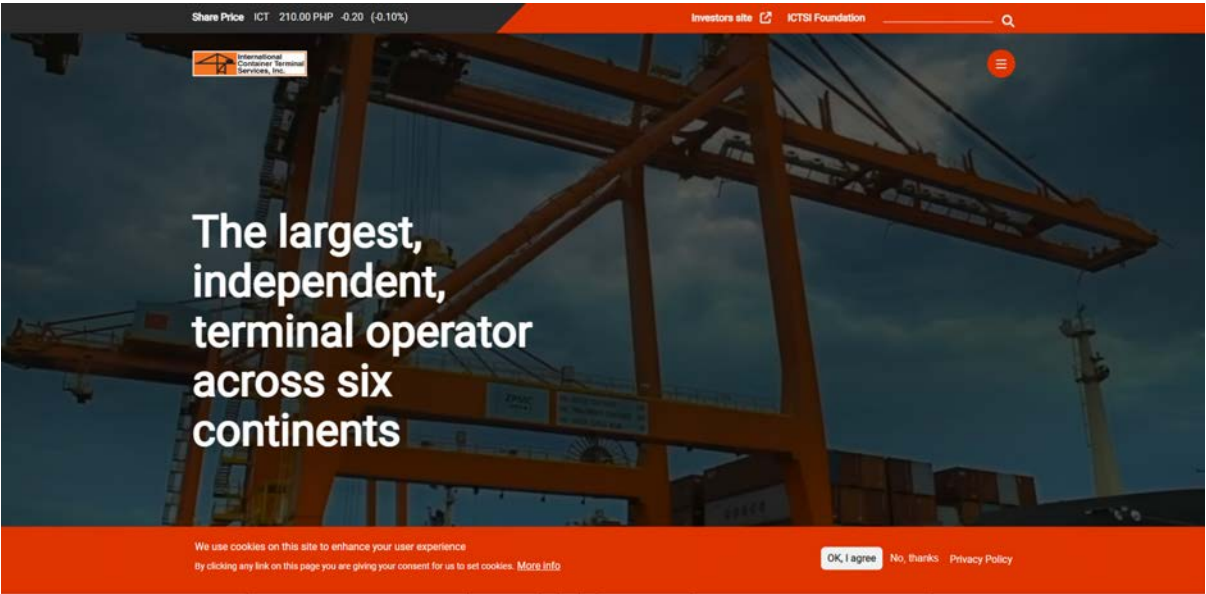
SUPPLEMENTAL TO PRINCIPLE 11

- 01
- Company has a website disclosing up-to-date information on the following:
- a. Financial statements/reports (latest quarterly)
 - b. Materials provided in briefings to analysts and media
 - c. Downloadable annual report
 - d. Notice of ASM and/or SSM
 - e. Minutes of ASM and/or SSM
 - f. Company’s Articles of Incorporation and By-Laws

ADDITIONAL RECOMMENDATION TO PRINCIPLE 11

- 01
- Company complies with SEC-prescribed website template.

Company Website



ICTSI’s official website is **www.ictsi.com**

The Company website is utilized to provide information on ICTSI’s corporate governance and all other important and relevant company matters, such as financial, operational and share information; downloadable annual reports, corporate documents and disclosures; notices, minutes and reference materials of the Company’s major events; news and

other reports. It also serves as a channel for stakeholders to voice their concerns and suggestions, or to submit complaints for possible violation of their rights and other grievances.

The Company complies with the template for website for publicly listed companies as required under the SEC through Memorandum Circular No. 02 series of 2018.



INTEGRITY IN MANAGEMENT

Internal Control

PRINCIPLE 12

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.

RECOMMENDATION 12.1

- 01 Company has an adequate and effective internal control system in the conduct of its business.
- 02 Company has an adequate and effective enterprise risk management framework in the conduct of its business.

Internal Control System

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

ICTSI's Internal Control is effected by the Board of Directors, Senior Management, and all levels of personnel to provide reasonable assurance on the achievement of objectives through:

- Efficient and effective operations;
- Reliable, complete, and timely operational, financial and management information;
- Compliance to applicable laws and government regulations; and
- Adoption of the organization's policies and procedures.

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

Enterprise Risk Management Framework

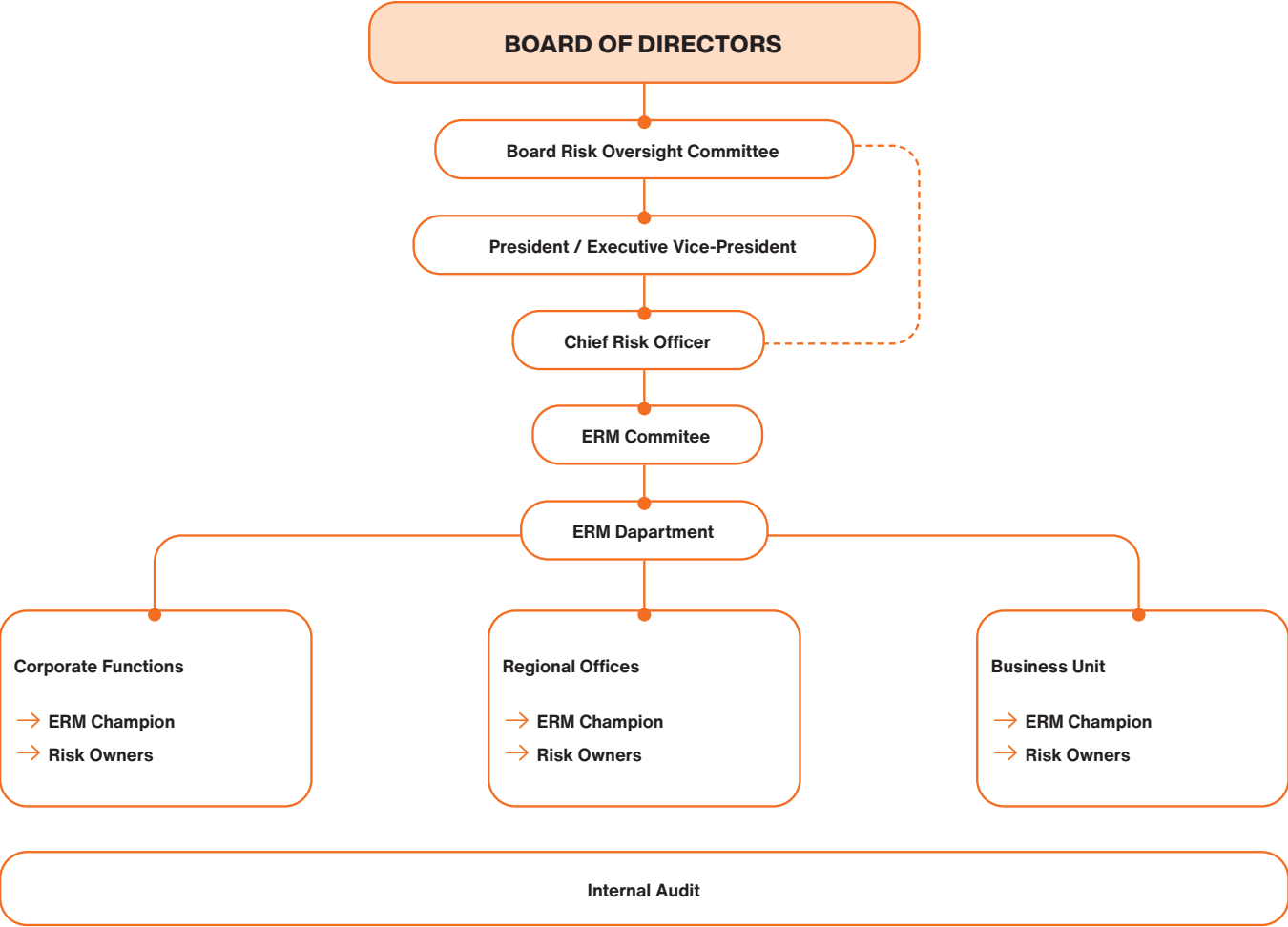
The Company established the *Enterprise Risk Management System* to respond to the dynamic business environment in which it operates.

Effective August 2018, the Company's ERM System follows the *2017 ERM Framework: Enterprise Risk Management – Integrating with Strategy and Performance* by the Committee of Sponsoring Organizations of the Treadway Commission. This Framework is a comprehensive and integrated approach to managing risks in organizations. It consists of Five Components:

- 1. Governance and Culture, which sets the tone at the top and ensures risk

- management is integrated into the organization's culture and strategy;
- 2. Strategy and Objective-Setting, which involves aligning risk appetite and tolerances with the organization's goals;
- 3. Performance, which involves monitoring and reporting on risk management activities and results;
- 4. Review and Revision, which involves continuous evaluation and improvement of the risk management process; and
- 5. Information, Communication, and Reporting, which involves sharing information and insights about risks throughout the organization and with external stakeholders.

The following illustration shows ICTSI's ERM oversight structure:



SUPPLEMENT TO RECOMMENDATION 12.1

01

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 issuances.

ICTSI Group Risk Assessment

Semi-annually, each of the Global Corporate functions, Business Development and Regional Offices, and Business Units of the ICTSI Group 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.

The ERM System is quarterly reviewed by the Board Risk Oversight Committee and the ERM Group. The importance of managing Key Business Risks has significantly increased considering the heightened volatility in both the Philippine and international financial markets.



OPTIONAL: RECOMMENDATION 12.1

- 01
- Company has a governance process on IT issues including disruption, cybersecurity, and disaster recovery to ensure that all key risks are identified, managed, and reported to the board.

RECOMMENDATION 12.2

- 01
- 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.

Information Technology Governance

Digital Journey

In 2022, the Company continued its digital journey by launching native web, iOS and Android apps providing customers with cargo visibility across ICTSI facilities in the Philippines; instant access to information; push notification updates on cargo movements and transactions; and digital services such as online payment. Within eight weeks from its launch, ICTSI had already registered over 15,000 customers in these services.

Proactive Penetration Testing

The Company also began a more comprehensive penetration testing campaign which sees ICTSI “hacking” itself to further find vulnerabilities and address them which further strengthened the Company’s security posture.

Standardized IT Service Management Platform

Business Units in ICTSI now all leverage a single cloud-based IT Service Management platform that allows them

to define processes and service levels for all IT requests. The platform further provides a single global repository of IT Service Management activity providing unprecedented auditability and visibility into the Company’s IT processes and activities.

Enhancement of End Point Detection and Response Capabilities

The Company rolled out further enhancements to its end point protection capabilities and added End Point Response automation at the same time to all ICTSI users globally.

Continued Cloud Migrations

The Company now runs the terminal operating systems in 8 out of 33 terminals in the ICTSI Group using hyper-scaler cloud environments and removing on-premises hardware. This further increase governance, disaster recovery and resilience, and security for those terminals. The Company shall continue with further cloud migrations in 2023.

Audit and Compliance Group

The Company has an in-house internal audit function, the Audit and Compliance Group. The fundamental role of the Audit and Compliance Group is to provide ICTSI senior management and the Audit Committee with independent assurance on the adequacy, effectiveness and efficiency of the system of internal control, and to report major weaknesses together with recommendations for improvement. This role is fulfilled by carrying out appropriate audit work in accordance with the three-year strategic plan as approved by

the Audit Committee. Audits included in the annual plan are primarily identified through a risk assessment process. The Audit and Compliance Group may also perform management or committee requested audits and advisory projects. The quantity and kind of advisory services provided may vary widely, depending on the needs of the organization.

In 2022, key activities of the Audit and Compliance Group included assurance and advisory engagements, audit follow-up, quality assessment of the internal audit activity, and staff training.

RECOMMENDATION 12.3

- 01
- Company has a qualified Chief Audit Executive (CAE) appointed by the Board.
- 02
- 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.
- 03
- 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.

Head of Internal Audit

Effective October 1, 2020, Ms. Catherine R. Castro was appointed by the Board of Directors as Head of Internal Audit (HIA).

Ms. Castro joined ICTSI's Audit and Compliance Group in September 2014.

Prior to this, she worked with the Financial Assurance Services of SyCip Gorres Velayo & Co. (a member firm of Ernst & Young Global Limited) for more than 12 years. She has extensive experience in auditing variety of clients ranging from local companies to major publicly listed companies and multinational conglomerates, with

exposure to various industries including media and entertainment, real estate, construction, manufacturing, business process outsourcing, pharmaceuticals, and nonprofit organizations.

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

As HIA, Ms. Castro oversees and is responsible for the activities of the Audit and Compliance Group. She reports directly to the Audit Committee with administrative oversight from the Global Corporate Head. The HIA oversees and is responsible for the internal audit activity of the organization.

ICTSI does not outsource its internal audit activity.

- Supervises, supports and incorporates the ERM processes across ICTSI in coordination with the CRO, ERM Champions, Risk Managers and Owners.
- Gathers, examines and assesses the risks reports provided by the ERM champions, Risk Managers and Risk Owners and oversee the status of RM strategies and action plans.
- Provides guidance on ideas on ERM processes developed by the ERM Champions, Risk Managers and Risk Owners.

- Organize the sharing of best practices across the Company.
- Supports the CRO and ERM in preparing ERM reports and materials to the BROCC.
- Leads the change management initiatives across ICTSI.
- Drives the improvement of ICTSI's current ERM process through benchmarking against leading standards and global best practices.

RECOMMENDATION 12.4

- 01 Company has a separate risk management function to identify, assess and monitor key risk exposures.

SUPPLEMENT TO RECOMMENDATION 12.4

- 01 Company seeks external technical support in risk management when such competence is not available internally.

Enterprise Risk Management Department

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.

In accordance with the Company's Manual on Corporate Governance, the Company has an Enterprise Risk Management (ERM) System handled by the Director for

Enterprise Risk Management of the ERM Department and under the supervision of the Chief Risk Officer (CRO). The ERM System helps identify and manage the ICTSI Group's Key Business Risks in support of the Company's Purpose to achieve its overall strategy and business objectives.

The ERM Department carries out the following:

- Establishes the ERM Policy and related guidance.

Since ICTSI has a competent internal risk management function, external technical support is not necessary and the Company

has not sought external technical risk management support as of this date.

RECOMMENDATION 12.5

- 01 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.
- 02 CRO has adequate authority, stature, resources and support to fulfill his/her responsibilities.

Chief Risk Officer

From October 1, 2020 until January 18, 2023, Mr. Christian R. Gonzalez was appointed by the Board of Directors as Chief Risk Officer (CRO) concurrent to his position as Executive Vice President of the Company.

On January 18, 2023, Mr. Sandy A. Alipio assumed the role of CRO concurrent to

his position as Senior Vice President – Global Financial Controller following the approval made by the Board of Directors on the same date.

Mr. Alipio is the Senior Vice President, Global Financial Controller of ICTSI effective July 1, 2021 and the Chief Risk Officer of ICTSI effective 18 January 2023. Before his current role, he was also the Chief Risk Officer and Vice President for

Business Process, Strategy and Controls form March 6, 2019 up to September 30, 2020. Prior to this, he was Vice President for Audit and Compliance from February 2014 to March 2019.

Prior to his work at ICTSI, he spent a decade working for the San Francisco-based, Elan Pharmaceuticals, holding several positions such as Internal Control, Senior Director, R&D Finance, Vice President of BioNeurology Finance and the Vice President of Internal Audit & SOX. From 2000 to 2004, Mr. Alipio was a Senior Manager for Audits and Business Advisory at KPMG LLP in San Francisco. He was with Makati-based SGV & Co. from 1994 and was seconded in Chicago back in 1997. He was also a Manager for Assurance and Business Advisory Services in 2000. A Certified Internal Auditor and a Certified Public Accountant, Mr. Alipio is a graduate of University of the Philippines, Diliman.

As CRO, Mr. Alipio's roles and responsibilities are the following:

- Reports directly to the President/ Executive Vice President.
- Is the ultimate champion of the ERM in ICTSI.
- Approves the ERM Policy and related guidance.

- Approves ERM priorities, tolerance, measures, strategies and action plans.
- Supervises the entire RM function and spearheads the development, implementation, maintenance and continuous improvement of ERM processes and tools.
- Ascertains the sufficiency and effectiveness of the components of the risk infrastructure that are in place for managing risk, which includes policies, processes, people, management reports, methodologies, systems and data.
- Communicates the top risks and the status of implementation of RM strategies and action plans to the BROCC.
- Collaborates with the President/ Executive Vice President in updating and making recommendations to the BROCC.
- Conducts targeted risk analysis outside routine RM and reporting process as advised.
- Ensures that a sufficient resource of the organization is allocated in pursuing ERM initiatives, strategies and action plans.
- Reports to the BROCC on a regular basis about ERM.

OPTIONAL: PRINCIPLE 12



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 on Internal Control

Following the recommendations by the Philippine Securities and Exchange Commission through the Code of Corporate Governance issued for implementation starting 2017, the President and the Chief Audit Executive/Head of Internal Audit annually execute an Attestation on Internal Control and Compliance Systems.

It is the Company's yearly goal to maintain and improve an attestation on its corporate governance process which includes the following:

- The Board of Directors is responsible for setting standards and strategic objectives, providing governance and overseeing the implementation of adequate internal control and risk management processes;
- Management has the primary responsibility for designing and implementing an adequate and effective system of internal controls and risk management process to ensure faithful compliance with all applicable laws, rules and regulations and best business practices;

- Management is responsible for identifying significant risks and developing appropriate plans and actions to mitigate the impact of these risks;
- The Company's external auditor is responsible for assessing and expressing an opinion on the conformity of the audited financial statements with Philippine Financial Reporting Standards;
- Internal Audit adopts a risk-based audit approach in developing an annual work plan and conducts reviews to assess the adequacy of the design and operating effectiveness of internal controls;
- The Head of Internal Audit reports functionally to the Audit Committee to ensure independence and objectivity, allowing Internal Audit to fulfill its responsibilities; and
- Internal Audit activities conform to the International Standards for the Professional Practice of Internal Auditing and are continuously evaluated through its annual internal self-assessment and an independent Quality Assessment Review conducted every five years.



SYNERGISTIC RELATIONSHIP WITH SHAREHOLDERS

PRINCIPLE 13

The company should treat all shareholders fairly and equitably, and also recognize, protect and facilitate the exercise of their rights.

RECOMMENDATION 13.1

- 01 Board ensures that basic shareholder rights are disclosed in the Manual on Corporate Governance.
- 02 Board ensures that basic shareholder rights are disclosed on the company's website

SUPPLEMENT TO RECOMMENDATION 13.1

- 01 Company's common share has one vote for one share.
- 02 Board ensures that all shareholders of the same class are treated equally with respect to voting rights, subscription rights and transfer rights.
- 03 Board has an effective, secure, and efficient voting system.
- 04 Board has an effective shareholder voting mechanisms such as supermajority or "majority of minority" requirements to protect minority shareholders against actions of controlling shareholders.
- 05 Board allows shareholders to call a special shareholders' meeting and submit a proposal for consideration or agenda item at the AGM or special meeting.
- 06 Board clearly articulates and enforces policies with respect to treatment of minority shareholders.
- 07 Company has a transparent and specific dividend policy.

Shareholder Rights

ICTSI Manual on Corporate Governance

6.1 Voting Right

6.1.1 Shareholders have the right to elect, remove and replace directors and vote on certain corporate acts in accordance with the Corporation Code and the Bylaws.

6.1.2 Cumulative voting shall be allowed in the election of directors.

6.1.3 Although directors may be removed with or without cause, the Corporation Code prohibits removal without cause if it will deny minority shareholders representation in the Board.

6.1.4 Shareholders shall also have the right to participate, after being given sufficient information prior to voting on fundamental corporate changes such as: (1) amendments to the Articles of Incorporation and By-Laws; (2) the authorization on the increase in authorized capital stock; and (3) extraordinary transactions, including the transfer of all or substantially all assets that in effect result in the sale of the Company.

6.1.5 Proxy voting shall be implemented, including the electronic distribution of proxy materials.

6.2 Power of Inspection

Shareholders are allowed to inspect corporate books and records including minutes of Board meetings and stock registries in accordance with the Corporation Code. They shall be provided with a copy of the annual report, including financial statements, without cost or restrictions in accordance with law.

6.3 Right to Information

6.3.1 The shareholders shall be provided, upon request, with reports which disclose personal and professional information about the directors and officers and certain other matters such as their holdings of ICTSI's shares, dealings with ICTSI, relationships among directors and key officers, and the aggregate compensation of directors and officers, as may be required by law and applicable disclosure rules.

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

6.4 Right to Dividends

Shareholders have the right to receive dividends subject to the discretion of the Board to declare such dividends. However, the Commission may direct ICTSI to declare dividends when its retained earnings is in excess of 100% of its paid-in capital stock, except:

when justified by definite corporate expansion projects or programs approved by the Board or

when ICTSI is prohibited under any loan agreement with any financial institution or creditor, whether local or foreign, from declaring dividends without its consent, and such consent has not been secured or

when it can be clearly shown that such retention is necessary under special circumstances obtaining in ICTSI, such as when there is a need for special reserve for probable contingencies.

6.5 Appraisal Right

Section 82 of the Corporation Code allows the exercise of the shareholders' appraisal rights under the following circumstances:

In case any amendment to the Articles of Incorporation has the effect of changing or restricting the rights of any stockholders or class of shares, or of authorizing preferences in any respect superior to those of outstanding shares of any class, or of extending or shortening the term of corporate existence;

In case of sale, lease, exchange, transfer, mortgage, pledge or other disposition of all or substantially all of the corporate property and assets as provided in the Corporation Code; and

In case of merger or consolidation.

6.6 Right to Nominate Directors

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

ICTSI treats all its Shareholders fairly and equitably, and recognize, protect, and facilitate the exercise of their rights. Shareholders are accorded their rights as provided under the Revised Corporation Code and other applicable laws, rules, and regulations, as well as ICTSI's By-Laws and Manual on Corporate Governance.

Voting Mechanism

ICTSI has an effective stockholder voting mechanism which is laid down in the Company's By-Laws and the Manual on Corporate Governance. The mechanism is annually reiterated and updated as necessary in the Notice of Annual Stockholders Meeting (ASM) and the Philippine Securities and Exchange Commission Form 20 – Information Statement (SEC Form 20-IS).

During the 2022 Virtual ASM, ICTSI used the services of Azeus Systems Limited (Azeus), which provides virtual meetings

to various companies worldwide. Azeus ensured that the electronic voting in absentia was done in a secure manner. ICTSI's Global Head of Information Security checked the security measures and security tests made on the Azeus system.

In the ASM requirements and procedures for participation by remote communication and voting in absentia, the Shareholders were informed that they could register to participate and vote during the 2022 Virtual ASM.

Only Shareholders of record are entitled to notice and to vote at the ASM. The Common Share and Preferred B Share will vote on matters scheduled to be taken up at the ASM. Each share, whether common or preferred, is entitled to cast one vote.

For the said ASM, the Office of the Corporate Secretary and Stock Transfer Services, Inc. (STSI) validated the votes during the Proxy Validation Date on April 13, 2022. Validation of proxies was done by the Office of the Corporate Secretary, in accordance with the procedure and guidelines set out in the ICTSI's By-Laws and Rule 20(11)(b) of the Amended Implementing Rules and Regulations of the Securities Regulation Code.

Minority Stockholders

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

Dividends are payable to all common Shareholders on the basis of outstanding shares held by them, each share being entitled to the same unit of dividend as any other share. Preferred A Shareholders are entitled to dividends at rates to be fixed by the Board. On the other hand, Preferred B Shareholders shall earn no dividends.

Dividend Policy

Dividends may be declared only out of the unrestricted retained earnings of the Company. A board resolution is required for a declaration of dividends. In addition, approval of the Shareholders representing at least two-thirds of the outstanding capital stock is required for the payment of stock dividends.

Dividends are payable to Shareholders whose names are recorded in the Stock and Transfer Book as of the record date fixed by the Board of Directors.

The details of ICTSI's declaration of cash dividends are as follows:

	2020	2021	2022
		March 15, 2021	
Date of Board approval	March 20, 2020	August 6, 2021	March 3, 2023
Cash dividends (regular) per share	US\$0.065 (₱3.31)	US\$0.069 (₱3.38)	US\$0.106 (₱5.56)
Cash dividends (special) per share	-	US\$0.032 (₱1.62)	US\$0.008 (₱0.44)
		March 30, 2021	
Record date	April 3, 2020	August 20, 2021	March 18, 2022
		April 12, 2021	
Payment date	April 16, 2020	September 1, 2021	March 28, 2022

OPTIONAL: RECOMMENDATION 13.1



Company appoints an independent party to count and/or validate the votes at the Annual Shareholders’ Meeting.

Independent ASM Votes Validation

For the 2022 Annual Stockholders Meeting, the Company’s transfer agent, Stock Transfer Services, Inc. (STSI) validated the shares during the Proxy Validation date. Most of the votes were made through proxy. For the vote done through the voting in absentia, ICTSI’s service provider, Azeus Systems Limited (Azeus), which provides virtual meetings to various companies worldwide, ensured that the voting was done in a secure manner.

an independent party auditor, to verify the registration requirements, count, tabulate and validate all votes received for the 2023 Annual Stockholders’ Meeting.

Validation of proxies and votes will be done by the Office of the Corporate Secretary and SGV & Co., in accordance with the procedure and guidelines set out in the ICTSI's Bylaws and Rule 20.11.2 of the 2015 Implementing Rules and Regulations of the Securities Regulation Code.

For the 2023 ASM to be held on April 20, 2023, the Company engaged SGV & Co.,

RECOMMENDATION 13.2



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.

SUPPLEMENTAL TO RECOMMENDATION 13.2



- Company’s Notice of Annual Stockholders’ Meeting contains the following information:
- a. The profiles of directors (i.e., age, academic qualifications, date of first appointment, experience, and directorships in other listed companies)
 - b. Auditors seeking appointment/re-appointment
 - c. Proxy documents

OPTIONAL: RECOMMENDATION 13.2



Company provides rationale for the agenda items for the annual stockholders meeting.

Notice of Annual Stockholders’ Meeting

The ICTSI Board encouraged active shareholder participation by sending the Notice for the 2022 Annual Stockholders' Meeting (ASM) through mail with link to the website and quick response code (QR Code) which links to the Company's Securities and Exchange Commission Form 20-Information Statement (SEC Form 20-IS) through mail by March 21, 2022 (31 days before the 2022 ASM). Prior to the sending through mail to each stockholder, ICTSI has earlier submitted the Notice with the SEC Form 20-IS to the Philippine Stock Exchange (PSE) on February 22, 2022,

58 days before the Meeting to encourage active shareholder participation. It was likewise filed with the PSE through the PSE Edge and uploaded as well in the Company Website.

The SEC Form 20-IS, which accompanied the Notice contained the: (1) profiles of the directors, including their age, academic qualifications, date of first appointment, experience, and directorships in other listed companies, (2) External Auditors seeking re-appointment, and (3) Proxy documents.

RECOMMENDATION 13.3

- 01

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.
- 02

Minutes of the Annual and Special Shareholders’ Meetings were available on the company website within five business days from the end of the meeting.

SUPPLEMENT TO RECOMMENDATION 13.3

- 01

Board ensures the attendance of the external auditor and other relevant individuals to answer shareholders questions during the ASM and SSM.

Annual Stockholders’ Meeting

To ensure the safety and welfare of the Company's Shareholders and other stakeholders and as a precaution against the COVID-19 risk, ICTSI's Board of Directors approved on February 22, 2022 the holding of the 2022 ICTSI Virtual Annual Stockholders' Meeting (ASM) on April 21, 2022.

At the 2022 ASM, where a quorum was certified by the Assistant Corporate Secretary, the Shareholders passed and approved the following matters:

→ Approval of the Minutes of the Annual Stockholders' Meeting held on April 15, 2021;

- Approval of the 2021 Audited Financial Statements;
- Approval/ratification of acts, contracts, investments and resolutions of the Board of Directors and Management since the 2021 ASM, which are summarized in Item 15 of the SEC Form 20-Information Statement (SEC Form 20-IS) furnished by ICTSI to its Shareholders and available at the Company website;
- Election of Directors; and
- Appointment of Sycip Gorres Velayo & Co. (SGV) as ICTSI's External Auditors.

The Board required the attendance of the relevant Company Officers as well as representatives from SGV, to answer questions which the shareholders may have during the ASM.

Among other officers, those present were Mr. Christian R. Gonzalez, Chief Risk Officer; Mr. Rafael D. Consing, Jr., Compliance Officer; Ms. Catherine R. Castro, Head of Internal Audit; and Mr. Arthur R. Tabuena, Head of Investor Relations.

For the Board to encourage active shareholder participation, the SEC Code of Corporate Governance for Publicly Listed Companies requires that the result of the votes taken during the ASM be made publicly available the next working day. In addition, the Minutes of the ASM should

be available on the Company Website within five (5) business days from the end of the meeting.

For the 2022 ASM, the **Voting Results** were disclosed to the Securities and Exchange Commission and the Philippine Stock Exchange and made available as well in the Company Website under Corporate Disclosures section of the Investor Relations site, immediately on the same day and right after the meeting was concluded on April 21, 2022.

On the other hand, the **Minutes of the Annual Stockholders’ Meeting** was made available also under the Corporate Disclosures section on April 22, 2022, only a day after the ASM.



Mr. Enrique K. Razon Jr., in his capacity as Chairman and President, delivers a report to shareholders about the Company's performance during the 2021 Annual Stockholders' Meeting.

VOTES	NUMBER OF VOTES CAST*
In favor	2,368,608,863
Against	-
Abstain	250

RECOMMENDATION 13.4

- 01
- Board makes available, at the option of a shareholder, an alternative dispute mechanism to resolve intra-corporate disputes in an amicable and effective manner.
- 02
- The alternative dispute mechanism is included in the company’s Manual on Corporate Governance.

Manual on Corporate Governance

Section 2. Duties and Function of the Board

Section 2.6.15 Ensure 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.

Alternative Dispute Mechanism

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

RECOMMENDATION 13.5

- 01
- Board establishes an Investor Relations Office (IRO) to ensure constant engagement with its shareholders. Disclose the contact details of the officer/office responsible for investor relations, such as:
- a. Name of the person
b. Telephone number
c. Fax number
d. E-mail address
- 02
- IRO is present at every shareholder’s meeting.

Investor Relations Office

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

works to provide transparent, continuous, and targeted dialog with all stakeholders, and aims to build understanding and trust with the financial media, analysts, and stockholders.

ICTSI was hailed as One of the Best Investor Relations Companies in the Philippines in Corporate Governance Asia’s Asian Excellence Awards consistently for the period of 2013–2022; recognized by Alpha Southeast Asia Awards 2022 as having the Best Annual Report in the Philippines, among the Most Organized Investor Relations, Strongest Adherence to Corporate Governance and second best in having the Most Consistent Dividend Policy in Southeast Asia and Best Investor Relations Team by The Asset ESG Corporate Awards 2019-2022.

ICTSI was also one of the Most Honored Companies during the Institutional Investor All Asia Executive Team Awards Recognition 2022. Rafael D. Consing, Jr., former Senior Vice President and Chief Financial Officer was ranked third best CFO among small and midcap companies, while Arthur R. Tabuena, Treasury Director and Head of Investor Relations was ranked among the Best IR Professionals, both voted for by Buyside and Combined categories. ICTSI’s investor relations program was ranked third best in the group.

Investor Relations Officer

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



the De La Salle University. The Investor Relations Officer is always present during the stockholders’ meeting. He is responsible for the necessary disclosures to the PSE and SEC.

As a testament to his credible and effective performance, Mr. Tabuena was again recognized as one of the Best Investor Relations Professionals in the Philippines by Corporate Governance Asia during the 12th Asian Excellence Recognition Awards 2022, Best Senior Management IR Support in Alpha Southeast Asia Awards 2021, and Best Investor Relations Team by The Asset ESG Corporate Awards for 2019-2021. Mr. Tabuena was also honored as one of the Best IR Professionals in the Institutional Investor All Asia Executive Team Awards Recognition 2022.

Office of the Investor Relations Officer

Arthur R. Tabuena

Treasury Director and Head of Investor Relations

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SUPPLEMENTAL RECOMMENDATIONS TO PRINCIPLE 13

- 01 Board avoids anti-takeover measures or similar devices that may entrench ineffective management or the existing controlling shareholder group.
- 02 Company has at least thirty percent (30%) public float to increase liquidity in the market

Anti-Takeover Measures

ICTSI avoids anti-takeover measures or similar devices that may entrench ineffective management or the existing controlling stockholder group. To ensure good governance of ICTSI, the Board establishes ICTSI's Purpose, strategic objectives, policies and procedures that guide and direct the business and corporate activities of ICTSI, the means to attain the same, and the mechanism for monitoring management's performance.

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

ICTSI has more than the prescribed or recommended public float to increase liquidity in the market. As of December 31, 2022, the public ownership level of the Company is at 51.21% based only on common shares. The public ownership level of the Company is at 38.08% if both common and Preferred B voting shares are considered.

Public Float

The Philippine Securities and Exchange Commission through its Memorandum Circular No. 13-2017 requires that a

OPTIONAL: PRINCIPLE 13

- 01 Company has policies and practices to encourage shareholders to engage with the beyond the Annual Stockholders' Meeting.
- 02 Company practices secure electronic voting in absentia at the Annual Shareholders' Meeting.

Channels of Communication

ICTSI communicates with its Shareholders through various methods for effective information dissemination and encourage engagement with the Company beyond

the Annual Stockholders' Meeting. The Company implements various communication programs and optimizes media channels and platforms to achieve this purpose.

Company Announcements

- Emails (such as Investor Relations email distribution list)
- Press and photo releases and/or media advisories
- Magazine publications
- Print and digital publications (such as Annual Reports, company newsletters, and websites)
- Quarterly Investors' Briefing
- Corporate disclosures with regulatory agencies

ICTSI welcomes inquiries from Shareholders and investors, as well as analysts and the financial community.

- The Company's website has "Contact Us" section to connect with the Company and share feedback, concerns or provide suggestions.
- The Company may also be reached via sending an email at investors@ictsi.com or visiting the Investors Site at www.investors.ictsi.com.

Meetings

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

Voting in Absentia

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

Website

ICTSI's official website is www.ictsi.com

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

During the 2022 Virtual Annual Stockholders' 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. 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.



Various Stakeholders

PRINCIPLE 14

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.

RECOMMENDATION 14.1

01

Board identifies the company's various stakeholders and promotes cooperation between them and the company in creating wealth, growth and sustainability.

Identification of Stakeholders

The ICTSI Manual on Corporate Governance highlights the Board of Directors' commitment to foster ICTSI's long-term success, and to sustain its competitiveness and profitability in a manner consistent with its corporate objectives and the best interests of its stockholders and other stakeholders. The Board shall likewise identify stakeholders in the communities where it operates or are directly affected by its operations, and formulate a clear policy of accurate, timely and effective communication with them as may be necessary and maintain a

meaningful corporate social responsibility program.

As a facilitator of global containerized trade, the Company serves several groups such as, among many other, (i) the primary port users (commercial clients such as the shipping lines and landside/ hinterland logistics players); (ii) public sector partners, especially port authorities; (iii) employees and industry organizations; (iv) providers of capital; (v) suppliers; and (vi) the various communities that serve as port hosts. This is fostering respect for rights as established by law, by contractual relations and through voluntary commitments.

RECOMMENDATION 14.2

01

Board establishes clear policies and programs to provide a mechanism on the fair treatment and protection of stakeholders.

Mechanism for Fair Treatment of Stakeholders

At ICTSI, the rights of stakeholders as established by law, by contractual relations and through voluntary commitments are respected. It is the Board's responsibility to foster ICTSI's long-term success, and to sustain its competitiveness and profitability in a manner consistent with its corporate objectives and the best interests of its

stockholders and stakeholders. The Company ensures that stakeholders are provided with an avenue to obtain redress for the violation of their rights. No less than the **ICTSI Code of Business Conduct** provides for policies and guidelines that provide a mechanism for the fair treatment of stakeholders and the utmost protection of their rights.

RECOMMENDATION 14.3

01

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.

Whistleblowing Policy for Stakeholders

ICTSI Code of Business Conduct (the Code) provides that any concerned party who becomes aware of any breach of the Code has the corresponding obligation to immediately report the same to proper authorities at ICTSI. The *Policy on Fraud Reporting, Complaints and Non-Compliance of Policies* (Fraud Reporting Policy) provides guidelines on the handling of disclosure and complaints on (i) violation of the Code; (ii) violation of *ICTSI Anti-Bribery Compliance Policy and Procedure*; (iii) violation of the *Policy on Conflict of Interest*; (iv) violation of company's Code of Discipline and other company issued employee related rules and regulations; (v) fraudulent reporting of accounting/ auditing practices; (vi) unauthorized use of company funds; (vii) Health and Safety risks; (viii) any illegal or unethical act and (ix) any other cases involving violation of other company policies.

The **Fraud Reporting Policy** provides forum for the stakeholders to obtain redress for the violation of their rights. It provides for specific processes for reporting and disclosure of violations. Reporting channels were expanded to include not only personal reporting of complaints but also a dedicated electronic mailbox and telephone hotlines. It protects the reporter or the whistleblower from any form of retaliation, reprisal and harassment and ensures confidentiality in the information provided in the disclosure and complaint. Matters reported anonymously are likewise duly processed and shall be carefully investigated taking into consideration the gravity of the concern and seriousness of issues raised, the credibility of the report and the reporter and the possibility of verification from other reliable sources.

SUPPLEMENT TO RECOMMENDATION 14.3

Company establishes an alternative dispute resolution system so that conflicts and differences with key stakeholders is settled in a fair and expeditious manner.

Alternative Dispute Resolution for Key Stakeholders

ICTSI's policy on Alternative Dispute Resolution (ADR) seeks to promote the use of dispute resolution options, practices and processes thereby preventing parties from resorting to litigation in the settlement of corporate governance related disputes. The Manual on Corporate Governance provides that any dispute between ICTSI

and its stakeholders, shall be resolved in accordance with Republic Act 9285, otherwise known as "Alternative Dispute Resolution Act of 2004." Through the ADR mechanism, disputes and conflicts are expeditiously resolved in the most amicable, effective and efficient manner.

ADDITIONAL RECOMMENDATION TO PRINCIPLE 14

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.

Exemption from Law

ICTSI abides by the laws, rules and regulations of the countries where it operates in. The Company has continued to follow best practices of corporate governance and did not seek any exemption from the application of a law, rule or regulation especially when it refers to a corporate governance issue. ICTSI is 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.

ADDITIONAL RECOMMENDATION TO PRINCIPLE 14

Company respects intellectual property rights.

Intellectual Property

ICTSI complies with all laws, regulations and contract exacting adherence to intellectual property rights. The Company

has not violated any intellectual property law as demonstrated by the fact that it has not pending cases against it for any violation of intellectual property laws.

OPTIONAL TO PRINCIPLE 14

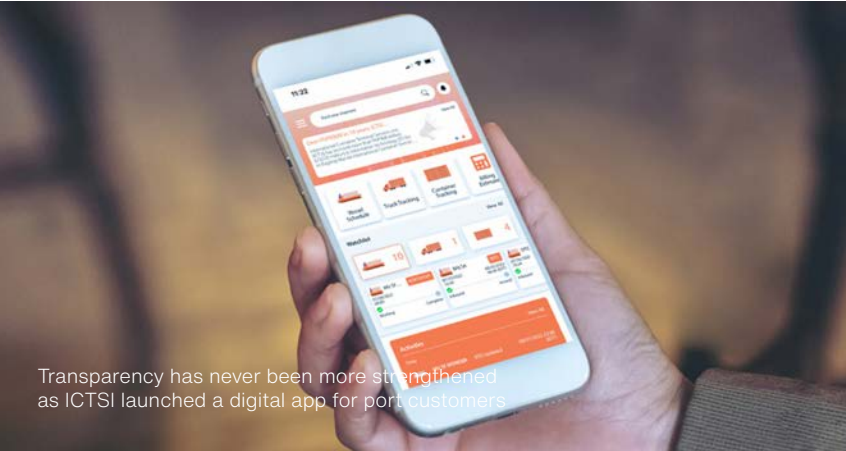
01 Company discloses its policies and practices that address customers' welfare.

Customer's Welfare

Despite being on the road to recovery, many businesses are still discovering how to thrive in this post-pandemic economic and logistic environment. As distance is even more pronounced with lockdowns and safety restrictions, ICTSI makes sure to bridge that gap by strengthening its online platforms and reach so information and solutions are enjoyed by its valued customers. On top of engaging customers through 24/7 customer care service, regular meetings with clients, government and industry stakeholders, and essential links in the supply chain, ICTSI launched its own mobile app to boost visibility and transparency to all port users.

For our customers, the **ICTSI App**, which can be accessed both via mobile device and web, is their single source of information across ICTSI terminals worldwide. The app addresses some key challenges experienced by customers such as late and conflicting information that can drive up cost and may result to unreliable service from the different legs of the supply chain. It also provides a personalized digital experience by allowing users to create their own watchlist for specific vessels, containers and trucks. The app can also send automatic updates via email and SMS, eliminating back and forth exchanges to monitor a shipment. Future enhancements to the app will include linking of our online payment platform and booking system, as well as truck geofencing and live chat support.

ICTSI also launched its loyalty program for shipping lines and Beneficial Cargo Owners (BCOs), **Flagship Elite**, to incentivize customers with significant volume, market share, and number of terminal transactions. For forwarders, brokers and truckers, a rewards program is being developed, with plans of creating a digital application to make the rewards easier to achieve and distribute.



Transparency has never been more strengthened as ICTSI launched a digital app for port customers

OPTIONAL TO PRINCIPLE 14

01 Company discloses its policies and practices that address supplier/contractor selection procedures.

Suppliers & Contractors

ICTSI, specifically in its flagship operations in the Manila International Container Terminal (MICT), ensures that only suppliers who are capable in their fields of expertise and those that are financially stable to provide its requirements are accredited. This is done through the submission of government-issued documents, related third-party certifications and financial statements. Physical or virtual plant visits are also being conducted if supply and/or workmanship capacity must be validated.

In November 2021, ICTSI has started the roll out of this accreditation format to some of its terminals. To date, the same process has been incorporated with at least three other terminals and are lined up to be rolled out to five more terminals in 2023.

In October 2022, Global Procurement published its **Supplier Code of Business Conduct** (Supplier Code) as part of ICTSI's efforts in ensuring that suppliers shall uphold and advocate the same business ethics, values, compliance and sustainability principles and standards. This is aligned with the company's Code of Business Conduct and specifically sets out what is expected of every supplier working with or on behalf of any ICTSI Business Unit. The Supplier Code was also made part of the supplier accreditation and re-accreditation process. All suppliers are asked to confirm their compliance to the Supplier Code and are obligated to ensure continuous observance of the Supplier Code.

All agreements and business relationships are subject to the provisions of the Supplier Code. Suppliers are expected to promote **ICTSI Global Principles on Human Capital** that provides for ICTSI's commitment to protect the welfare, safety and human rights of its people. Thus, suppliers are also expected to protect the human rights, privacy and dignity of its own employees, suppliers, and customers.

Suppliers shall conduct business in compliance with applicable anti-corruption laws and ICTSI Anti-bribery obligations and consistent with ICTSI's commitment to integrity. Suppliers are likewise expected to disclose any situation which may constitute conflict of interest and shall maintain all proprietary and confidential information in strict confidence. They shall likewise respect and promote the values that ICTSI upholds as a company consistent with strengthening the communities where it operates.

Global Procurement also reached out to all the local Procurement teams of each business units to ensure that the Supplier Code will be conveyed to all its suppliers. By December 2022, approximately 40% of all business units have cascaded the Supplier Code to their suppliers. Others have started the process of translating the Supplier Code to their local language to ensure that it will be communicated effectively. All business units are expected to complete the cascade by 2023. After which, the Supplier Code will be reiterated to all suppliers on an annual basis.

Employee Participation

PRINCIPLE 15

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.

RECOMMENDATION 15.1

01 Board establishes policies, programs and procedures that encourage employees to actively participate in the realization of the company’s goals and in its governance.

Employee Engagement Programs

ICTSI Employee Engagement Activities are always well participated. Employee Volunteerism activity became evident during the pandemic where a number of employees offered their services, ignoring the risks of leaving the safety of their homes, to become marshals, registration assistants, etc. at the Solaire ICTSI Foundation Inc. Vaccination Center (SIVC) when ICTSI rolled out the COVID-19 vaccination program in June 2021 which continued when booster shots were rolled out until July 2022.

In 2022, **ICTSI Employee Volunteerism Program** (IEVP) activities with the ICTSI Foundation have also resumed. As pandemic safety protocols have relaxed, employees once again took part in Christmas Outreach activities, strengthening the ICTSI Group’s tradition of employee caring and helping. Envisioned to help generate social value in the form of increased employee engagement and opportunities for unity and teamwork, the IEVP also provides holistic benefits for employees—mainly in the form of enhanced fulfillment and sense of purpose—through volunteer service to individuals,

groups or communities, especially from marginalized sectors.

ICTSI also showcases its culture and love of Christmas by transforming its workspace into a place where the employees can feel the holiday spirit. The Company also hosts physical, social, emotional and financial wellness workshops to address the well-being of the employees, which workshops are an integral part in attracting and retaining employees.

ICTSI believes that a harmonious employee relationship promotes a positive environment at work and helps the employees to achieve their goals and targets at a much faster rate. Employees are more focused, can concentrate better in their assignments and hence the output increases. The Management and the employees are not engaged in constant conflict, are eager to help each other to build industrial peace.

Communication plays a crucial role at the workplace. In industrial relations, ICTSI ensures and maintains that channels of communication are provided to employees to enhance open communication between them and the management. Employees are able to exercise the right or freedom of

association, self-organization and collective bargaining. The right of employees to self-organization is given much reverence and importance. The Management does not interfere with the legal activities of the union and respects its employees’ right to associate freely and form organizations of their own choosing. Employees are given the avenue to express their desires on items affecting their terms and conditions of employment and good faith is observed from the time of negotiation up to the implementation and carrying out of the agreed provisions.

Through **Labor Management/Workplace Cooperation Mechanism**, a harmonious relationship between the Management and the union is maintained which results in 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. Problems affecting workers are jointly solved through the different committees and task forces created under the Workplace Cooperation mechanism.

Differences of opinion, controversy or dispute between the company and the union, or between the company and any employee or worker covered by the Collective Bargaining Agreement (CBA), arising from the interpretation and/ or implementation of any provisions of the CBA and enforcement of company personnel policies are resolved under the procedure provided under the agreed grievance machinery mechanism of the CBA.

SUPPLEMENT TO RECOMMENDATION 15.1

01 Company has a reward/compensation policy that accounts for the performance of the company beyond short-term financial measures.

Employee Rewards Policy

Along with providing special bonuses in the form of money and gift checks for employees with good attendance records as a way of appreciating the hard work of our frontliners and maintaining the drive for effective and highly productive terminal operations, ICTSI provided groceries during the COVID-19 Pandemic to ensure that the employees and their families have the basic needs that would at least help them survive in the midst of crisis.

Other annual incentive program recognizes employees who kept themselves healthy and fit, and thus, did not avail of any sick

leaves, leaves without pay, and had no employee infraction and safety violation. These are ranks including Supervisors to Department Managers who can be awarded as Iron Man of the Year.

There is an Annual Incentive Program for the Management team based on their contribution to the organization-wide growth and performance. The Stock Incentive Plan covers Officers and Directors of ICTSI, its subsidiaries or affiliates.

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

SUPPLEMENT TO RECOMMENDATION 15.1



Company has policies and practices on health, safety and welfare of its employees.

Health, Safety and Welfare

Health and Safety Policies

ICTSI places great importance on the fundamental human right to health and safety. As such, the Company has implemented measures to ensure that everyone who enters any ICTSI Terminal is protected. The Company understands the critical nature of operating in environments where adherence to rigorous Health and Safety (H&S) principles is essential. Therefore, it prioritizes accountability in its policies, involving stakeholders, seeking input from all parties, and continuously evaluating and improving its H&S practices.

The **Global Health and Safety (H&S) Policy** which was established in 2022 ensures the maintenance of highest standards of health and safety throughout the Company’s global terminal network. It sets the minimum expectations to ensure the safety and well-being of all employees, contractors, and visitors in the Company’s premises. ICTSI’s adherence to relevant regulatory and statutory requirements, along with setting measurable targets and regularly reviewing and assessing its H&S performance, further reinforces its commitment to H&S.

The **ICTSI Global Principles on Human Capital** also aligns with the Company’s commitment to the United Nations Global Compact Principles and emphasizes its belief that injuries can be prevented by maintaining vigilance, conducting regular employee training, and implementing rigorous safety standards.

The **ICTSI Group’s Health and Safety Management Strategy** is driven by leadership and accountability. At the Corporate level, the Global Health Security

Safety Environment Department ensures that key **Occupational Health and Safety Standards** are implemented, and good practices are shared across its global network. Through this, key health and safety risks in operations are uniformly addressed, and consistent measures are in place to mitigate those risks. The Global HSSE Department also collaborates with the Regional Managers, Terminal CEOs and HSE Heads to discuss H&S performance and improvement plans. At the Terminal level, Management is responsible for prioritizing the well-being and safety of all stakeholders, planning, executing, verifying, and validating the effectiveness of controls aimed at minimizing operational risks.

A robust health and safety management system based on local and international guidelines and standards such as International Maritime Dangerous Goods (IMDG), Occupational Safety and Health Administration (OSHA), International Labour Organization (ILO), and International Organization for Standardization (ISO) 45001 are implemented across all terminals. Vendors, contractors, port users, brokers, visitors, government/authorities, and even third-party personnel are likewise covered in the Company’s implementation of H&S management systems, ensuring the coverage of all the stakeholders who visit or work within the confines of all ICTSI Ports. ICTSI is committed to improving safety and reducing risks by promoting a positive safety culture, implementing comprehensive risk assessments, and deploying relevant risk mitigation measures.

Hazard Identification, Risk Assessment, and Incident Investigation

Considering the high-risk nature of ICTSI’s work activities, it is proactively identifying hazards associated with its business operations and implementing safety protocols to prevent incidents. All Terminals have set a routine process for workers to identify workplace hazards, assess the level of risk exposure and put in place applicable control measures. The process referred to as **Hazard Identification, Risk Assessment and Control** is aligned with the legal requirements and international guidelines, ensuring a standard approach towards accident prevention. Reporting of near-misses and hazards is widely encouraged by providing various channels for workers to raise health and safety issues and concerns for prompt rectification.

Toolbox Meetings across all Terminals are conducted prior to start of work activity. These sessions not only create awareness for workers about workplace hazards and safety measures but also foster camaraderie between supervisors and frontline personnel. Through these, potentially unsafe conditions are easily identified, and possible solutions are immediately tackled and implemented. Established procedures to keep track of the reported unsafe acts and conditions and near-misses and ensure that these are promptly rectified are also in place.

Policies and procedures are also in place to recognize workers' right to be removed from unsafe working conditions. Workers are informed of such rights during training and orientations, and toolbox talks, including preventive measures and existing safety precautions. Training courses are conducted to improve and expand the workforce’s abilities to address and find other solutions to problems at hand.

Risk assessment of work activities are regularly reviewed as part of continual

improvement. During the review, which in some instances are being done when safety inspections and audits are conducted, measures to mitigate the risks are evaluated for its adequacy and effectiveness.

Safety Performance KPIs

Safety Campaigns have been launched to increase workers' awareness on hazards causing the most injuries. Following the **STF (Slips/Trips/Falls) Prevention Campaign**, ICTSI will also roll out **Hand Injury Prevention Guidelines** in the first half of 2023. **Manual-Handling Training** Sessions are also being conducted regularly to equip stevedores/dock workers with the necessary skills and knowledge to identify and mitigate hazards in their work areas, whether at the warehouse, yard, quayside or on-board vessels.

Workforce Engagement

A terminal's occupational health and safety system is functioning more effectively when it has a mechanism that enables the workers to participate and be consulted about its safety plans and programs starting from its development up to its implementation, evaluation, and improvement. Hence, ICTSI has rolled out this strategy group-wide to create a participative environment across all its Terminals. Workers are given greater participation and consultation regarding the **Health and Safety Management System**. These processes generally come from proper engagement program in the form of meetings and other collaborative discussions among workers, union leaders, terminal management, and other relevant parties.

One of the initiatives is the establishment of the **Management-Worker Health and Safety Committee** in the Terminals which is responsible in promoting open communication between the Management and employees and inculcating cooperation among key members composed of Department Heads,

Supervisors, Health and Safety Officers and Union representatives to review safety performance and incident investigation key learning points and recommend improvement plans to help ensure safe and efficient terminal operations.

OHS Training

The inherent risks in ICTSI's terminal operations demand comprehensive **Occupational Health and Safety Trainings**. Hence, port workers should be adequately equipped with the necessary skills and knowledge to identify the potential hazards in their respective work areas and to taking actions to mitigate them. The training sessions being conducted across all ICTSI Terminals are consistent and continual. Aside from the focus on work specific protocols, the trainings also reinforce the use of key safety leadership behaviors to promote the culture of collaboration in risk management, incident reporting, investigation, and prevention.

The various trainings cover subjects and topics on general workplace safety, risk and impact assessment and mitigation, safe equipment operations, working-at-heights, working on energized systems, working with machineries, working with suspended loads, manual handling, LOTO (lock out, tag out), Dangerous Goods (DG) / HazMat (hazardous materials) storage and handling, defensive driving, water safety, construction safety, hazard and incident reporting and investigation, port facility security, basic life-support and first aid, fire safety, emergency evacuation, and infectious disease prevention.

Employee Training and Development

In 2022, MICT Academy was transformed to ICTSI Academy, now under the Global Corporate Human Resources Department. With this move, ICTSI Academy has:

- Evolved from being a stand-alone training platform into a developmental program that aims to expand the pool

- of management candidates through full-time immersion in operational roles across the portfolio;
- Shifted focus from classroom training (one-time, short-term courses) into facilitating development through wholistic development (classroom training, hands on terminal exposure, full time deployment); and
- Produced succession plans as a result of developing the ideal management candidates over time.

In this framework and for the long-term plan, ICTSI Academy guarantees business continuity through succession planning through continuous investment in developing management candidates through a blended learning of on-the-job immersion in terminals and focused classroom courses. ICTSI Academy will continue to work with terminal training teams for immediate training and development support needed.

The highlight of ICTSI Academy in 2022 is the re-launch of the Terminal Operations Management Program for the Asia Pacific and Philippine Terminals. Conducted in Manila, 20 participants from APAC and PH Terminals and the Global Corporate Group participated in one of the Business Performance Programs for middle management. This will be expanded to other regions in 2023, including the re-launch of Terminal Executive Diploma for Heads of Terminals and Business Units.

ICTSI Academy also facilitated cross-learning among Terminals for industry-specific skills:

- Operators Training in Manila International Container Terminal (MICT) for Manila Harbor Center and ICTSI Terminals in Subic Bay, Philippines and Papua New Guinea; and
- Familiarization in MICT and Manila North Harbour Port for ICTSI PNG Terminals Engineering.

Another initiative for the leadership teams of MICT and Global Corporate Groups is the Strengths Discovery Sessions, which

focuses on the roles of managers in business units. This initiative is used for planning sessions of various business units.

SUPPLEMENT TO RECOMMENDATION 15.1

- 01 Company has policies and practices on training and development of its employees.

Training and Development

In 2022, MICT Academy was transformed to **ICTSI Academy**, now under Global Corporate Human Resources. With this move, ICTSI Academy has:

- Evolved from being a stand-alone training platform into a developmental program that aims to expand the pool of management candidates through full-time immersion in operational roles across the portfolio
- Shifted focus from classroom training (one-time, short-term courses) into facilitating development through wholistic development (classroom training, hands on terminal exposure, full time deployment)
- Succession plans produced as a result of developing the ideal management candidates over time

In this framework, for the long-term plan, ICTSI Academy guarantees business continuity through succession planning through continuous investment in developing management candidates through a blended learning of on-the-job immersion in terminals and focused classroom courses. ICTSI Academy will continue to work with terminal training teams for immediate training and development support needed.

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ICTSI Academy also facilitated cross-learning among terminals for industry-specific skills:

- Operators Training in Manila International Container Terminal (MICT) for Manila Harbor Center and ICTSI Terminals in Subic Bay, Philippines and Papua New Guinea; and
- Familiarization in MICT and Manila NorthPort for ICTSI PNG Engineering Teams

Another initiative for the leadership teams of MICT and Corporate groups is the Strengths Discovery sessions, which focuses on the roles of managers in business units. This initiative is used for planning sessions of various business units.

RECOMMENDATION 15.2

- 01 Board sets the tone and makes a stand against corrupt practices by adopting an anti-corruption policy and program in its Code of Conduct.
- 02 Board disseminates the policy and program to employees across the organization through trainings to embed them in the company’s culture.

SUPPLEMENT TO RECOMMENDATION 15.2

- 01 Company has clear and stringent policies and procedures on curbing and penalizing employee involvement in offering, paying and receiving bribes.

Anti-Corruption Policy

ICTSI does not tolerate any form of bribery and corruption in all its business dealings around the globe. Ethical business practices are religiously followed and giving of any promise or offer to any person in order to secure an improper business advantage or to unethically influence any act or decision is strictly prohibited. Bribery and corruption do not only involve monetary consideration. They may involve anything of value such as cash equivalents, accommodation and travel and any other material gain and intangible benefits.

The **Code of Business Conduct** (the Code) and the **Anti-Bribery Compliance Policy and Procedure** (the ABC Policy), as amended, set out the expectations from the stakeholders. They apply to all employees, officers, directors, consultants, contractors, trainees, seconded staff, casual workers and agency staff, interns, agents or any other person associated with ICTSI including external third parties who are outside parties but acting with, for or on behalf of ICTSI.

As the Company takes a zero tolerance to bribery and corruption, ICTSI is committed to the deterrence, prevention and uncovering of bribery and corruption.

Employees are strictly 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 or to act impartially. They shall also not pay any bribes or offer any improper inducement to business partners or service providers. Non-compliance to this may lead to severe consequences including dismissal from employment.

In conformity with ICTSI’s ABC Policy, the following are observed:

1. Bribery and corruption, in any form, is strictly prohibited.
2. While corporate gifts and hospitality may be allowed, the same must be openly and transparently given. It must comply with the local law and business customs, must be reasonable and not excessively lavish and must be appropriate in the particular context.
3. Donations for charity may be done from time to time provided it is for a genuine charitable purpose and must not be in conflict with any ICTSI policy.
4. Political contributions on behalf of ICTSI are never permitted.

Under the Code and the ABC Policy, it shall be the responsibility of the covered individuals to be familiar and to comply with them. Discussions on the anti-bribery and corruption obligations are part of the onboarding programs for newly hired employees. For existing employees, refresher courses are consistently done for them to be abreast of the salient provisions of the Code and the ABC Policy. This is conducted through the **Terminal Legal Health Check**. It is a training program regularly conducted by the Global

Corporate Legal Affairs, in collaboration with the Human Resource Departments of the terminals, to keep employees updated not only of the updates on the Code and the ABC Policy but also on other policies for their compliance. The training is composed of lectures, interaction with participants and open forum for questions on honest and ethical business practices including anti-bribery and corruption obligations. Further cascade of these are done at the business unit level in order to reach more employees.

RECOMMENDATION 15.3

- 01 Board establishes a suitable framework for whistleblowing that allows employees to freely communicate their concerns about illegal or unethical practices, without fear of retaliation.
- 02 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 handle whistleblowing concerns.
- 03 Board supervises and ensures the enforcement of the whistleblowing framework.

Employee Whistleblowing Policy

ICTSI’s Code of Business Conduct and other related policies provide stakeholders, most especially employees, direct access to the Company’s Office of the Chief Compliance Officer and/or the respective Human Resource Department to report any violations. Pursuant to its commitment to ensure compliance with all applicable laws, rules and regulations, ICTSI further strengthened its **Policy on Fraud Reporting, Complaints and Non-Compliance of Policies** (Fraud Reporting Policy) by making it more accessible to its employees through the provision of more reporting channels to include dedicated electronic mailbox and telephone hotlines. It provides guidelines on the handling of disclosure and complaints from lodging of complaints,

conduct of investigation up to imposition of disciplinary action for violations covered by the policy.

The Fraud Reporting Policy likewise mandates employees to immediately report any concerns and violations. Anonymous reporting and disclosures are also allowed subject to certain conditions and taking into consideration the gravity of the concern and seriousness of issues raised, the credibility of the report and the reporter and the possibility of verification from other reliable sources. In any case, utmost confidentiality is observed and the reporter or complainant is protected from any form of retaliation, reprisal and harassment.

Social Responsibility

PRINCIPLE 16

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.

RECOMMENDATION 16.1

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.

OPTIONAL TO PRINCIPLE 16

- 01
- Company ensures that its value chain is environmentally friendly or is consistent with promoting sustainable development.
- 02
- Company exerts effort to interact positively with the communities in which it operates.

Environment

In ICTSI, we recognize that climate change is one of the greatest threats towards achieving our purpose of delivering sustainable value to our host communities and stakeholders. As a global organization which operates at the land-and-sea interface, ICTSI and our nearby coastal and hinterland communities are at the ground zero of the physical impacts of climate change. As climate change receives increasing attention, ICTSI understands the significance of improving the climate resilience of our ports and our business as a matter of strategic importance. However, mitigating this threat requires a practical approach to reducing the carbon footprint at our facilities. We believe that aligning productivity and service-efficiency targets with waste and emission reduction

metrics is the best way to integrate better climate change management into our day-to-day operations. This ensures that sustainability becomes ingrained in every lift that we perform, and that our terminals are delivering both operational and environmental value to our customers with every move, and with every container we handle. Hence, we continue to carefully plan our decarbonization strategies, which include establishing targets towards achieving a net-zero future.

Aligned with the company’s commitment to operate in an environmentally responsible and sustainable manner, the terminals in the ICTSI Group have implemented several environmental programs and activities, which includes among others, decarbonization efforts, energy use optimization, digitalization, water and waste

management, and ecological protection, which are all closely aligned with our overall productivity and service-efficiency targets. This is on top of our regular, day-to-day environmental compliance activities.

Environmental Management Systems (EMS)

The assessment and management of environmental aspects and impacts are part of the overall set of processes that each of our terminals manage. In close coordination with the relevant government agencies and third parties, the terminals have established and maintained their respective EMS that are appropriate to the nature and scale of their operations and commensurate with the level of its environmental aspects and impacts. Guided by local regulations and driven by the company’s over-all commitment toward mindful consumption and optimal resource use, all terminals have short- and long-term goals on environmental responsibility, which include establishment of environmental management policies and procedures, setting up of baseline targets on resource consumption optimization, waste and water management, and developing continual improvement plans.

Furthermore, the ICTSI Group has been continuously making substantial investments to support its long-term vision of being able to secure appropriate certifications for all ports – regardless of location, project age, or stage of development. As such, MICT and SCIPSI earned the ISO 14001 certification—the first among Philippine ports. The recognition is a testament to our operations’ alignment with widely accepted international standards. Other terminals which achieved the said certification were OJA, PICT, YICT, RBT, CGSA, CMSA, OPC, TSSA, BCT, BGT and MICTSL.

Two of our Latin American terminals, Contecon Manzanillo in Mexico and Contecon Guayaquil in Ecuador have been recently certified to be carbon

neutral, a first for the ports industry in their respective jurisdictions. The Carbon Neutrality UNE-14064-3:2019 certification recognizes these ports’ commitment to global initiatives to combat climate change, promote renewable energy and decarbonize ports and maritime transport.

Energy-Saving and Lowering Carbon Emissions

As part of our shift towards energy-efficient operations, ICTSI continually invests in port infrastructure and facilities that enhance our operational efficiency while simultaneously helping minimize our environmental impact. In recent years, ICTSI has acquired new eco-efficient hybrid rubber-tired gantries which runs on a combination of battery power and diesel -- enabling the terminal to further reduce its emissions and fuel consumption per move by up to 40 and 60 percent, respectively. Our strategy is to acquire more hybrid RTGs for our terminals and convert existing RTGs to hybrid ones where we can.

Aiming to progressively optimize fuel consumption of its cargo handling fleet, a number of terminals recently purchased brand new forklifts, prime movers, reach stackers, service vehicles, among others. The newer, more fuel-efficient equipment features an enhanced engine design and speed limiters that help reduce the need for acceleration, saving fuel in the process.

Beginning in 2020, the Company has been working to upgrade our lighting systems to more energy-efficient LEDs at a number of our terminals (i.e., MICT, AGCT, MICTSL, SPICTL, TSSA), with the goal of eventually implementing this Group-wide. At the MICT where this was first implemented, the terminal expects to save around 1.8 million kWh/year and offset up to 1.09 million tons of carbon dioxide, while eliminating light spills and glare. In the same terminal, a **Facilities Management System** (FMS), was recently installed to provide real-time monitoring of power consumption, empirical data and reports that are being

used to identify top power consuming facilities in the terminal thereby enabling facility engineers to carry out actions to optimize energy use.

Other terminals who have implemented energy-saving and efficiency improving measures include PICT, which converted RTGs energy source from diesel to shore electrical power. Green standard engines are now in use at SPICTL and MITL. In OMT, where reefer power requirements may vary from below 10 or above 60 at a certain time, a 10-plug mobile reefer power panel was designed and fabricated to complement the existing reefer power packs running on 500 KVA generators with 50 plugs on each power pack. This is to help ensure optimal power consumption during low reefer requirements and prevent unnecessary diesel consumption, lower CO2 emissions, and reduce generation of used engine oil.

Waste Management

Across our global operations, ICTSI terminals are equipped with waste management policies, as well as implementation resources and guidelines.

Solid waste is typically sorted out properly, with residual waste regularly collected by reputable service providers. **Waste Analysis and Characterization Study** (WACS) is also being conducted as part of the terminal's Solid Waste Management continual improvement. The activity provides the terminal with an analysis of the type of waste being generated and therefore helps ensure them develop fit-for-purpose waste management measures, enabling them to reduce residual waste ending up in the landfills.

Most terminals are likewise involved in recycling. In 2022, 20 out of 30 terminals were actively involved in recycling waste, which commonly includes scrap metals, wires, wood, and cartons and even hazardous wastes such as used oil, used

lead acid batteries, and waste electrical and electronic equipment (WEEE).

Some terminals have also involved their respective impact communities in their waste management plan and collaborated with entities to explore ways to reduce the volume of its residual waste. CGSA, for example, explored simple and functional initiatives to reuse the waste generated from the terminal's daily activities. Green banana waste that is left over from quality control is turned into animal feed through partnerships with farms in Cuenca and Pedro Carbo. On the other hand, ripe bananas are sent to a bioconversion company where the waste is used as food for fly larvae that are later used for animal protein production. TecPlata, on the other hand, promoted institutional cooperation with partners and the local community to improve the health and environmental conditions in their operating area through a project called "Responsible Social Waste Management." The work plan consists of four central pillars: identification of waste typology and generation points within the terminal, placement of logistic elements to carry out the plan, effective collection, segregation of waste materials, and efficient transfer to recycling facilities. The initiative has ensured sustainable development by promoting recycling and reuse of waste within the community contributing to a healthy common environment. In turn, the local community's recycling center gifted the company with plants and seeds that further nurtured the employees' culture of environmental awareness by encouraging them to plants the seeds and taking good care of the growing plants inside the terminal premises.

Ecological Protection and Green Promotion Campaigns

Through our **ICTSI Employee Volunteerism** Program, employees are able to generate social value in the form of increased employee engagement and given the opportunity to enhance their sense of fulfillment and purpose—through volunteer

service in various causes, including the environment. Over the years, we have made it our goal to help the environment, including the conduct of tree planting and other conservation activities both within and beyond the vicinity of the port.

In MCT, in collaboration with the ICTSI Foundation, the terminal entered into a memorandum of agreement (MOA) with the Philippine Department of Environment and Natural Resources' Provincial Environment and Natural Resource Office (DENR-PENRO) Region X to manage a one-hectare area within Malasag Reforestation Project which is part of the country's National Greening Program. The MCT Tree-Growing Project is a three-year endeavor to contribute to reforestation and biodiversity preservation.

As part of MCT's 14th-anniversary celebration, MCT employees and their families planted 1,200 seedlings of indigenous and fruit-bearing trees showing that the program raises environment protection awareness not only among MCT employees but also for their family members and the larger community. The sustainability of the program is ensured by alternating groups of MCT employee volunteers who are monitoring and ensuring that the planted seedlings are nurtured to survive and grow into full-grown trees and become a thriving part of the forest reserve.

At CMSA in Manzanillo, 164 people, composed of employees and their families, planted trees in an area of 1.2 km around the lagoon of Cuyutlán. Aside from the tree planting activity, the volunteers also cleaned the area by removing 518 kilograms of trash.

Green Training Programs

To help build port workers' capabilities in maintaining sustainable operations and to advance its environmental advocacies in the port and among host communities, ICTSI terminals regularly conduct capability



building and learning activities. These activities include the following modules and topics:

- Environmental Impact Assessment
- Environmental Laws, Rules, and Regulations
- Basic Pollution Control Officers Training
- 8-hour Environmental Training for Managing Heads
- Dangerous Goods Regulations
- Ecological Solid Waste Management
- Waste Analysis and Characterization Study
- Work Environment Measurement
- Understanding Material Safety Data Sheets
- Ambient Air, Water, and Noise Monitoring
- Chemical Spill and Response
- Disaster Resilience
- Professional Event Investigation with SCAT (Systematic Cause Analysis Technique)
- Integrated Management System Internal Audit Training
- Integrated Management System Documentation Training
- ISO 14001:2015 Environmental Management System Awareness
- ISO 14001:2015 Environmental Management System Internal Auditors Training
- ISO 50001:2011 Energy Management System Foundation Course
- ISO 50001:2011 Energy Management System Lead Auditors Training
- ISO 50001:2011 Energy Management Internal Audit Course

Community

RECOMMENDATION 16.1

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.

OPTIONAL TO PRINCIPLE 16

- 01

Company ensures that its value chain is environmentally friendly or is consistent with promoting sustainable development.
- 02

Company exerts effort to interact positively with the communities in which it

ICTSI Foundation

The year 2022 marks the post-pandemic transition as a lot of gradual changes occurred. The education sector adapted from purely online activities to hybrid learning environments and returned to on-site learning. Even so, the needs for quality education remain the same but the effects caused by the pandemic became more pronounced. Illiteracy was visible at the intermediate levels of elementary education. Hunger was felt by more students. In communities where ICTSI and its subsidiaries operate, government and institutions work double time to provide social services, yet scarcity of resources embattled them. Provinces faced calamities. For the environment, nature found a brief respite from man-made activities but as we recovered, our practices returned – restarting the same environmental concerns.

To address these concerns during this period, ICTSI Foundation conducted 76 projects under its 3 Development Pillars on Youth Development, Community Assistance, and Environmental Protection. The projects cover the following areas

where ICTSI and its subsidiaries operate: Manila, Olongapo, Calamba, Bauan, Misamis Oriental, Davao, Tagum and General Santos City. Aside from these, special projects are conducted based on established partnerships, and the nature and magnitude of needs in particular areas such as the assistance to families affected by Typhoon Odette (International name: Rai).

Youth Development

Education

As government restrictions eased in the last quarter, students flocked back to school. ICTSI Foundation cushioned the transition by assisting 44 public schools with more than 60,000 students by providing supplies and equipment such as computers, printers, risograph machines, paper and inks.

The Foundation also continued to support 176 academic scholars across 7 areas and 230 student dependents of janitors, security guards, meal servers and EcoPatrols in MICT. In addition, it expanded its support to the Don Bosco Youth Center, Tondo by shouldering the educational cost

of 547 Technical-Vocation students and by providing funds to upgrade equipment and facilities to comply with TESDA standards.

To contribute in addressing the rising illiteracy among students, the Foundation partnered with BINHI English Literacy Foundation to support 100 grade 2 and 3 students of two public schools near the port area.

Social Assistance

In contributing towards the reduction of child-pornography, child-abuse and child-trafficking cases, ICTSI Foundation continues to support two organizations caring for victims of abuse, neglect and exploitation of children: Child Protection Network and Voice of the Free. Both organizations provide medical, legal, psycho-social, educational and artistic interventions for more than 3,000 clients.

Health

As hunger and nutrition among school-aged children became more evident during the pandemic, ICTSI Foundation coordinated and funded feeding programs in Manila, Calamba, Laguna and Bauan, Batangas with more than 5,000 beneficiaries. These are in partnership with MICT’s Sustainability Development Unit, Caritas Manila (for Manila) and public schools and daycare centers (for Calamba and Bauan).

Sports

The Foundation continued to support 4 amateur golfers under the ICTSI Amateur Golf Program by providing them with support for equipment, apparel, and cash assistance to cover their training and coaching fees.

Community Assistance

Disaster Response.

In the early part of 2022, Visayas and Mindanao was still recovering from Typhoon Odette, (international name: Rai). Spearheading the Razon Group’s efforts, the Foundation reached out to more



than 30,000 affected families in Siargao, Southern Leyte, Palawan, Cebu, Misamis Oriental, Bohol and Dinagat Island.

The Foundation also assisted Gerry Roxas Foundation in providing assistance to 20,000 residents of Roxas City and six neighboring municipalities of Pilar, Pres. Roxas, Pontevedra, Panitan, Panay and Ma-ayon.

Capacity Building

ICTSI Foundation welcomed back face to face seminars during the middle of 2022. Thru its Training and Capacity Development team, environmental management, community organizing, environmental monitoring, and stress management sessions were conducted to 148 participants from four different institutions: MMDA (Community Development Officers), DENR-EMB NCR (Environmental Monitoring Officers), Manila Public Elementary Schools and High Schools (Teachers).

Health

ICTSI Foundation continued support for health institutions by providing personal protective equipment, medical supplies, laptops and printers to Manila Health Centers located in districts 1, 3, 5, and 6. These four districts provide services to more than 1 million residents. For Cagayan de Oro, a Medical Mission catering to 300

residents was held in Brgy. Cugman. In General Santos City, medical supplies were provided to four barangays – Katangawan, Batomelong, Upper Lagay and Tinagacan serving around 30,000 residents.

Outreach

In December 2022, the Foundation revitalized the ICTSI Employee Volunteerism Program and reached out to 1,814 disadvantaged beneficiaries of the following institutions in Manila, Calamba, Bauan and Cagayan De Oro. Around 200 ICTSI employees participated in giving gifts (Christmas Wish Tree) and joining the Christmas Outreach Activities. The following are the list of institutions chosen for the year:

- Concordia Children’s Center, Sta. Mesa, Manila
- Good Shepherd, Quezon City
- Upskills+, Tondo, Manila
- Open Heart Foundation, Fairview, Quezon City
- Bless the Children, Tondo, Manila
- Better World Tondo, Manila
- Senior Citizen’s Association of San Andres I, San Juan and San Roque, Bauan, Batangas



- PWD Association of San Cristobal, Calamba, Laguna
- Calabrian Children’s Foundation in Cagayan de Oro.

Environment Protection

ICTSI Foundation stand by its three-pronged approach in environmental protection: technology development, ecosystem restoration and waste reduction. It continued collaboration with environmental conservation research and technology development organizations despite setbacks caused by the pandemic.

Technology Development and Waste Reduction

Partnership with Diliman Science Research Foundation in developing a portable ballast water management device under the DOST-SAILS program pushed through with the on-going device fabrication at the University of Cebu College of Engineering and will be scheduled for testing at Cebu and MICT.

Partnership with Finland-based RiverRecycle still continued as the pandemic brought about challenges to the development and assembly of the initial waste collecting device intended to collect plastic waste at the mouth of Pasig River.

The Parola EcoPatrols project continued the collaborative involvement of 78 informal leaders in Brgy. 20 and 275 (including Isla Puting Bato) as they maintain cooperation of residents in implementing proper household waste collection and disposal.

Ecosystem Restoration

The Victoria-Anepa’an Mountain Range Wildlife Conservation Program in partnership with Katala Foundation gained momentum during the 3rd quarter of 2022 with the multi-stakeholder workshop conducted in Puerto Princesa, Palawan involving DENR-EMB, NCIP, PCSDS, Tribal Council of Brgy. Culandanum. Camera trap study results were presented and validated

during the workshop. The study was also presented during an international forum organized by PCSDS.

In addition, the Foundation partnered with Ramon Aboitiz Foundation, Inc. (RAFI) during the latter part of the year to jumpstart the One to Tree Program in Luzon. The program partnership launched in Balayan and Tuy, Batangas aims to utilize 56 hectares of awarded farmlands for growing 45,000 fruit-bearing and timber trees.

Similar tree-growing projects were also initiated in Cagayan De Oro and Olongapo in coordination with local ICTSI subsidiaries.

The Parola EcoPatrols project continued the collaborative involvement of 78 informal leaders in Brgy. 20 and 275 (including Isla Puting Bato) as they maintain cooperation of residents in implementing proper household waste collection and disposal.

Sustainability and Development Unit (SDU)

At the Manila International Container Terminal (MICT), the Sustainability and Development Unit (SDU) under the Management Services and Government Affairs (MSGA) Department seeks to contribute in the over-all effort of addressing community concerns within MICT's area of operation. Working closely with barangay and community leaders and other government entities

at the terminal's immediate hinterland of Parola and Isla Puting Bato, as well as with non-government-organizations (NGOs), the SDU has implemented several programs and services in the areas of health, education, livelihood, shelter and environment.

For 2022, the MICT SDU was able to conduct and implement 31 programs/projects anchored on the attainment of the Sustainable Development Goals (SDG's) in localizing the interventions toward the development of Parola as a response for the global call of action of the United Nations to champion sustainability. These projects responded to the following community needs and concerns: eight (8) in education, nine (9) in health, one (1) in livelihood and thirteen (13) related to fostering cooperation and participation. The unit was able to serve Barangay 20 and 275 (host communities of MICT), directly benefitting 5,980 individuals and indirectly benefitting 29,900 families.



Education

Eight (8) eight programs/projects were directed towards education; primarily focused on assisting partner organizations and stakeholders are able to adjust to the reopening of face-to-face classes as mandated by the national government. Capacity building and trainings were also provided to other community stakeholders; these were in the topics of road safety and values re-education. Because of ICTSI-MICT’s commitment to upholding the values and importance of Education, ICTSI was cited and recognized by Educational Research and Development Assistance (ERDA) Foundation Inc., as one of the exemplars in advocating for children’s rights and issues. Further, the Pantawid Pamilyang Pilipino Program of the Department of Social Welfare and Development – National Capital Region gave a special recognition to Mr. Rosauro R. Luntayao, Sustainability and Development Manager, and Mr. Cleo Angelo DF. Guevarra, Assistant Manager – Stakeholder Engagement, for providing technical inputs and capacity building training and seminar to the stakeholders of MICT’s host communities.

Health

As our country is moving towards recovery from impact of the COVID19 pandemic, ICTSI responded to the call of the host community for assistance specifically on the rising number of malnourished children in their area. ICTSI initially provided assistance to the local government of Manila through its Health Department in profiling children from Parola; ICTSI donated “Operation Timbang” (OPT) logistics to expedite the identification and targeting of malnourished children and those at the borderline of malnutrition. Height boards, salter scales, mid-upper arm circumference (MUAC) tapes, and office supplies were donated to ensure that the barangays would be able to

saturate all the children in their area of responsibility. On the other hand, ICTSI Foundation Inc., ensured that all identified malnourished, borderline malnourished, and at-risk children are given attention to by funding 6-months supplemental and community-based feeding program. In addition, ICTSI-MICT is a staunch advocate of gender and development, through its Sustainability and Development Unit, women’s health was also given attention too. ICTSI donated family planning options to its partner organization Likhaan Center for Women’s health to provide free maternal and reproductive care services to the residents of Parola community.

Livelihood

Parola communities remain to be one of the densest pocket of poverty in the city of Manila and the socio-economic impact of the COVID19 pandemic was greatly felt by its residents. However, there are also noteworthy individuals who have conquered the challenges of time. There were 50 household beneficiaries of the Pantawid Pamilyang Pilipino Program who were able to have an improved level of wellbeing and were already eligible to exit/graduate from the flagship poverty alleviation program of the government. To complement with the government’s poverty alleviation strategy, ICTSI donated livelihood starter kits to all the exiting households in the hopes that they will not revert back to their pre-program level of well-being.

Parola Inter-Agency Network

Parola Inter-Agency Network (PIAN) is an informal network of organizations who are either the currently engaged in Parola of who are considered as stakeholders of the community. Organized and convened by ICTSI, organizations ensure that convergence, collaborations, and complementation at all levels of program/ project development, implementation, monitoring, and evaluation is observed and respected. This is a community organizing



and development strategy to ensure that there would not be repetition or duplication in the provision of social welfare and development initiatives in the community. The said strategy also minimizes the risk of conflicts arising from beneficiary loyalty and improves community engagement.

Youth Development

Recognizing the need to develop future community leaders and engage one of the largest sectors in the community, ICTSI started its Youth Development

Program in 2022. Aimed at enhancing the civic involvement and volunteerism among the youth of Parola, the program would like to organize the youth towards community development. PIAN member organizations were allowed to recommend youth members who have presented exemplary leadership skills and has that desire to further contribute to community development. With 50 pioneer members, now, the youth development program has 80 active members who participate to various PIAN initiated projects and other community development activities.

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ICTSI Foundation, Inc.

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ICTSI Foundation Multipurpose Hall

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Our complete Annual Reports can be viewed or downloaded at www.ictsi.com



A thorough discussion of the Company's sustainability and social responsibility efforts can be found at the 2022 ICTSI Group Sustainability Report and the ICTSI Foundation Accomplishment Report.

MOMENTUM WHERE IT MATTERS

CORPORATE GOVERNANCE REPORT 2022



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