

THE LOGISTICS OF TRANSFORMATION

2023 SUSTAINABILITY REPORT

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ABOUT THE COVER

Even as the Company accelerates its transformative work in port operations—including the greening of logistics and the digitalization of the supply chain—ICTSI remains focused on the broader horizon: developing, operating, and managing ports that bring about positive change and sustainable growth.

Our Butterfly Effect cover art reflects the impact of our principles, policies, practices, and processes. Expressed in every single day-to-day action, decision, or transaction, these act as pivot points that lead to large-scale change.

The layered images speak of the multiplicity of stakeholders we serve, and the spectrum of vital—and evolving—metrics by which we constantly evaluate and calibrate our performance as the world's largest independent global port operator.

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CHAIRMAN'S MESSAGE

We have weathered global economic recessions, navigated geopolitical tides and shifting industries, prevailed through technological and digital disruptions, and emerged stronger from the impacts of volatile environments brought about by climate change. We didn't just adapt. We transformed. Constantly.

Through all these, we have always striven for continuity. Our people remain our greatest asset, not only in driving growth, but in fostering continuity in our business and communities. By aligning with the UN Global Compact, we are able to support human rights, industrial peace, good governance, and environmental responsibility.

To complement our UNGC pledge, we launched our four strategic priorities:

- Act on Climate Change
- Protect Ecosystems
- Ensure the Well-Being of Our People
- Operate According to Responsible Business Practices

“ We didn't just adapt.
We transformed. Constantly.”

Our Climate Change Action Policy will guide the ICTSI Group in achieving reduced emissions. We will continue to invest in cleaner technologies. We are managing our resources from end-to-end through greener sourcing of water and energy, responsible waste management, and the steady reduction of our carbon footprint. The Policy will allow our people to pursue new solutions and scale current initiatives to lower greenhouse gas emissions while advancing collaboration and innovation across all terminals.

In the Americas, four of our terminals in Brazil, Ecuador, and Mexico are now carbon-neutral. Expect more of our ports to achieve the same in the coming years. We are shifting gears towards renewables and alternative fuels, digitizing terminal operations, rolling out green infrastructure and natural solutions, and in helping enhance the flow of logistics and the greater, global supply chain. Through the ICTSI Foundation, we have institutionalized our environment advocacy in biodiversity and the protection of ecosystems.

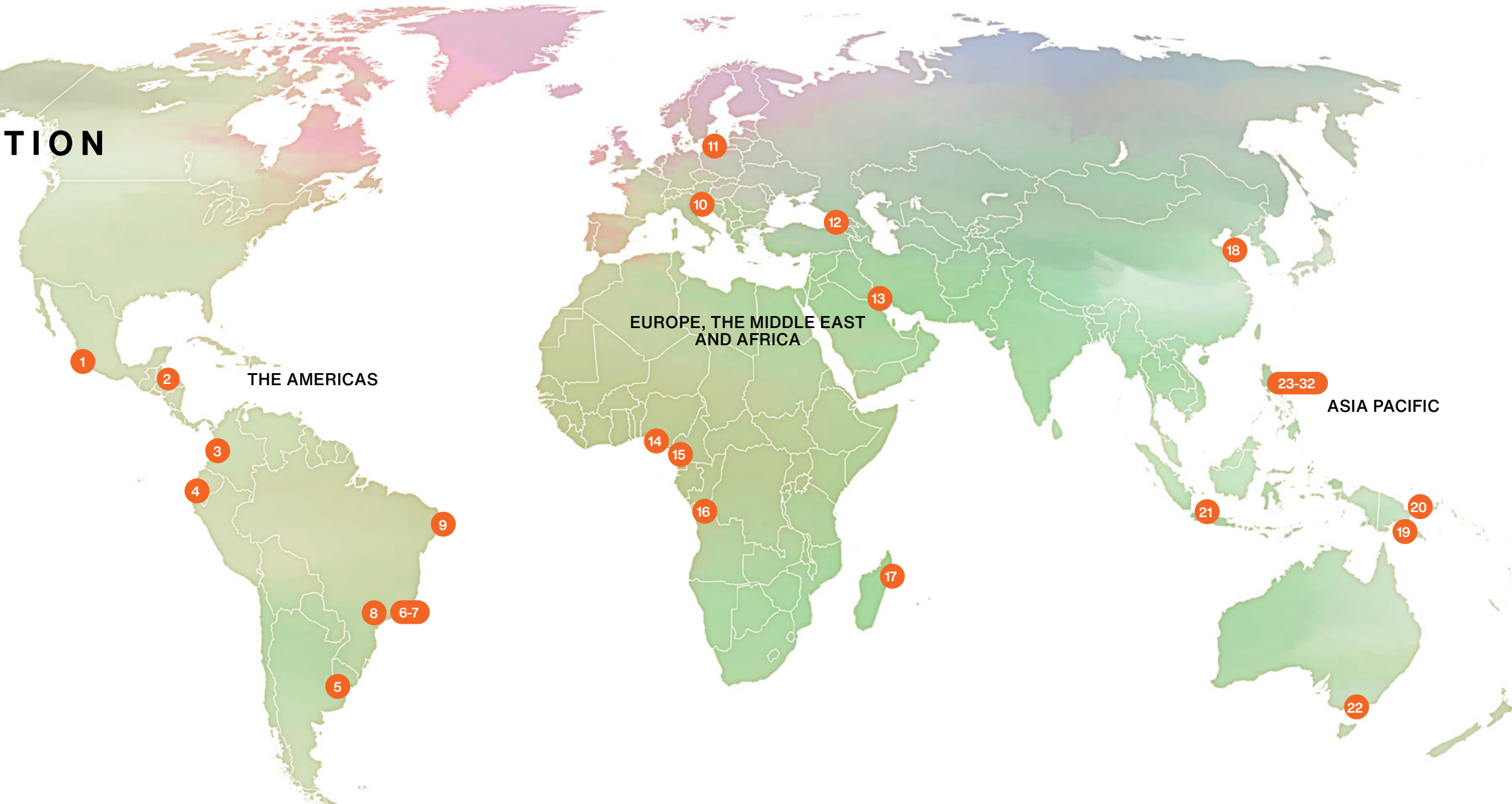
We sustain freedom and dignity of work, secure livelihoods, cultivate safe spaces, and nurture a diverse and inclusive environment for employees. We continue to thrive in a culture that promotes continuous learning, professional excellence, and financial growth. We harness positive relationships with our regulators, partners, customers, stakeholders, and communities.

We aim to make our ports around the world drivers of positive change and sustainable growth. Climate change action, environment protection, people and organization, and good global citizenship are the wings on which our vision takes flight.

(Signed)
Enrique K. Razon Jr.
Chairman & President

THE LOGISTICS OF TRANSFORMATION

GLOBAL OPERATIONS MAP



THE AMERICAS

- 1 Contecon Manzanillo**
Manzanillo, Mexico
- 2 Puerto Cortés**
Cortés, Honduras
- 3 Puerto Aguadulce**
Buenaventura, Colombia
- 4 Contecon Guayaquil**
Guayaquil, Ecuador
- 5 TecPlata**
Buenos Aires, Argentina
- 6 Rio Brasil Terminal**
Rio de Janeiro, Brazil

7 iTracker

Rio de Janeiro and Barra Mansa, Brazil

- 8 CLIA Pouso Alegre**
Minas Gerais, Brazil

- 9 Tecon Suape**
Pernambuco, Brazil

EUROPE, THE MIDDLE EAST AND AFRICA

- 10 Adriatic Gate Container Terminal**
Rijeka, Croatia

- 11 Baltic Container Terminal**
Gdynia, Poland

- 12 Batumi International Container Terminal**
Adjara, Georgia

- 13 Basra Gateway Terminal**
Umm Qasr, Iraq

- 14 Onne Multipurpose Terminal**
Port Harcourt, Nigeria

- 15 Kribi Multipurpose Terminal**
Kribi, Cameroon

- 16 Matadi Gateway Terminal**
Kongo Central, D.R. Congo

- 17 Madagascar International Container Terminal**
Toamasina, Madagascar

ASIA PACIFIC

- 18 Yantai International Container Terminals**
Shandong, China

- 19 Motukea International Terminal**
Port Moresby, Papua New Guinea

- 20 South Pacific International Container Terminal**
Lae, Papua New Guinea

- 21 East Java Multipurpose Terminal**
Lamongan, Indonesia

- 22 Victoria International Container Terminal**
Melbourne, Australia

PHILIPPINES

- 23 Manila International Container Terminal**

- 24 NorthPort**

- 25 Manila Multipurpose Terminal**

- 26 Cavite Gateway Terminal**
Tanza, Cavite

- 27 Subic Bay International Terminals (NCT 1 and 2)**
Olongapo City

- 28 Laguna Gateway Inland Container Terminal**
Calamba City

- 29 Bauan International Port**
Bauan, Batangas

- 30 Visayas Container Terminal**
Iloilo City

- 31 Mindanao Container Terminal**
Tagoloan, Misamis Oriental

- 32 Makar Wharf**
General Santos City

*As of April 15, 2024

OUR PORTFOLIO

EXISTING OPERATIONS

- Manila International Container Terminal (MICT), Manila, Philippines
- Subic Bay International Terminals / Subic Bay International Terminal Corp. (SBITC), New Container Terminals 1 & 2, Subic Bay Freeport, Philippines
- NorthPort / Manila North Harbour Port, Inc. (MNHPI), Manila, Philippines
- Manila Multimodal Terminal (MMT), Manila, Philippines
- Cavite Gateway Terminal, Inc. (CGT), Tanza, Philippines
- Laguna Gateway Inland Container Terminal, Inc. (LGICT), Calamba, Philippines
- Bauan International Port, Inc. (BIPI), Bauan, Philippines
- Mindanao Container Terminal (MCT) / Mindanao International Container Terminal Services, Inc. (MICTSI), Misamis Oriental, Philippines
- South Cotabato Integrated Port Services, Inc. (SCIPSI), Gen. Santos City, Philippines
- Victoria International Container Terminal Ltd. (VICT), Melbourne, Australia
- South Pacific International Container Terminal Ltd. (SPICTL), Papua New Guinea
- Motukea International Terminal Ltd. (MITL), Papua New Guinea
- Yantai International Container Terminals Ltd. (YICTL), Shandong, China
- Operadora Portuaria Centroamericana S.A. de C.V. (OPC), Cortes, Honduras
- Sociedad Puerto Industrial de Aguadulce S.A. de C.V. (SPIA), Buenaventura, Colombia
- Contecon Manzanillo S.A. de C.V. (CMSA), Colima, Mexico
- Contecon Guayaquil S.A. de C.V. (CGSA), Guayas, Ecuador
- Tecon Suape S.A. (TSSA), Pernambuco, Brazil
- TecPlata S.A. (TECPLATA), Buenos Aires, Argentina
- Rio Brasil Terminal (ICTSI Rio) / Libra Terminal Rio S.A., Rio de Janeiro, Brazil
- Adriatic Gate Container Terminal JSC (AGCT), Rijeka, Croatia
- Baltic Container Terminal (BCT), Gdynia, Poland
- Basra Gateway Terminal (BGT) / ICTSI (M.E.) DMCC, Umm Qasr, Iraq
- Batumi International Container Terminal, Ltd. (BICTL), Adjara, Georgia
- Madagascar International Container Terminal Services, Ltd. (MICTSL), Toamasina, Madagascar
- Matadi Gateway Terminal (MGT) / ICTSI DR Congo S.A., Matadi, D.R. Congo

NEW PROJECTS SECURED

- Kribi Multipurpose Terminal S.A. (KMT), Kribi, Cameroon
- Onne Multipurpose Terminal (OMT) / International Container Terminal Services Nigeria Ltd. (ICTSNL), Port Harcourt, Nigeria
- I-Tracker Logística Inteligente / IRB Logística Ltda. (I-Tracker), Rio de Janeiro and Barra Mansa, Brazil
- CLIA Pouso Alegre / Armazéns Gerais Sul das Gerais S.A. (CLIA), Minas Gerais, Brazil
- East Java Multipurpose Terminal / PT East Java Development (EJMT), Lamongan, Indonesia
- Visayas Container Terminal, Inc. (VCT), Iloilo, Philippines

GREENFIELD PROJECT

- Tuxpan Maritime Terminal (TMT), Veracruz, Mexico

OUR SUSTAINABILITY JOURNEY

FROM HUMBLE BEGINNINGS TO GLOBAL IMPACT

From a single Philippine terminal to a global network across six continents, our story at International Container Terminal Services, Inc. (ICTSI) is one of transformation. Today, we're not just the world's largest independent port operator; we're a partner in fueling economic growth and sustainable development for nations and communities worldwide.

Building partnerships around efficient, sustainable gateway terminals lies at the heart of our journey. We collaborate with governments to revitalize maritime infrastructure through long-term concession agreements or public-private partnerships (PPP). We leverage our expertise to boost trade, reduce environmental impact, and create shared value for every stakeholder.

Incorporated in 1986 and listed on the Philippine Stock Exchange since 1992, our Company is headquartered at the ICTSI Administration Building, Manila International Container Terminal, South Access Road, Port of Manila, City of Manila, Philippines.

As of end 2023, our network spans 32 terminals in 19 countries across Asia Pacific, the Americas, and Europe-Middle East-Africa (EMEA). With over 9,865 dedicated employees, we remain committed to operational excellence and sustainable development.

Our purpose as a business transcends merely handling cargo. We envision a future where ports are catalysts for prosperity, driving global logistics with innovation and responsibility. Through strategic partnerships, we aim to connect the world sustainably, leaving a lasting positive impact on people and planet.



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 economies. Our five values guide our behavior and form the foundation of our purpose:

- RESPECT FOR ALL.** We place the utmost importance on safety, community, and diversity. The well-being and health of all our stakeholders are our number one priority. We strive to have the highest standards to ensure our people and stakeholders are safe, respected, and treated fairly.
- TRUST.** We lead with integrity, respect, and compassion for our people, partners, communities, and our environment. We take great pride in working responsibly to earn trust and keep it.
- COLLABORATION.** We are a diverse and inclusive company working together and exploring new ways of doing things to deliver the best possible outcome for all stakeholders. As a responsible business, we embrace equality of opportunity and empower all our people to adapt, collaborate, and innovate across borders.
- TENACITY.** Our people work tirelessly with utmost determination to achieve their goals and deliver on commitments to partners, shareholders, host communities, and the environment.
- PASSION.** We are pioneers in an industry with deep linkages to the host economies and communities 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 shareholders.



• PUBLIC SECTOR / GOVERNMENTS

Beyond compliance with laws and regulations, we establish cooperation and mutual support with the local and national authorities.

• HOST COMMUNITIES

We take pride in sustaining a shared purpose with the populace in our proximity as we work with them for the common good.

• SHAREHOLDERS AND CREDITORS

Efficiency, value creation and growth are top-of-mind matched with a commitment to innovation and sustainability.

• PORT USERS

More than just passing through, our customers form the strongest link in a value chain that embraces the world. The efficiency and reliability of our services ensure that their businesses grow.

• TRADE UNIONS AND INDUSTRY ASSOCIATIONS

We protect the livelihood and well-being of the people we work side-by-side with on a daily basis as we rely on our partners to keep our industry moving.

• EMPLOYEES

It's not the machines, but our people, who do the heavy lifting, ensuring the continuous improvement of our processes, services, and initiatives. In turn, the company supports their development, safety, and well-being.

• SUPPLIERS

We don't complete our businesses and services in isolation. A circle of suppliers supports us, and together we build on mutual trust, collaborative worth, and a shared goal.

A LEVER FOR VALUE CREATION

Each ICTSI terminal represents a powerful tool for generating value. Our focus is on providing cargo handling and related services within the transportation industry, and we have built a portfolio of marine and inland gateway terminals in both mature and emerging markets. These terminals have annual throughputs ranging from 50,000 TEUs to 3.5 million TEUs.

Behind every lift we perform, value begets value as the worth we create for our stakeholders links to the service we contribute to the industry.

We accomplish positive and transformative impacts for our people, host communities, and various stakeholders through the practical outworking of sustainability principles enabled and magnified by innovation and digital transformation.

We take a long view of value creation with port partnership agreements that cover long-term concessions—17 years on average. In the daily operational context of our terminals, we are a “pure ports” player, a truly independent international port business with no shipping or consignee-related interests able to work and transact transparently with any stakeholder in the port community.

We serve commercial customers and port users such as shipping lines, cargo owners and shippers, landside (port hinterland) logistics players and independent brokers, along with freight forwarders, especially trucking companies and truck drivers; government agencies, primarily customs authorities in the territories where we operate; and industry groups such as trucking associations with satellite offices or operations within the port premises.

2023 PERFORMANCE HIGHLIGHTS

2022 **2023**

REVENUES FROM OPERATIONS
(Gross revenues from port operations)

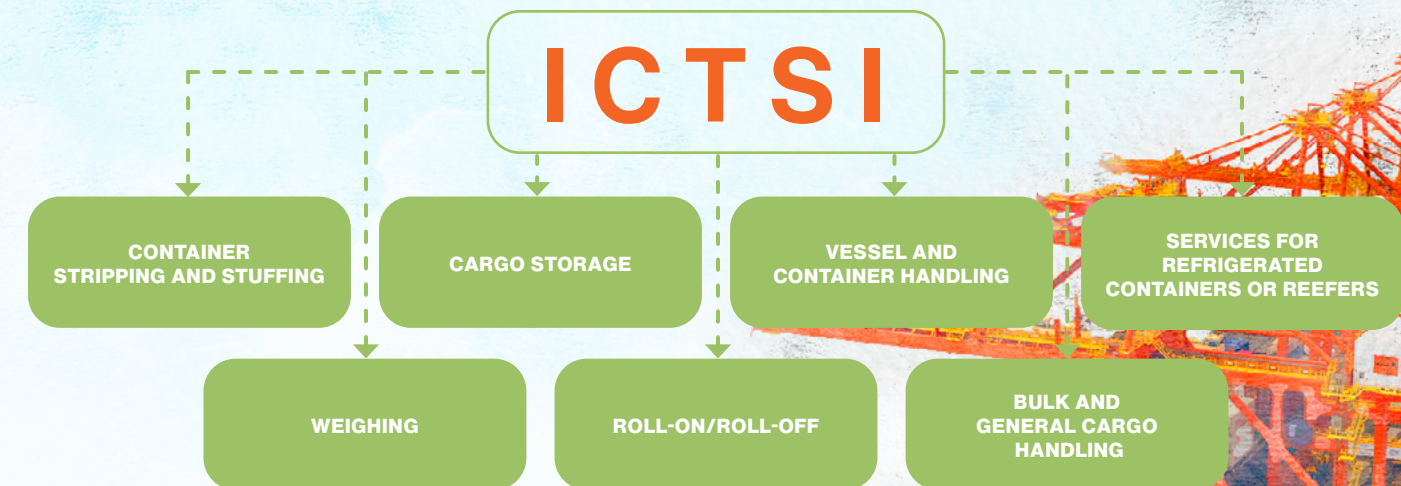
USD2.24 **USD2.39**
BILLION BILLION

TOTAL CARGO HANDLED
12,216,190 **12,749,214**
TEUs TEUs

TOTAL CAPITALIZATION

DEBT
USD2.47 **USD2.17**
BILLION BILLION

EQUITY
USD1.73 **USD1.91**
BILLION BILLION



OUR ESG STRATEGY

Our world stands at a critical juncture, facing escalating climate challenges, environmental degradation, and widening social disparities. As stewards at the critical intersection of land and sea, ICTSI recognizes the

profound impact ports have on both planet and people. We believe true progress demands a sustainable future, where economic growth thrives in harmony with environmental responsibility and social well-being.

Driven by Our Purpose, ICTSI champions four key sustainability priorities aligned with stakeholder needs and the UN Sustainable Development Goals (SDGs). These priorities guide our ESG Strategy, directing actions to continuously improve performance and create lasting value. This unwavering commitment fuels our pursuit of responsible growth and shared prosperity for generations to come.

At the heart of this strategy lies a deep commitment to Good Global Citizenship. We work hand-in-hand with our host communities, understanding their needs and tailoring solutions for lasting positive impact. This collaborative approach, guided by a robust global framework, ensures long-term value for all stakeholders and fosters a more sustainable future.



ACT ON CLIMATE CHANGE



We pledge to significantly reduce our carbon footprint optimizing energy efficiency, technology adoption, transitioning to renewable energy sources, and fostering supply chain collaboration. By optimizing operations and investing in cleaner technologies, we aim to be a leader in sustainable port development.

PROTECT ECOSYSTEMS



Recognizing the delicate balance of our shared environment, we are committed to safeguarding precious ecosystems and biodiversity. This includes responsible water management, minimizing pollution, and proactively conserving natural habitats within our operational areas and in critical areas where we can make an impact.

ENSURE THE WELL BEING OF OUR PEOPLE



Our people are the heart of ICTSI. We are dedicated to fostering a safe, inclusive, and rewarding work environment that empowers individuals and their communities. This encompasses health and safety, decent work and economic growth, and equality, diversity and inclusion.

OPERATE ACCORDING TO RESPONSIBLE BUSINESS PRACTICES



As a responsible corporate citizen, we uphold the highest ethical standards in all our operations. This includes transparent governance practices, anti-corruption measures, and a commitment to fostering positive relationships with our supply chain, stakeholder groups, and local communities.



DRIVING SUSTAINABILITY THROUGH PRUDENT LEADERSHIP

At the heart of our commitment to sustainability lies a robust governance framework that upholds best practices and sets a precedent for responsible business conduct.

ESG Committee: Anchored in oversight and accountability, the ESG Committee, comprised of two Independent Directors and a Non-Executive Director, convenes periodically to review and address the Company's ESG issues, risks, and concerns, with a focus on environmental impact, social responsibility, and corporate governance. Chaired by former Philippine Supreme Court Chief Justice Diosdado M. Peralta III, this committee meticulously reviews ESG policies, targets, and achievements, steering the Company towards the attainment its sustainability commitments. Moreover, the ESG Committee is responsible for reviewing the Sustainability Report, and endorsing the same to the Board for approval, ensuring transparency and accuracy in our reporting practices. This Sustainability Report was approved during the meeting of the Board on February 28, 2024.

The Chief Sustainability Officer (CSO): In recognition of the paramount importance of sustainability, the Board of Directors established the office of the Chief Sustainability Officer in June 2022. Christian R. Gonzalez, concurrently serving as Executive Vice President, Compliance Officer, and President of the ICTSI Foundation, was appointed to this pivotal role. As the CSO, Mr. Gonzalez advocates for ESG principles throughout the ICTSI Group, overseeing sustainability strategies and initiatives to ensure alignment with the Company's Purpose and Values.

Global Sustainability Team: Driving synergy across departments, the Global Sustainability Team draws expertise from our Global Corporate Investor Relations, Legal Affairs and Public Relations departments. This diverse team exemplifies our collaborative approach to sustainability, leveraging unique perspectives to drive progress. Arthur R. Tabuena, leveraging his experience as Treasury Director and Head of Investor Relations, currently leads this critical function.



Sustainability Champions: Comprising senior executives and management personnel at the Corporate level, the Global Sustainability Champions provide strategic oversight on key material issues, aligning ICTSI's ESG objectives with business strategy, and identifying and mitigating ESG risks and opportunities. Terminal Champions, on the other hand, also play a pivotal role in executing and reporting ESG initiatives at business units.

This collaborative approach on ESG Governance ensures that our sustainability efforts are data-driven, transparent, and impactful, contributing to a more sustainable future for generations to come.

ICTSI terminals stand as engines of economic growth, not just within their immediate vicinity but across entire global trade networks. Our core business lies in providing exceptional cargo handling and related services, with a network of marine and inland terminals spanning both established and emerging markets. Ranging in size from handling 50,000 TEUs to 3.5 million TEUs annually, these terminals represent more than just physical infrastructure; they are hubs where value creation goes beyond traditional metrics, encompassing the six capitals of natural,

manufactured, human, social, financial, and intellectual capital.

Our commitment extends beyond immediate gains. As a "pure ports" player, we operate with complete independence, engaging transparently with every member of the port community. This synergy ensures that every container movement creates a ripple effect of shared value, fostering prosperity for our business, the communities we serve, and the environment we collectively depend on.

However, our vision extends beyond internal benefit. We recognize the interconnectedness of our operations with the global community and strive to actively contribute to a more sustainable future. This commitment takes shape through our well-defined sustainability agenda, which aligns seamlessly with the United Nations Sustainable Development Goals (SDGs). Through our aligned efforts, we aim to not only ensure the prosperity of our business, but also contribute to a healthier planet and a more equitable future for all. We believe that by collaborating and striving towards these shared goals, we can create a more sustainable and prosperous world for generations to come.



CORPORATE COMMITMENTS

Sustainable Development. Sustainability is a core principle ingrained in our operations and in our collaborations with host economies. For over three decades, we have been at the forefront of creating transformative ports that not only drive economic growth but also prioritize environmental stewardship and community well-being.

Our commitment to sustainable development operates on parallel tracks: global corporate policies and programs, projects conceptualized and implemented by individual ports, and efforts that are

either spearheaded or supported by our social responsibility arm, the ICTSI Foundation. In recent years, our Philippine operations have embraced the ICTSI Employee Volunteerism Program (IEVP)—a testament to our dedication to community engagement. This program supports corporate, port, and Foundation projects, creating a positive ripple effect.

Across our organization, we strive for increasingly sustainable operations, aiming to expand and intensify positive impacts anchored on ICTSI's ESG Strategy.

Sustainability and Governance. We firmly believe that robust corporate governance forms the bedrock of enduring business sustainability. Our structured framework encompasses crucial areas such as general management, information systems, risk management, reliable financial and operational information, and the pursuit of cost-effective and profitable business operations.

We emphasize adherence to contractual obligations and compliance with the laws, rules, and regulations prevailing in the territories where ICTSI operates. Our commitment extends beyond mere compliance by embedding international standards into our day-to-day operations, including those set by the International Maritime Organization (IMO) and the International Organization for Standardization (ISO).

Committed to integrating sustainability principles more systematically and deeply into strategic visioning, planning, and execution—creating a positive impact across operations, borders, and generations—we have fully entrenched, since 2020, our Board-Level Sub-Committee on Environment, Social, and Governance (ESG) issues.

United Nations Sustainable Development Goals (UN SDGs). Guided by the enduring principle of sustainability and our belief in "the value of the long view," we are steadfast in ensuring that our operations and transactions align with the principles of Good Global Citizenship.

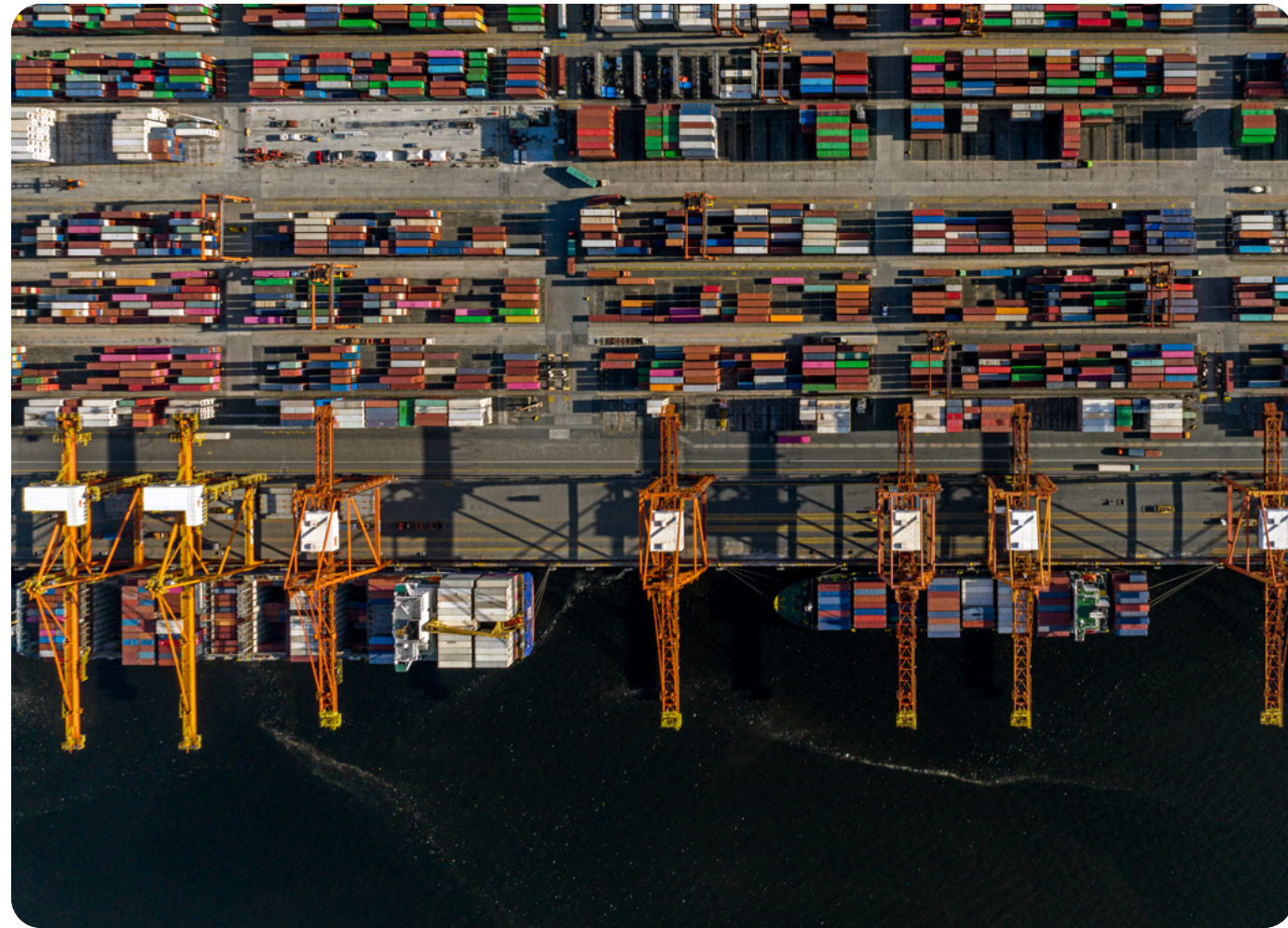
ICTSI has proactively seized opportunities to contribute to the United Nations Sustainable Development Goals (SDGs). These endeavors span a diverse spectrum, including:

- Supporting national and regional goals through trade facilitation, especially in developing markets. To these ends, ICTSI creates and constantly upgrades major maritime port infrastructure, bringing world-class efficiencies to ports (SDG 1 and 8)

- Pioneering—especially in developing/emerging markets—in instituting international standards in labor, health and safety, and security; introducing technologies and innovations; and, establishing quality, environmental, and other management systems (SDG 3, 8, 9, and 16)
- Greening operations: welcoming opportunities to either develop livable port cities, or re-establish existing port facilities in new sites outside of city limits, or utilize utilizing planning and technology to better manage aspects of the container flow (SDG 12 and 13)
- Promoting gender equality and women empowerment in the workplace by creating a safe and inclusive work environment that promotes diversity and inclusion, and equal opportunities for women in recruitment, promotion, and leadership positions (SDG 5)
- Creating inclusive growth and sustainable economic opportunities in the communities where it operates through local hiring and procuring from local businesses, as well as partnering with local companies, organizations, and governments to achieve sustainable development goals (SDG 10 and 17)

In addition to these efforts, the ICTSI Global Corporate Office, the Subsidiaries, and the ICTSI Foundation have ongoing commitments to communities and marginalized sectors: providing access to quality education, training in employable skills, and technical-vocational facilities; ensuring clean water, health services, and sanitation; and, providing environmental education and ecological solid waste management-based livelihood opportunities, among others (SDG 1, 3 and 4).

United Nations Global Compact (UNGC). ICTSI proudly joined the UN Global Compact on February 14, 2023, solidifying our dedication to responsible business practices. We are steadfast in upholding the 10 Business Principles of the Global Compact, safeguarding human rights and avoiding complicity in abuses.



Our commitment goes beyond membership. In 2020, we have already taken decisive action by officially launching "Our Global Principles on Human Capital," a public commitment embedding the principles of respect for human rights, diversity, and fair labor practices into our day-to-day operations.

ICTSI is diligently working towards submitting our first Communication on Progress by 2024, showcasing our alignment with UNGC standards and ongoing initiatives.

In the Philippines, ICTSI remains actively engaged with the UNGC, collaborating on initiatives such as the Ocean Stewardship Coalition. Through these collaborative efforts, we aim to contribute to a more sustainable and equitable future, both locally and globally.

Ethical and Responsible Supply Chains: At ICTSI, we uphold a steadfast commitment to ethical and responsible procurement practices throughout our global supply chain. In October 2022, we introduced a Supplier Code of Business Conduct, setting forth stringent expectations for suppliers that go beyond mere legal requirements. This comprehensive code promotes responsible practices and underscores our unwavering dedication to integrity.

In addition to the Supplier Code, we enforce mandatory anti-corruption and anti-bribery clauses in all supplier contracts, further fortifying our commitment to ethical conduct and transparency across our operations. By adhering to these rigorous standards, we ensure that our supply chain operates with the highest levels of integrity and accountability, ultimately contributing to sustainable business practices and positive societal impact.

Both policies are publicly available on our website, transparently demonstrating our commitment to ethical partnerships.

PARTICIPATION IN EXTERNAL INITIATIVES

Global Reporting Initiative (GRI). The Company first adopted the GRI Standards in 2017 to enable us to report on our various sustainability initiatives, and continue to use the GRI Standards for this report.

Global Shipping Business Network (GSBN). In 2024, ICTSI joined the GSBN, a neutral, not-for-profit consortium whose mission is to enable paperless, accessible and sustainable growth in global trade with its data infrastructure and ecosystem of partners. By integrating with GSBN's secure and transparent infrastructure, we empower our customers with seamless real-time access and exchange of vital transactional information throughout the supply chain, as well as supporting the shipping industry's decarbonization transition.

International Maritime Organization (IMO). ICTSI ports are compliant with the regulations set under the IMO's International Ship and Port Facility Security Code (ISPS Code).

International Convention for the Safety of Life at Sea (Solas Convention). In compliance with the Amendment on Verified Gross Mass Requirement, ICTSI provides weighing facilities.

International Organization for Standardization (ISO). Several ICTSI ports are certified compliant with at least one type of ISO standard.

United States Department of Energy National Nuclear Security Administration Megaports Initiative. Post-9/11 terror attacks, ICTSI's flagship MICT was equipped with technologies (such as radiation portal monitors and handheld detection devices and with training

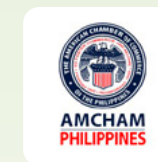
and support) to detect weapons of mass destruction.

ASEAN Business Advisory Council. ICTSI is a member of the ASEAN Business Advisory Council – Philippines chapter. ICTSI President and CEO Enrique K. Razon Jr. is a member of the ASEAN Business Club.

United States Bureau of Customs and Border Protection Container Security Initiative. The Company cooperates with a security regime that helps ensure all containers that pose a potential risk for terrorism are identified and inspected at foreign ports before they are placed on vessels destined for the United States.

MEMBERSHIPS

ICTSI collaborates with the following associations, voluntary organizations and initiatives.



ABOUT THIS REPORT

In our seventh year of sustainability reporting, we are pleased to present the International Container Terminal Services, Inc. (ICTSI) Sustainability Report 2023.

Anchored on the theme “The Logistics of Transformation,” this edition provides an even more comprehensive attestation of our long-term commitment to sustainability. In this report, ICTSI strengthens disclosures on ESG, in line with its responsibilities to identify, measure, and manage its impacts across areas of operations. Apart from a macro view of the Company’s sustainability priorities, initiatives, and performance, this edition covers 30 currently operational ICTSI ports, out of our expanding roster of 32 terminals.

ICTSI has streamlined the discussion of its material issues into four impact areas: Environment, Economy, Social, and Governance (EESG). This edition primarily contains data for the calendar year 2023. Where necessary, information from other years may be cited to provide context. However, 2023 remains the primary reference year for sustainability data.

This report also tracks the Group’s progress and contributions to the United Nations Sustainable Development Goals (UN SDGs), as in previous editions. We continue to align our sustainability reporting with evolving regulations and stakeholder interests through our materiality assessment process.

This report constitutes a Group-wide effort built through the cooperation and collaboration of all ICTSI business units. All information in this report were prepared and reviewed by our Global Sustainability Team, composed of the Global Corporate Investor Relations, Legal Affairs and Public Relations departments, and under

the supervision of our Executive Vice President, Compliance Officer and Chief Sustainability Officer, Mr. Christian R. Gonzalez. The Board of Directors, through the ESG Committee, has approved this report for publishing.

FRAMEWORK AND STANDARDS

ICTSI has reported in accordance with the Global Reporting Initiative (GRI) Standards. Launched in 2017, it is one of four globally accepted frameworks allowed by the Philippine Securities and Exchange Commission (SEC) for sustainability reporting of publicly listed companies.

This report was prepared following the Universal Standards 2021 as a guidance to determine report content and quality, including stakeholder inclusiveness, materiality, clarity and accuracy. Indicating data on the GRI Topic-Specific Standards and Topic-Specific Disclosures as based on the 2023 operations of the 30 terminals covered.



Ports covered in this report:

- | | | |
|--|--|--|
| 1. Manila International Container Terminal (MICT), Philippines | 10. East Java Multipurpose Terminal (EJMT), Indonesia | 21. IRB Logistica (IRB), Brazil |
| 2. Manila NorthPort (MNHPI), Philippines | 11. Yantai International Container Terminals (YICT), China | 22. TecPlata (TECPLATA), Argentina |
| 3. Manila Harbor Center (MHCPsi), Philippines | 12. Motukea International Terminal (MIT), Papua New Guinea | 23. Baltic Container Terminal (BCT), Poland |
| 4. Subic Bay International Terminals (SBITC), Philippines | 13. South Pacific International Container Terminal (SPICT), Papua New Guinea | 24. Adriatic Gate Container Terminal (AGCT), Croatia |
| 5. Cavite Gateway Terminal (CGT), Philippines | 14. Victoria International Container Terminal (VICT), Australia | 25. Batumi International Container Terminal (BICT), Georgia |
| 6. Laguna Gateway Inland Container Terminal (LGICT), Philippines | 15. Contecon Manzanillo (CMSA), Mexico | 26. Basra Gateway Terminal (BGT), Iraq |
| 7. Bauan International Port, Batangas (BIPI), Philippines | 16. Puerto Cortes (OPC), Honduras | 27. Onne Multipurpose Terminal (OMT), Nigeria |
| 8. Makar Wharf, Port of General Santos (SCIPSI), Philippines | 17. Puerto Aguadulce (SPIA), Colombia | 28. Matadi Gateway Terminal (MGT), D.R. Congo |
| 9. Mindanao Container Terminal (MICTSI), Philippines | 18. Contecon Guayaquil (CGSA), Ecuador | 29. Kribi Multipurpose Terminal (KMT), Cameroon |
| | 19. Tecon Suape (TSSA), Brazil | 30. Madagascar International Container Terminal (MICTSL), Madagascar |
| | 20. Rio Brasil Terminal (RBT), Brazil | |



To ensure alignment with global best practices for climate change reporting, we will highlight our progress in meeting the International Sustainability Standards Board's IFRS S2 standards.

We continue to review and realign our Sustainability Reporting Framework, considering emerging issues, the interests of stakeholders, and our environmental, social, and governance performance.

MATERIALITY

Our Materiality Assessment – Scope, Process, and Approach

Our process of defining material topics emanates from a wider set of stakeholder engagement processes. We engaged an independent external consultant to identify 22 key issues that were material to our stakeholders through a multi-step materiality assessment, actively inviting selected groups to give us feedback on a range of topics on environmental, social, or governance issues related to our businesses and stakeholders. The data inputs used are weighted to balance internal and external perspectives. Qualitative analysis is applied to determine the relative significance of an issue to the business compared to external stakeholders.

The results have provided an avenue for key material issues to be identified, carefully assessed, and ranked based on impact on the economy, environment, and society as a consequence of business and stakeholder interest.

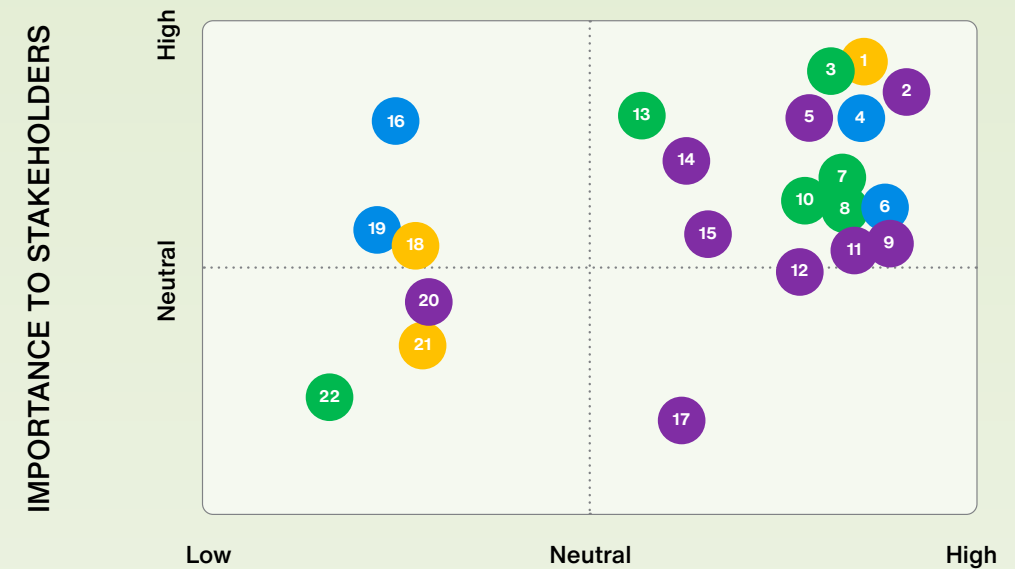
Further findings from the materiality assessment and stakeholder survey were analyzed for each stakeholder group and plotted based on the significance of economic, environment and social impacts in our materiality matrix. The material issues were classified as high-, neutral- and low-impact based on the materiality assessment from our stakeholders.

The materiality identification and assessment process involved the following:

- Establishing the materiality assessment framework, including reviewing the definitions of a preliminary list of material issues and assessing them against industry-accepted definitions
- Conducting a desktop assessment of internal and external documents provided/published by International Container Terminal Services, Inc. (to understand the relative importance of the preliminary material issues list)
- Conducting a materiality assessment survey responded to by ICTSI personnel where they voted on the significance of the initial listing of material issues for International Container Terminal Services, Inc. and as a proxy for stakeholders
- Arriving to a final materiality matrix combining the desktop assessment and the materiality assessment workshop results
- Validating the top material issues with ICTSI management

To gain a deeper understanding of our stakeholders' priorities, we are expanding our materiality assessment to include our customers and suppliers starting with the 2024 reporting period. This will help us better identify and address our key economic, environmental, social, and governance impacts.

MATERIALITY MATRIX



SIGNIFICANCE OF ECONOMIC, ENVIRONMENTAL AND SOCIAL IMPACTS

HIGH IMPACT	NEUTRAL IMPACT	LOW IMPACT
1 Governance, Ethics and Compliance	10 Water management	20 Customer data privacy and security
2 Safety and well-being	11 Learning and development	21 Responsible Tax Management and Payment
3 Emissions and Climate Change	12 Diversity and Equal Opportunity	22 Materials stewardship
4 Economic Performance	13 Biodiversity	
5 Community relations and initiatives	14 Employee Engagement	
6 Digital Transformation	15 Managing Customer Relationship	
7 Managing waste	16 Sustainable supply chain	
8 Energy Efficiency	17 Local hiring	
9 Talent Acquisition and Retention	18 Government engagement	
	19 Indirect economic impact	



MATERIAL SUSTAINABILITY ISSUES

Materiality Matrix

This matrix outlines our material issues, as assessed by the interest of ICTSI stakeholders on the issue (y-axis), and the impact of the issue to/from International Container Terminal Services, Inc. (x-axis).

- The findings reflect the perspectives of ICTSI's internal and external stakeholders and our activities' economic, environmental, and social impacts. The process identified 22 material sustainability issues as part of our materiality assessment in 2022.
- Of those, the highest-ranked sustainability issues for our stakeholders are 1) Governance, Ethics and Compliance,

SDGs mapping to key material issues¹

Category	Key Material Issues (according to rank)	Relevant SDGs
Governance	1. Governance, Ethics and Compliance	16 PEACE, JUSTICE AND STRONG INSTITUTIONS
Social	2. Safety and well-being	3 GOOD HEALTH AND WELL-BEING
Environment	3. Emissions and Climate Change	12 RESPONSIBLE CONSUMPTION AND PRODUCTION, 13 CLIMATE ACTION
Economy	4. Economic Performance	8 DECENT WORK AND ECONOMIC GROWTH, 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
Social	5. Community relations and initiatives	16 PEACE, JUSTICE AND STRONG INSTITUTIONS
Economy	6. Digital Transformation	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
Environment	7. Managing waste	12 RESPONSIBLE CONSUMPTION AND PRODUCTION
Environment	8. Energy Efficiency	7 AFFORDABLE AND CLEAN ENERGY
Social	9. Talent Acquisition and Retention	1 NO POVERTY, 8 DECENT WORK AND ECONOMIC GROWTH, 16 PEACE, JUSTICE AND STRONG INSTITUTIONS, 17 PARTNERSHIPS FOR THE GOALS
Environment	10. Water management	6 CLEAN WATER AND SANITATION, 12 RESPONSIBLE CONSUMPTION AND PRODUCTION
Social	11. Learning and Development	4 QUALITY EDUCATION, 5 GENDER EQUALITY, 8 DECENT WORK AND ECONOMIC GROWTH, 10 REDUCED INEQUALITIES
Social	12. Diversity and Equal Opportunity	5 GENDER EQUALITY, 10 REDUCED INEQUALITIES
Environment	13. Biodiversity	15 LIFE ON LAND, 14 LIFE BELOW WATER

¹Key material issues were mapped to the SDGs where an issue would contribute to a target. As a result, other SDGs, which may be related to an issue, were no longer mapped as part of the relevant SDGs for better prioritization.



2) Safety and Well-being, 3) Emissions and Climate Change, 4) Economic Performance, and 5) Community relations and initiatives.

These were followed by 6) Digital Transformation, 7) Managing Waste, 8) Energy Efficiency, and 9) Talent Acquisition and Retention.

We mapped these key material issues to the relevant UN SDGs where we can demonstrate more significant impact to our stakeholders. These support our sustainability strategy, advance ICTSI's Good Global Citizenship and support the achievement of the UN SDGs.

Based on the mapping of material issues via-a-vis the 17 goals of the UN SDGs,

• several goals were identified as being most relevant to ICTSI's key material issues and aligns with our ESG strategy.

• These priority goals are 1 – No Poverty; 3 - Good health and Well-being; 4 – Quality Education; 5 - Gender equality; 6 – Clean Water and Sanitation, 7 – Affordable and Clean Energy, 8 - Decent work and economic growth; 9 - Industry, innovation and infrastructure; 10 - Reduced inequalities; 12 - Responsible consumption and production; 13 – Climate Action; 14 – Life Below Water, 15 – Life on Land, 16 - Peace, justice and strong institutions; and 17 – Partnerships for the Goals.

STAKEHOLDER IDENTIFICATION AND MANAGEMENT

Within the transportation sector, particularly the maritime ports sub-sector, ICTSI operates as a transnational business entity: part of a complex network of direct and indirect port users, and extensive backward and forward linkages of suppliers and clients/customers, respectively. Our Stakeholders Engagement Map outlines the Company’s various specific stakeholders in both the public and private sectors, and within communities and civil society.

NOTES

For clarity and comparability, where data for 2022 and 2023 data for a topic-specific disclosure are both available, these are shown side-by-side. Notes of restatement, derivation processes, limitations, and other clarifications and explanations are shown wherever appropriate.

We excluded terminals whose concession contracts were inactive as of March 2024. These include: MTS in Indonesia (expired January 31, 2023); PICT in

Pakistan (concession reverted June 18, 2023); and OJA in Indonesia (closed February 1, 2024).

While 2022 data on topic-specific disclosures focus on the performance of the 30 organic operating terminals, mention is also made of the sustainability policies, standards, systems, practices, or processes that are already in place in other operations.

We remain focused on the continuous improvement of our data collection and analysis processes. Reasonable care has been exercised in ensuring comprehensive coverage of sustainability issues, impacts, approaches, and initiatives. Equal care has been given to ensure ease of access to data. Online, links are provided to the other ICTSI reports as soon as these are published, and copies duly provided to the relevant report users, including but not limited to shareholders, financial institutions, and regulatory bodies exercising jurisdiction over ICTSI terminals in the Philippines and across the Company’s global operations.

This report contains statements describing the Company’s objectives, projections, estimates, and expectations, which may be “forward-looking statements” within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the company’s operations include, among others, economic conditions affecting demand or supply and price conditions in the domestic and overseas markets in which the company operates, changes in government regulations, other statutes and incidental factor.



STAKEHOLDERS ENGAGEMENT MAP

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

1

ENVIRONMENT

CONTEXT AND COMMITMENTS

The climate crisis represents an existential threat to global economies and communities. As a major player in the global shipping and logistics industry, ICTSI has a responsibility to act decisively. We must reimagine our operations with urgency. This transformation will be disruptive, but we are committed to a course guided by environmental responsibility, sound business practices, and a commitment to our stakeholders.



GROUNDWORK

The challenge is to build the road we must travel on; the work never stops even as we progress. And we must be steadfast as the timeline pushes the threat toward us faster than we could approach it. We must be swift in adopting new technologies, agile in our processes, and expeditious with our solutions.



GAINS

There's no better way to perceive the situation. When it comes to the environment, it's a matter of survival. We work hard and smartly contribute as a global citizen, as members of various local communities and together, as one people for one planet. Beyond this one great human challenge, we could look forward to the transition from sustaining to flourishing.



MOVING FORWARD

Our organization is still just a piece in a complex mechanism, but we are committed to fulfilling our role and accelerating our results. The scope of our responsibility and the weight of our accountability means in the context of the climate emergency, all of humanity's global impact will be greater than the sum of its parts — and in a way, perhaps the butterfly effect where many small movements can change the future.

ACCELERATING OUR CLIMATE ACTION FOR A SUSTAINABLE, NET-ZERO FUTURE

2023 was a pivotal year for ICTSI. It marked a year where we deepened our understanding of the climate crisis, accelerated our climate and environmental ambitions, and made a firm commitment to transforming our business for a net-zero future.

Our resolve is unwavering. We are mobilizing the talent and dedication of our employees worldwide to meet this challenge. Collaboration across our industry is vital, but we recognize the urgency. Climate action demands nothing less than rapid, continuous transformation.

ICTSI understands that one-size-fits-all solutions rarely work when addressing complex challenges like climate change. We tailor our strategies to the distinct cultural, social, and environmental contexts of our host communities. This adaptability maximizes our impact and ensures long-term sustainability.

Time is of the essence. The science is clear – we must advance our net-zero target to limit the worst impacts of global warming. ICTSI will not simply evolve; we are driven by sustained transformation and continuous improvement to deliver the right solutions, swiftly and with precision.

Our legacy of local cooperation will drive a future where collaboration fosters climate resilience and a sustainable future for both our company and the communities we are a part of. We are confident that our expertise, dedication, and community partnerships will not only accelerate our progress but establish ICTSI as a force for sustainable change within the industry.

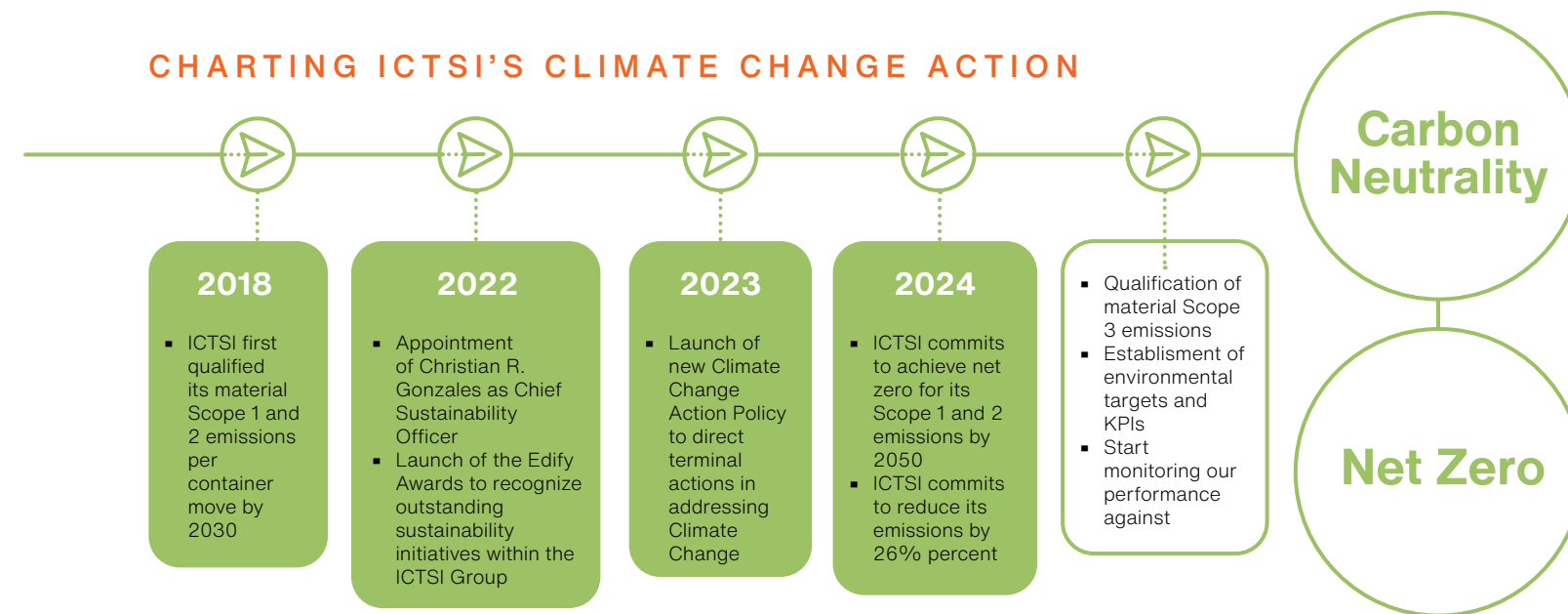
LAYING THE GROUNDWORK FOR A NET-ZERO FUTURE

Our commitment to decarbonization marks a major milestone on our journey to becoming a more sustainable company. We are actively implementing initiatives across our operations to maximize energy efficiency, reduce carbon intensity, and lower our emissions.

In January 2024, ICTSI made a landmark commitment to achieve net-zero greenhouse gas (GHG) emissions for its Scope 1 and 2 emissions by 2050. We further pledged to reduce our emissions by 26 percent per container move by 2030, benchmarked against a 2021 baseline. These ambitious goals align our business strategy with global efforts to limit global warming.

In developing our net-zero roadmap, ICTSI partnered with Jacobs Solutions, Inc., a leading engineering consulting firm. This collaboration enabled 28* of our business units to develop tailored decarbonization strategies over a six-month period. We

CHARTING ICTSI'S CLIMATE CHANGE ACTION



consolidated these terminal-specific plans into a comprehensive global pathway for emissions reduction. Our starting point for reduction efforts is 226,558 tCO₂e for the year 2021, averaging 27 kgCO₂e/move across our global terminal portfolio. 2021 was selected as the baseline year, representing typical post-COVID operations and provides a clear starting point for measuring progress.

Our 2021 baseline analysis revealed several critical insights. Without swift intervention, ICTSI's energy consumption and total emissions (Scope 1 and 2) are projected to increase significantly from 2021 to 2030 by 36 percent and 48 percent, respectively. The overwhelming majority of our emissions (85 percent) come from container handling equipment, with yard cranes / rubber tired gantries (RTGs) being the single largest contributor (35 percent). Reefers, horizontal transport, and quay cranes represent additional major sources. Other elements, such as buildings, lighting and vehicles, have a

comparatively smaller impact (15 percent combined). In 2021, our emissions were nearly evenly split between electricity (50 percent) and diesel (49 percent) use.

Through this exercise, a total of 137 terminal-specific actions have been developed to achieve or exceed ICTSI's 26% reduction goal by 2030. Despite these efforts, due to projected activity growth, our absolute Scope 1 and 2 emissions may still increase by 7 percent relative to 2021 levels.

However, ICTSI is committed to doing more. Recognizing that rubber-tired gantries (RTGs) are a major emissions source, we've committed to purchasing only hybrid RTGs from 2023 onward. Additionally, we're exploring ways to reduce our fuel consumption; although this may slightly increase electricity usage, both will remain below baseline levels. Electrical equipment offers greater efficiency and declining emissions intensity, demonstrating our

PROJECTED CARBON EMISSIONS REDUCTION FROM TERMINAL ACTIONS BY 2030

	ACTION	ICTSI REDUCTION PER MOVE
1	Terminal planning and operation	4.6%
2	Power supply requirements / contracts	2.0%
3	New / updated equipment and infrastructure	13.1%
4	Foundations for the future	0.3%

investment in sustainable solutions and tangible change.

While bold, our 2030 strategy is only a step toward net-zero. We are actively exploring additional measures to accelerate reductions by or beyond 2030, potentially aligning with Science-Based Target pathways for Scopes 1 and 2. Furthermore, we are assessing our entire value chain (Scope 3) and will develop an inventory by 2025, followed by a target review.

Collaborating with external stakeholders and consultants, we rigorously evaluate physical and transitional risks, especially at the Corporate level. This includes assessing how potential effects of climate change, modeled by the Intergovernmental Panel on Climate Change (IPCC), might impact our terminal operations. Examples include sea level rise, extreme weather events, and more severe temperature changes.

To drive climate action within our organization, we have launched a comprehensive Climate Change Action Policy in December 2023. This policy provides concrete steps for our business units globally to align their strategy with the Paris Agreement goals. Key focus areas include optimizing energy efficiency, investing in clean technologies like low-emission equipment and renewable energy; and fostering collaboration with suppliers, customers and partners to reduce their emissions. This policy marks a turning point – from planning to decisive action and tangible results.

As we approach 2030, and ultimately the critical deadline of 2050, we will continually evaluate our progress and conduct a detailed assessment for each of our terminals to guide our actions from mitigation towards adaptation. We'll measure the distance traveled and the impact we generate. ICTSI recognizes the urgent need for transformation: in the context of climate change, this is a matter of survival. Yet, our transition will go beyond necessity – it will be intentional, insightful, and impactful.

CLIMATE REPORTING AT THE NEXT WAVE OF ESG REPORTING

ICTSI's commitment to net-zero emissions by 2050 underscores our dedication to aligning with the International Sustainability Standards Board's (ISSB) global sustainability reporting standards, particularly IFRS S2. As climate-related reporting gains prominence, we remain committed to providing transparent disclosures, enhancing our insights, and ensuring readiness for the impact of climate-related business risks. ICTSI will clearly communicate its objectives and actions over the coming years, ensuring continued alignment with evolving climate regulations.

ROBUST RISK MANAGEMENT FOR CLIMATE RESILIENCE

ICTSI's comprehensive Enterprise Risk Management (ERM) framework systematically identifies, assesses, and

OUR PROGRESS ON IFRS S2

PILLARS	2023 ACHIEVEMENTS
Governance	<ul style="list-style-type: none"> Board-level monitoring and reporting of ESG and climate-related risks and opportunities Adoption of a Climate Change Action Policy to guide terminal actions on addressing climate change
Strategy	<ul style="list-style-type: none"> Launch of a decarbonization strategy as part of our Climate Change Action Initiative across 28 terminals
Risk Management	<ul style="list-style-type: none"> Ongoing integration of climate-related risks within our risk management framework
Metrics and Targets	<ul style="list-style-type: none"> Net-zero commitment for our Scopes 1 and 2 emissions by 2050 Decarbonization reduction of 26 percent per container move by 2030



TECON SUAPE AND RIO BRASIL MARK MILESTONES IN CARBON-NEUTRAL CERTIFICATION



Carbon Neutral Company Certificate



Reforestation initiatives, green equipment deployment, renewable energy utilization, and green investing are the best practices that earned two ICTSI terminals' carbon-neutral certification.

Rio Brasil Terminal (RBT) is the first port terminal in Brazil to receive carbon-neutral certification after completing significant steps toward reducing carbon dioxide (CO2) emissions and addressing associated environmental and health challenges. RBT has reduced its carbon footprint using green equipment and expanded its reforestation projects this year to further bolster its support for the UN Climate Agenda and Brazil's commitment to halve CO2 emissions by 2030. By involving customers and partners in its initiatives, the Company inspires collaboration across the industry and ensures that all stakeholders play a role in achieving a sustainable future. The Brazilian Nature Defense Institute issued the carbon-neutral seal to RBT in time for the 2023 World Environment Day on June 5.

On the other hand, Tecon Suape S.A. in Brazil has been certified as a carbon-neutral company following Associação Brasileira de Normas Técnicas (ABNT) NBR ISO 14064-3:2007 Standards – Greenhouse Gas Emissions Management and PAS 260. Tecon Suape has amplified its efforts to decarbonize its daily operations, prioritizing the delicate balance between sustaining the terminal's high productivity levels and upholding environmental conservation. To reduce its carbon footprint, the company has implemented key measures focusing on enhancing energy efficiency through a system that effectively substitutes conventional electricity with renewable sources. Tecon Suape has also implemented an abatement plan through investments in Clean Development Mechanism (CDM) projects such as the hydroelectric complex Fundão Santa Clara Energy Complex of the Centrais Elétricas do Rio Jordão certified by RINA.

Rio Brasil Terminal and Tecon Suape join Contecon Guayaquil in Ecuador and Contecon Manzanillo in Mexico as the four terminals of the ICTSI Group to achieve carbon-neutral status.

manages risks across our operations, ensuring strategic alignment. We acknowledge that risks cannot be eliminated, but our ERM framework allows us to manage existing and emerging risks within established tolerances.

Climate change risk is a key focus and ICTSI is committed to both adapting to its impacts and reducing our own contributions. ICTSI recognizes the need to adapt to the impacts of climate change, including rising sea levels, extreme weather events, and regulatory changes. Key initiatives include:

- Investment in Resilient Infrastructure: Enhancing the resilience of port infrastructure to withstand climate-related hazards through engineering solutions, such as flood defenses, elevated structures, and stormwater management systems
- Operational Adaptations: Implementing operational measures to enhance flexibility and responsiveness to changing climate conditions, such as diversification of cargo handling, optimization of logistics, contingency planning and Emergency Response Plans, including Operational Guidelines for extreme weather and other catastrophic events
- Stakeholder Engagement: Collaborating with stakeholders, including government agencies, local communities, and industry partners, to develop adaptation strategies, share best practices, and build collective resilience to climate change impacts

ICTSI is also committed to mitigating our greenhouse gas emissions and reducing our carbon footprint. Key initiatives include:

- Transition to Renewable Energy: Increasing the use of renewable energy sources, such as solar and wind power, to reduce reliance on fossil fuels and minimize carbon emissions associated with port operations.
- Efficiency Improvements: Implementing energy-efficient technologies and practices throughout our operations, including equipment upgrades, process optimization, and fuel efficiency measures, to reduce energy consumption and greenhouse gas emissions.
- Emissions Monitoring: Tracking and reporting our greenhouse gas emissions using Key Performance Indicators (KPIs) to measure progress towards emission reduction targets and inform decision-making on mitigation strategies.

ICTSI is continuously exploring other measures to adapt to and mitigate the impacts of climate change, which includes seeking professional assistance. By integrating climate change risk management into our broader ERM

framework and implementing adaptation and mitigation measures, we strive to enhance the resilience, sustainability, and long-term viability of our port operations in the face of climate change uncertainties.

PERFORMANCE AREAS AND POSITIVE RESULTS

ENVIRONMENTAL MANAGEMENT SYSTEMS

ICTSI prioritizes transparent environmental stewardship, with initiatives designed to control and mitigate our impact within host communities. Our commitment is reinforced through policies meticulously reviewed and approved by qualified managers, ensuring compliance with national and international standards.

Beyond port efficiency, the ICTSI Group has been making substantial investments to ensure an environment-friendly supply chain, with the long-term vision of securing 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 Integrated Management Systems which keeps track of our environmental impact among others. Other terminals which achieved the said certification were OJA, PICT, YICT, RBT, CGSA, CMSA, OPC, TSSA, BCT, BGT and MICTSL. Guided by local regulations, all ICTSI ports fulfill their commitments toward mindful consumption and resource use. At the immediate onset, our terminals do have short- and long-term goals on environmental responsibility, which include setting baseline targets, establishing an environmental plan, and reducing resource consumption. Terminals likewise have environmental medium-term goals

including monitoring internal targets, incorporating third party providers in environmental responsibility, efficiency in resource consumption, and improving the environmental management plan.

Data gathered from audits, reports, and KPIs are utilized to inform and strengthen ICTSI's ESG Strategy.

LOWERING CARBON EMISSIONS

Our GHG emission reduction initiatives are not only an environmental and social commitment, but a core business imperative seamlessly woven throughout our broader sustainability efforts. The launch of ICTSI's Climate Change Action Policy underscores this, prioritizing the measurement of GHG emissions across all terminals.

Localized formal policies are in place for 18 out of 28 terminals covering environmental resource management and carbon footprint reduction. The overarching climate change action policy will strategically guide ICTSI towards a sustainable, low-carbon future across terminals. It outlines and sets guidelines for operations, supply chain, and overall business practices to reduce our total GHG emissions.

Even terminals without formal environmental policies actively participate in climate change initiatives for GHG emission control and are working to codify these practices. Currently, 23 out of 28 terminals provide strategic plans outlining their environmental short-, medium-, and long-term goals. The ICTSI Climate Change Action Policy will empower all terminals to develop their own frameworks and roadmaps in 2024, accelerating the achievement of our Scope 1 and 2 GHG reduction targets and our net-zero goal by 2050.

ENVIRONMENTAL TRAINING

To help build port workers' capabilities in environmentally sustainable operations and to advance its environmental advocacies in the port and among host communities, ICTSI conducts 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
- Training on Scope 3 emissions
- 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



MORE INVESTMENTS AT MGT; NEW HYBRID RTGs FOR SPICT

Matadi Gateway Terminal (MGT), International Container Terminal Services, Inc.'s (ICTSI) operation in the Democratic Republic of the Congo, unveiled the first hybrid rubber tired gantries (RTG) in African ports last June, which will increase the terminal's efficiency and productivity while ensuring minimal environmental impact. Powered by a combination of battery and diesel engines, these hybrid RTGs will further improve the terminal's productivity while emitting less greenhouse gas.

On the other hand, South Pacific International Container Terminal (SPICT), ICTSI's operation in the Port of Lae, Papua New Guinea, continued to ramp up operations with the acquisition of two brand new Mitsui hybrid RTGs last October. Powered by a combination of a smaller diesel engine and lithium-ion battery, the Mitsui hybrids will contribute to more efficient landside operation, resulting in faster turnaround time for outside trucks. Additionally, the hybrid mechanism helps reduce the terminal's greenhouse gas (GHG) emissions.



Photo shows delivery of SPICT's new Mitsui hybrid rubber-tired gantries. Acquired in October, the RTGs will help the terminal minimize its greenhouse gas emissions.

ENERGY EFFICIENCY MEASURES

ICTSI prioritizes three major areas where we are able to accelerate our move towards energy efficiency and decarbonization: We are adopting hybrid cargo handling equipment, combining battery and diesel power for significant emission and fuel consumption reductions, upgrading lighting systems to energy-efficient LEDs, and exploring the integration of renewable energy (RE) sources where feasible to minimize our environmental footprint.

These strategic investments in port infrastructure and facilities directly enhance operational efficiency while driving down our environmental impact. This approach has successfully reduced our intensity ratios even as TEU, total moves, and energy consumption have increased.

Our long-term vision involves expanding our fleet of eco-efficient hybrid rubber-tired gantries (RTGs) through new acquisitions and conversions — 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 possible.

We are continuously replacing traditional port lighting systems with LEDs across all terminal portfolio to improve energy efficiency and reduce light pollution. Known for their long lifespan, this translates to cost savings and a smaller carbon footprint.

REDUCED TRAVEL

Part of our action plan for climate change mitigation is operating efficiently. We continue with our new ways-of-working from the lessons learned and best practices implemented since the pandemic. Business travels continue to follow a declining trend. Apart from commercial or material business development purposes, our travel default is “close to zero” resulting in reduced costs and contributing to curbing our carbon footprint.

At our Corporate headquarters, we have enabled a work-from-home policy for employees, which not only led to higher productivity but also contributed to individual lower carbon footprint. This policy ensures our people are knowledgeable and enabled to maintain business continuity during times of uncertainty.

Such new ways of working are enabled by our earlier investments in digital transformation which now in turn supports our initiatives for sustainability, business continuity, and employee well-being.



CONTECON MANZANILLO HANDLES FIRST CARBON-NEUTRAL CONTAINER IN NORTH AMERICA

Contecon Manzanillo S. A. (CMSA) established two precedents in port decarbonization in Mexico with its handling of the first carbon neutral container in North America and as the first point of arrival of a container ship powered by liquefied natural gas (LNG), the first one to ever make a port of call at a Mexican terminal in June.

The 14,806-TEU CMA CGM Liberty represents a key step in reducing greenhouse gas emissions and promoting sustainable maritime transport in Mexico. The vessel’s LNG-powered propulsion represents numerous environmental benefits, achieving a 99 percent reduction in sulfur dioxide emissions, a 92 percent decrease in nitrogen oxide emissions, and a 91 percent reduction of particulate matter (PM10) in emissions.

“This makes us pioneers in the beginning of a new way of mobilizing TEUs. We are happy because we have been lucky enough to work with companies with a really important environmental responsibility,” said José Antonio Contreras, Contecon Manzanillo S.A. chief executive officer.

CMSA was recognized in 2022 as the first port terminal in North America to receive the UNE-14064-3:2019 Carbon Neutral certification.



↑ Javier Moreira, CMA CGM Mexico general director (center, in suit) and Contecon Manzanillo Chief Executive Officer José Antonio Contreras (fifth, from right) celebrate a milestone for Mexico and the terminal along with representatives of the government, CMA CGM Mexico, Walmart de Mexico and Central America, Administrations of the National Port System Manzanillo, Manzanillo port, and other stakeholders.



OMT POWERS UP SUSTAINABILITY: HYBRID REEFER SYSTEM ACHIEVES EFFICIENCY GAINS

Onne Multipurpose Terminal (OMT) championed environmental responsibility and operational efficiency with its innovative hybrid power system for reefer containers. Combining grid electricity and portable panels, OMT achieves remarkable results through the system by reducing diesel consumption drastically, with 1,250 liters saved daily, minimizing cost and environmental impact.



It streamlines waste management by generating fewer scrap materials and oil monthly, improving operations. It also yields a reduction in carbon footprint, with daily CO2 emissions dropping by 3,350 kilograms, promoting cleaner air and mitigating environmental impact.

The new system's success is anchored on data-driven insights. Analyzing terminal load and generator capacity guided the design of bespoke power panels capable of efficiently powering up to 40 reefers via grid electricity. For smaller loads (28 units or less), portable generators seamlessly step in, optimizing energy consumption and cost.

ENVIRONMENTAL CERTIFICATIONS

ISO 14001 Environmental Management System	<ul style="list-style-type: none"> Manila International Container Terminal (Philippines) South Cotabato Integrated Port Services Inc. (Philippines) Pakistan International Container Terminal Ltd. (Pakistan) Contecon Guayaquil SA (Ecuador) Tecon Suape SA (Brazil) Baltic Container Terminal (Poland) Yantai International Container Terminals (China) Contecon Manzanillo SA (Mexico) Operadora Portuaria Centroamericana SA (Honduras) Madagascar International Container Terminal Services Ltd. (Madagascar) Basra Gateway Terminal / ICTSI (ME) DMCC (Iraq) Rio Brasil Terminal (Brazil)
ISO 50001 Energy Management System	<ul style="list-style-type: none"> Baltic Container Terminal (Poland)
ISO 14064 Greenhouse Gases	<ul style="list-style-type: none"> Contecon Manzanillo SA (Mexico) Contecon Guayaquil SA (Ecuador)

RESOURCE USE

ENERGY

One key focus area of our climate change action policy is energy efficiency, which is currently tracked by 17 out of 28 terminals using metrics such as energy or fuel consumption, carbon emissions per container move, and annual reduction in electricity consumption. MICTSL has reduced electricity consumption by using LED lights on the terminal light mats and

the use of fossil energy is now limited through the deployment of electric cars inside the terminal and installation of solar panels on RTGs. The preliminary step of switching from halogen lamps to LED benefited AGCT with 70 percent less energy consumption. And while 11 terminals cited a lack of energy efficiency metrics, all terminals reported initiatives ranging from a shift to solar power and LED, implementation of monitoring systems and creation of long-term strategies for energy efficiency.

Green leadership results in company-wide awareness and action on energy efficiency and decarbonization managed and reported by representatives from all terminals with 26 out of 28 terminals administered by point persons who represent various departments and offices and hold diverse positions such as senior planning engineer, HOE, planning manager, HSSE department, maintenance leaders, environment coordinator, terminal safety champions, pollution control officers and operations staff. Green leadership across

the organization has likewise ensured that all 28 terminals have financial, human and/or technological resources allocated to monitor and enhance power and fuel consumption, human resource enablement, emissions testing, equipment maintenance, GHG calculations, and lighting transition to LED — all fundamental shifts towards responsible energy use.

ENERGY

2022 2023

ELECTRICITY (IN MILLION GJ)					
Total Electricity Consumption (Millions)					
28 TERMINALS		28 TERMINALS		29 TERMINALS	
0.91		0.84		0.84	
FUEL (IN MILLION GJ)					
Diesel			Petrol		
28 TERMINALS	28 TERMINALS	29 TERMINALS	28 TERMINALS	28 TERMINALS	29 TERMINALS
1.74	1.70	1.70	0.02	0.01	0.01
Heavy Fuel Oil			LPG		
28 TERMINALS	28 TERMINALS	29 TERMINALS	28 TERMINALS	28 TERMINALS	29 TERMINALS
0	0	0	0	0	0
TOTAL FUEL CONSUMPTION (IN MILLION GJ)					
28 TERMINALS		28 TERMINALS		29 TERMINALS	
1.78		1.71		1.71	
TOTAL ENERGY CONSUMPTION (IN MILLION GJ)					
28 TERMINALS		28 TERMINALS		29 TERMINALS	
2.69		2.55		2.55	
ENERGY INTENSITY RATIO*					
Energy Intensity Ratio					
28 TERMINALS		28 TERMINALS		29 TERMINALS	
67		61		60	

Notes on fuel and electricity consumption:

- On standards, methodologies, assumptions, and/or calculation tools used: the figure on electricity consumption is the aggregate of the electricity used for the year which were measured/ billed by the respective utility companies. On the other hand, fuel consumption figures were monitored by the Engineering Department.
- Source of the conversion factors used: <http://www.onlineconversion.com/energy.htm>

Notes on energy intensity ratio:

- Total moves (which include actual yard moves) are used to calculate the energy intensity ratio.
- Energy from fuel and electricity are included in the computation of the ratio.
- Energy consumption factored in the computation is limited to consumption within the organization.

EMISSIONS

2022 2023

DIRECT GHG EMISSIONS (SCOPE 1)					
Total Direct GHG Emissions (Scope 1) in Metric Tons of CO ₂ Equivalent					
28 TERMINALS		28 TERMINALS		29 TERMINALS	
130,820		127,272		127,272	
Diesel			Petrol		
28 TERMINALS	28 TERMINALS	29 TERMINALS	28 TERMINALS	28 TERMINALS	29 TERMINALS
129,440	126,538	126,538	1,198	641	641
Heavy Fuel Oil			LPG		
28 TERMINALS	28 TERMINALS	29 TERMINALS	28 TERMINALS	28 TERMINALS	29 TERMINALS
74	10	10	69	61	61
Natural Gas					
28 TERMINALS	28 TERMINALS	29 TERMINALS			
39	22	22			
INDIRECT GHG EMISSIONS (SCOPE 2)					
Total Indirect GHG Emissions (Scope 2) in Metric Tons of CO ₂ Equivalent					
28 TERMINALS		28 TERMINALS		29 TERMINALS	
140,349		131,293		131,361	
GHG EMISSIONS INTENSITY RATIO					
GHG Emissions Intensity Ratio in Metric Tons of CO ₂ Equivalent/thousand moves					
28 TERMINALS		28 TERMINALS		29 TERMINALS	
6.86		6.21		6.10	

Notes on direct (Scope 1) GHG emissions:

- No data available for specific breakdown of gases (by type) included in the calculation (i.e., whether CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, NF₃, or all).
- No data available on Biogenic CO₂ emissions.
- Base year for the calculation is 2021.
- The corresponding emission factor for each type of fuel was used as the conversion factor.
- Consolidation approach for emissions is operational control.
- Standards, methodologies, assumptions, and/or calculation tools used: Total GHG emissions from fleet = (quantity of consumption * emission factor kgCO₂e per unit)/1000.
- Location-based methodology is used.

Notes on indirect (Scope 2) GHG emissions:

- No data available for specific breakdown of gases (by type) included in the calculation (i.e., whether CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, NF₃, or all).
- Base year for the calculation is 2021.
- The corresponding energy factor for the different countries with operations provided by the IEA was used as the conversion factor.
- Consolidation approach for emissions is operational control.
- Standards, methodologies, assumptions, and/or calculation tools used: Greenhouse Gas protocol; electricity end use GHG emissions = (Quantity of consumption * the emission factor)/1000.
- Location-based methodology is used.

Note on GHG emissions intensity ratio:

- The organization-specific metric (the denominator) chosen to calculate the ratio was based on Total Moves (which includes the actual yard moves for the 30 terminals covered).

WATER

Even as water use in our ports is minimal, we continue to pursue initiatives related to its quality, accessibility, and sustainability. We monitor and report on the cycle of water from the source, through sustainable use, to responsible effluent control.

Terminals obtain water from the municipal water supply, local suppliers, or deep wells/underground (boring) sources mainly for

human consumption, commercial use, sewage and equipment cleaning. SPIA and MITL supplement the primary source through the collection and recycling of rainwater. Terminals implement water consumption reduction like switching to tanks instead of direct piping, usage of treated water recirculation systems, and incorporating responsible water use in future building design.

Half of our terminals have policies in place and defined targets for water management in their operations and their effectiveness is evaluated based on a set of KPIs and local regulatory requirements. CMSA implements a Water Savings and Efficient Use Plan in which there are protocols for departments and individuals for the proper use of water.

Twenty-two out of 28 terminals rely on a set of minimum local and international regulations and standards for effluent quality, including those set by environmental authorities. The water used by the terminals is often discharged to the main sewer line where it is treated by a local wastewater plant or a third party and when those local services are not available or feasible some terminals utilize their own wastewater treatment facility. MHCPSI subjects their septic tanks to periodic siphoning; MICTSL utilizes hydrocarbon separators to avoid water pollution; and SCIPSI uses fabricated oil water separators.

Sixteen out of 28 terminals have a system for identifying water-related impacts using varied approaches in the form of Environmental Aspect and Impact Assessment (EAIA), periodic inspections, use of an environmental matrix, and KPIs. Additionally, for terminals such as SCIPSI and RBT, evaluation is carried out under the ISO 14001 methodology and PMA-001 Management of Aspects and Impacts, respectively. SBITC coordinates with the Ecology Department of the Subic Bay Metropolitan Authority and the Department of Environment and Natural Resources while BCT closely cooperates with government institutions, port authorities, and other institutions.



YICT SHORE POWER BOOSTS SUSTAINABILITY AT YANTAI PORT

Following the guidelines of the National Energy Conservation and Emission Reduction Plan of China, Yantai International Container Terminals Co., Ltd. (YICTL) constructed a high voltage inverter shore-to-ship power supply system at berths 51 and 52 in August 2023. The system is equipped with functions such as monitoring, protection, communication, and measurement for shore-to-ship power supply. With a capacity of 2MW and a total investment of US\$543,000, the project was completed on November 30.

Instead of being limited to its fuel power, a vessel can connect to an electricity source which not only helps reduce fuel costs but notably decreases pollution emissions during berthing.

It's a move towards sustainable development for YICTL as the project aims to decrease pollution emissions from vessels during port calls, continuously enhance port service quality and promote the construction of green ports.



WATER

2022 2023

	AVERAGE			TOTAL		
	28 TERMINAL	28 TERMINALS	29 TERMINALS	28 TERMINAL	28 TERMINALS	29 TERMINALS
Total water consumption from all areas in megaliters	32	28	27	897	773	775
Total water consumption from all areas with water stress in megaliters	13	12	12	13	12	12

At the Corporate level, ICTSI is crafting a policy that will govern environmental resource use, including water and waste management.

Water is not just a shared resource that links our ports to local communities and ecosystems. As we reexamine our mindset and reevaluate our sustainability processes to follow through on our climate change action, we rethink how water is an integral implementation area of our policy.

WASTE

At the crossroads of resource conservation, environmental protection and human health is the issue of Waste. At ICTSI, we see how the best way to safeguard our shared limited resources is to responsibly curb consumption, limit disposal, and encourage green practices which is why all terminals conduct waste management activities based on regulatory requirements. Waste management projects receive personnel, budgetary, and technology resource support and are included in the annual budget. Collaboration and project engagement are conducted with external licensed and accredited contractors, and expert organizational partners. Most importantly, we look at the matter of waste management from the individual perspective and behavior to the broader international and local regulatory compliance.

SBITC has initiatives such as banning single-use plastics, joint ocean clean-up projects, and waste segregation and proper

disposal while AGCT has a voluntary commitment to reducing waste called "Sharing is caring" in which resources are offered for the local community for reuse prior to consideration for disposal. Some terminals also specify downcycling or co-processing as the type of recycling they employ. Cutting back on waste at the source is one of the most effective means as personnel and stakeholders onsite are encouraged through various internal communications channels to avoid disposable products, limit packaging, opt for reusable products, compost kitchen waste, buy in bulk, and prioritize digitalization to reduce use of paper.

Twenty-five out of 28 terminals implement waste management policies that subscribe to international standards such as ISO 14001 and/or local legislation, systems which are integrated into their operations with the approval and support of the CEO, General Manager, or HSE Head. Commitments and targets in managing and controlling waste are clearly defined for 27 out of 28 terminals and effectiveness is measured through KPIs, monthly reportings, and internal and/or external audits.

While different targets or estimates are adopted by each terminal due to the varied size and nature of operations, 23 out of 28 terminals are involved in recycling and waste management. In terms of tons recycled, OPC reported 68.2 tons, CGSA 219.50 tons, MNHPI 33 tons, SPIA 160 tons (which is 34 percent of their waste), AGCT 52.9 tons and SPICTL 223.8 tons.



UNITED BY SEA: GLOBAL TERMINALS TACKLE PLASTIC THREAT

From Kribi to Suape, ICTSI terminals marked key environmental days with united actions through community coastal clean-ups by employees, government and corporate partners, and community stakeholders of Kribi Multipurpose Terminal, NorthPort, Basra Gateway Terminal, Bauan International Port and Tecon Suape. Coastal cleanup activities result in cleaner coastlines and, in the long-term lead to plastic pollution awareness, waste management practices, and a sense of shared responsibility and community.

WASTE

2022 2023

HAZARDOUS	
Oily waste (tons)	
28 TERMINALS 1,206 TONS	28 TERMINALS 1,170 TONS
Busted fluorescent lamp (tons)	
28 TERMINALS 1.78 TONS + 00 PIECES	28 TERMINALS 1.34 TONS
Clinical waste (tons)	
28 TERMINALS 4.14 TONS	28 TERMINALS 2.33 TONS
ULAB	
28 TERMINALS 75 PIECES	28 TERMINALS 57 TONS
Others (tons)	
28 TERMINALS 364 TONS	28 TERMINALS 181 TONS
Total hazardous waste (tons)	
28 TERMINALS 1,572 TONS	28 TERMINALS 1,411 TONS
28 TERMINALS +2,487 PIECES ULAB	
28 TERMINALS +574 PIECES BUSTED FLUORESCENT LAMP	
NON-HAZARDOUS	
Solid waste (tons)	
28 TERMINALS 13,796 TONS	28 TERMINALS 9,746 TONS
Others (tons)	
28 TERMINALS 1,481 TONS	28 TERMINALS 3,700 TONS
Total non-hazardous waste (tons)	
28 TERMINALS 15,277 TONS	28 TERMINALS 13,446 TONS

All terminals have point persons for waste management representing engineering, operations, environment, health, and safety departments. Some terminals also appoint their Pollution Control Officer, Technical and Quality Analyst, and Facilities Manager as point persons. Accountability is an integral aspect and waste management responsibility is linked to their performance assessment, evaluations or appraisals in relation to KPIs, and internal and external audits.

At the Corporate level, ICTSI is crafting a policy that will govern environmental resource use, including water and waste management.

With operating efficiency as an implementation goal of our climate change action policy, we are looking into defining and refining our process flow when it comes to waste and its link to GHG emissions. For now 15 out of 28 terminals have a process flow related to waste impact as it relates to business activities ranging from cargo handling, vessel operations, and port maintenance. Like TSSA, more terminals are looking into environmental impact assessment in alignment with ICTSI's emission reduction targets.

BIODIVERSITY

While on the one end of our pledge to climate change action is a commitment to transformation, at the other end is our devotion to preservation. Core and consistent are ICTSI's initiatives for biodiversity conservation.

In all terminals, management fulfills their role in assessing and coordinating the terminals' nature-related risks and opportunities such as authorizing action plans, providing resources, allocating budget, setting policies and goals, periodic evaluations, identifying opportunities, minimizing (if not eliminating) negative impacts, addressing potential legal compliance issues, and implementing new solutions.

All terminals provide reports of the actual and potential negative and positive impacts on biodiversity with the most common actual/potential negative impact being oil/fuel spills from port operations which may cause pollution to water and harm marine biodiversity. Other negative impacts include air pollution from emissions that may generally contribute to climate change and affect biodiversity, and perturbation or destruction of habitats due to incremental expansions and operations of terminals. We are looking into opportunities to manage risk and impact by examining business activities and business relationships, port activities and operations, and client service and partnerships under the lens of sustainability and climate change action.

Fourteen out of 28 terminals have policies or practices in place specifically for biodiversity commonly integrated into their existing Environment or HSE policies. Some of these are implemented in accordance with regulatory requirements. 24 out of 28 terminals identify detailed commitments to biodiversity with 20 terminals implementing monitoring elements to track and audit the effectiveness of their strategies. All terminals work to contribute to the resiliency of our organization and local communities to nature-related risks and threats through active reduction in waste and emissions, consistent coastal clean-ups, and support of extraordinary organizations working in the nature conservation space.



TECON SUAPE SUSTAINS COMMITMENT TO SEAHORSE CONSERVATION

Tecon Suape was one of the first companies in the Suape Port Industrial Complex to start a partnership with the Hippocampus Institute and commit to seahorse conservation. The Hippocampus Institute has been involved in seahorse conservation for over 25 years and in the last year alone, has reproduced and released around 34,000 seahorses in the region's estuaries, contributing to the preservation of a species that is threatened with extinction.



CMSA SUPPORTS CUYUTLÁN LAGOON CONSERVATION

As part of its aim to increase carbon capture in line with a pledge to achieve emission neutrality, Contecon Manzanillo S.A. (CMSA) pledged financial support for the conservation and reforestation of the Cuyutlán lagoon last October. The site is an important wetland located on the coasts of the Mexican Pacific with an area of 7,200 hectares covering the municipalities of Manzanillo, Tecomán and Armería and represents 90 percent of Colima's wetlands. The lagoon is registered as a priority marine and hydrological region for biological research and conservation of mangroves according to the National Commission for the Knowledge and Use Biodiversity (CONABIO). The initiative is in partnership with the local government and the University of Colima.



↑ José Antonio Contreras, CMSA chief executive officer (third, from left), poses with Dr. Christian Torres Ortiz Zermefo at the agreement signing between CMSA and Unibersidad de Colima. Colima Governor Indira Vizcaino (second, from right) is also in attendance.

2

ECONOMY

CONTEXT AND COMMITMENTS

At ICTSI, we're more than just port operators. We partner with our host countries to unlock the power of trade. We optimize their ports, smooth the flow of goods, and help local businesses thrive. This creates jobs, builds communities, and fuels sustainable development – all around the world. Our success is their success, and together, we're building a brighter future, one port at a time.



GROUNDWORK

We built financial resilience against disruptions in transforming global supply chains in 2023.



GAINS

By optimizing logistics, we kept vital trade routes open and demonstrated the transformative power of efficient port and terminal operations. We facilitated the smoother movement of essential goods across continents, which supported local economic growth and promoted global supply chain resilience.



MOVING FORWARD

By optimizing logistics, we kept vital trade open and facilitated the smoother movement of essential goods across continents. This supported local economic growth and played a key role in global supply chain resilience, demonstrating the transformative power of efficient port and terminal operations.

WHERE PORTS MEET PROGRESS

As the global economy grapples with the lingering effects of the COVID-19 pandemic, the Russia-Ukraine conflict, and persistent inflation, ports emerge as critical drivers of economic resilience. With supply chains disrupted and trade patterns shifting, the role of ports in facilitating the movement of goods has become more important than ever.

In this complex landscape, International Container Terminal Services, Inc. (ICTSI) stands tall. We recognize not just our operational mandate but our significant influence on the economies of the nations we serve. Our investments, commitments, and partnerships form a strategic approach actively pursued to foster transformative growth and sustainable development. ICTSI's proven track record in developing high-performing gateways across emerging economies highlights the company's commitment to forging long-term partnerships with stakeholders, as well as a business model that is anchored on sustainable growth.

At the heart of ICTSI's ethos lies a deep-seated understanding of our pivotal role as a trade catalyst. We go beyond the mere handling of cargo – every investment we make invigorates the economic landscape of our host nations. When we fortify port infrastructure and embrace cutting-edge technologies, we're not just optimizing our own operations, we're fueling broader economic expansion.

Central to ICTSI's Purpose is a relentless drive to generate value beyond the confines of our terminals. The creation of employment opportunities and the injection of revenue into local economies fuels a positive ripple effect, empowering industries far beyond the port gates. Our ambition is to nurture a business environment conducive to innovation, attracting further investment, and bolstering the competitiveness of local enterprises.

Yet, ICTSI's impact transcends mere economic metrics. We understand the importance of collaborative efforts with host governments, businesses, and communities. This ensures a holistic approach to sustainable development. By aligning our goals with the aspirations of our host nations, we build a symbiotic relationship where mutual prosperity can truly thrive.

In essence, the logistics of transformation orchestrated by ICTSI encompasses the potential to reshape entire economies. That's the power we hold, and we don't take it lightly. With each container handled, ICTSI strives to leave a positive mark on the economic landscape, propelling nations towards greater prosperity and progress. As ICTSI continues to navigate the currents of global trade, our unwavering commitment to positively influencing economies remains steadfast. We ensure the ports we operate serve not just as gateways to the world, but as beacons of economic vitality and social progress.

FOSTERING ECONOMIC RESILIENCE THROUGH PORT TRANSFORMATION

Ports serve as critical links in the world's economic network, and their resilience is more important than ever as the impacts of the COVID-19 pandemic and geopolitical shifts linger. To address congestion, adapt to a changing landscape, and facilitate the seamless movement of goods, ports must invest in infrastructure, technology, and strategic partnerships.

ICTSI is committed to meeting these challenges. Our recent expansions and acquisitions position us as a leading global port operator, empowering us to reach new markets, boost capabilities, and offer comprehensive solutions to our customers.

In July 2023, ICTSI was named the preferred bidder to develop and operate Durban Container Terminal (DCT) Pier 2 in South Africa. Leveraging our expertise, we are committed to developing DCT Pier 2 into an efficient, high-performing gateway for South Africa's foreign trade.

In January 2024, the Philippine Ports Authority (PPA) recently awarded ICTSI a concession to develop and operate the Iloilo Commercial Port Complex (ICPC). This move will transform the port into the Visayas Container Terminal (VCT) – a modern, premier gateway strategically located in the heart of Iloilo City, serving the entire Western Visayas region.

We are also investing heavily in Australia, with a comprehensive AU\$500 million expansion plan for Victoria International Container Terminal (VICT). This will significantly enhance operating efficiencies and reduce environmental impact.

Further expansion of our flagship Manila International Container Terminal (MICT) is underway, increasing capacity to service ultra-container vessels and making it the Philippines' largest international gateway.

In the Democratic Republic of Congo, Matadi Gateway Terminal's (MGT) commitment to eco-friendly operations is evidenced by the acquisition of four hybrid

BUSINESS PERFORMANCE IN CONTAINER THROUGHPUT

■ 2022 ■ 2023

	12.22 MILLION TEUs		12.75 MILLION TEUs
ECONOMIC PERFORMANCE (IN MILLION USD)			
Direct economic value generated		2,296.5	2,479.9
Economic value distributed		1,947.8	2,201.7
Operating costs	521.1		616.5
Employee wages and benefits	263.5		274.0
Payments to providers of capital	465.3		581.7
Payments to governments	679.5		717.4
Community investments	19.9		12.1
Economic value retained		348.7	278.2

rubber tire gantries (RTG) and the funding of the Western Urban Road Project. In Indonesia, ICTSI is developing East Java Multipurpose Terminal (EJMT) into a state-of-the-art gateway to serve the Lamongan, Tuban, and Central Java regions.

ICTSI's strategic investments underscore our dedication to transforming ports into resilient hubs of global trade. We are poised to drive economic growth, innovation, and sustainable solutions worldwide.

ECONOMIC CONTRIBUTIONS

Despite a challenging year, ICTSI demonstrated resilience in 2023 with a consolidated net income attributable to equity holders of US\$511.5 million. While this represents a 17.3 percent decrease compared to 2022, it's important to note that this figure includes a nonrecurring impairment charge. Excluding this charge, along with adjusting for MNHPI's contribution, and new/discontinued businesses, our core net income attributable to equity holders actually increased by a significant 8.4%.

The Group's consolidated gross revenues from port operations increased by 20.3

percent to US\$2,243.0 million for the year ended December 31, 2022 from US\$1,865.0 million for the same period in 2021 mainly due to volume growth and market recovery; favorable container mix; tariff adjustments at certain terminals; new contracts with shipping lines and services; higher revenues from ancillary services; and contribution of MNHPI and new businesses, mainly MHCPPI (acquired in June 2021), OMT and IRB Logistica

(started commercial operations in July 2021); partially tapered by decline in trade activities at PICT; and unfavorable translation impact mainly of the depreciation of Philippine peso (PHP)- and Australian dollar (AUD)-based revenues at Philippine terminals and VICT, respectively, and Euro (EUR)-based revenues at MICTSL and AGCT. Excluding MNHPI, and new businesses (MHCPPI, OMT, IRB Logistica, EJMT, CM Logista and SBI) and



ICTSI INKS USD750 MILLION LOAN FACILITY WITH METROBANK TO BOOST OPERATIONS

ICTSI has secured a US\$750 million loan from one of the country's biggest banks, Metropolitan Bank & Trust Co. (Metrobank), to further expand its port operations worldwide. To date, this is the biggest credit facility secured by ICTSI and the largest bilateral facility extended by Metrobank.

Proceeds of the six-year loan facility will be used to refinance the global port operator's short-term obligations and to fund strategic mergers and acquisitions.

ICTSI holds a strong track record for investing in both new and existing terminals that will fuel the growth of its offshore and domestic operations.

"Our long-standing relationship with Metrobank enables us to carry out our objective of continuously making our terminals around the world more globally competitive, more efficient, and more accessible. At the same time, this relationship enables us to act more proactively on

M&A opportunities of all sizes. Metrobank has been a tremendous partner for us in building our global portfolio and in expanding our position as one of the Philippines' true global corporate players," said Christian R. Gonzalez, ICTSI Executive Vice President, Chief Compliance Officer and Chief Sustainability Officer.

For its part, Metrobank sees its financial support to ICTSI as a platform to fulfill its ambitious strategic development plans and further economic growth.

ICTSI has earmarked USD400 million for its capital expenditures to be used to improve productivity and effectivity of its various terminals.

In 2019, ICTSI Global Finance B.V., a subsidiary of ICTSI, also secured a seven-year loan amounting to USD300 million from Metrobank to fund its capital expenditures and to refinance its then existing obligations.



discontinued businesses (DIPSSCOR and HIPS), consolidated gross revenues would have increased by 17.3 percent.

The Group's consolidated volume increased by 9.4 percent to 12,216,190 TEUs for the year ended December 31, 2022 from 11,163,473 TEUs handled for the same period in 2021 primarily due to consolidation of MNHPI starting September 2022; volume growth and improvement in trade activities as economies continue to recover from the impact of the COVID-19 pandemic and lockdown restrictions; and new shipping lines and services at certain terminals. Excluding MNHPI, OMT (started commercial operations in May 2021) and DIPSSCOR (ceased commercial operations on June 30, 2022), consolidated volume would have increased by 5.3 percent.

STRENGTHENING OUR FINANCIAL POSITION

As we move towards maintaining our long term success and stability in today's volatile business landscape, ICTSI takes proactive measures to improve key financial metrics to ensure our strength to weather economic downturns and take advantage of growth opportunities.

In response to the increased cash flows from its international subsidiaries, ICTSI took proactive steps to improve its financial position. In 2021, the company issued US\$300 million of 10-year fixed-rate notes with a coupon of 3.5 percent and successfully tendered its equity-accounted 5.875 percent and 4.875 percent perpetual securities with call dates in 2022 and 2024, respectively. Aside from the savings on the financing cost due to the lower coupon, we were able to extend the average duration from 4.4 to 6.1 years in a rising interest rate environment.

To address constraints on cash repatriation due to accounting and regulatory issues at certain terminals, such as CMSA in Mexico and VICT in Australia, ICTSI implemented two projects to provide liquidity for its deleveraging program:

- Executed an MXN asset-backed USD loan without foreign currency exposure and a positive interest carry, enabling

the extraction of US\$110 million of liquidity from CMSA in 2022 alone.

- Implemented a global cash pool program, without foreign currency exposure and with competitive interest rates, that provided US\$100 million of liquidity for the Group by the end of 2022 without expanding the balance sheet.

Further in 2023, ICTSI secured a USD750 million loan from the Metropolitan Bank & Trust Co. (Metrobank), the largest credit facility in the company's history. The proceeds of this loan will be used to refinance the company's short-term obligations and fund strategic mergers and acquisitions.

ICTSI's strong financial position has enabled the company to invest in both new and existing terminals, fueling the growth of its offshore and domestic operations. The company is well-positioned for continued success in the years to come.

BOOSTING TRADE AND DEVELOPMENT AROUND THE WORLD

ICTSI helps its host nations maximize their port infrastructure investments and boost trade as a driver of sustainable development. The Company's ports support businesses and communities across six continents.

In Mexico, Contecon Manzanillo (CMSA) hosted Colima Secretary for Economic Development Francisco Rodríguez Garcíá, who recognized the Port of Manzanillo's economic impact in February. CMSA highlighted ICTSI's global reach and Manzanillo.

The following month, CMSA and COSCO Shipping Lines met with Chinese Ambassador Zhang Run and explored Manzanillo's position as Mexico's leading gateway for foreign trade, boosting bilateral economic ties.

In Honduras, Operadora Portuaria Centroamericana (OPC) met with Chinese Ambassador Yu Bo last October 14 when OPC senior executives acknowledged



ICTSI GEARS UP FOR GROWTH: EXPANSIONS IN AUSTRALIA, MANILA AND EAST JAVA

ICTSI is strategically expanding its global footprint, driving growth through significant investments in key ports across Australia, the Philippines, and Indonesia. These developments, focused on increasing capacity, modernizing facilities, and establishing new trade corridors, position ICTSI as a major force in the international port operations industry.

VICT (AUSTRALIA). The Victoria International Container Terminal (VICT), International Container Terminal Services, Inc.'s (ICTSI) operation at the Port of Melbourne in Australia, completed Phase 3 of its AU\$235 million expansion project in December.

Phase 3A increases the terminal's capacity by 30 percent to 1.25 million TEUs. It extends the quay by 71 meters to 735 meters or 769 meters with the mooring dolphins included, enhancing VICT's quayside operations by allowing two 366-meter vessels to berth simultaneously.

On the landside, three new storage blocks have been added along with 15 new truck lanes, enhancing the terminal's booking system time slot offerings to the market by up to 30 percent per hour starting in January 2024.

As part of Phase 3A, VICT also acquired two ship-to-shore (STS) cranes, six auto container carriers (ACC), and six auto-stacking cranes (ASC). The ACCs and the ASCs have been operational since August, supporting the increased yard capacity. The STS cranes, which have a reach of 22 containers across and are currently the largest port equipment in Australia, arrived in the third quarter and by December.

Phase 3B is scheduled to be completed in 2025 and will include the acquisition of another automated STS crane, three ACCs, four ASCs, and the construction of two additional storage blocks.

MICT (PHILIPPINES). ICTSI had a groundbreaking of another berth to its flagship, the Manila International Container Terminal (MICT) last May. The new berth, MICT's eighth, is beyond the contractual commitments to the Department of Transportation (DOTr) and the Philippine Ports Authority (PPA).

To be constructed in phases, Berth 8 will greatly add to the MICT's capability to service foreign ultra-container vessels of up to 18,000 TEUs, a trend that has been growing in the past years. The new berth will create another 400 meters of quay and 12 hectares of yard space, bringing an additional annual capacity of 200,000 TEUs.

When completed, the MICT will have an annual capacity of 3.5 million TEUs, making it the Philippines' largest international gateway. The full build will give the MICT a total berth length of 2,300 meters, a 21 percent increase in berthing capacity.

Gonzalez said: "We are excited to announce the development of Berth 8, which enables us to be in the same league as the world's top terminals. More importantly, this will bring significant economic benefits to the Philippines as we have the added capacity to handle growing trade volumes."

EJMT (INDONESIA). ICTSI marked a milestone with the groundbreaking of the East Java Multipurpose Terminal (EJMT) in Indonesia last October. This state-of-the-art facility will unlock a new gateway for Lamongan, Tuban, and Central Java, boosting regional trade.

EJMT boasts a 300-meter quay, breakwater, heavy lift deck, and a deepened navigational channel. Equipped with two post-Panamax cranes, it caters to containerized and bulk cargo.

EJMT, built by local partner PT. PP (Persero) will welcome its first vessel by September 2024. This marks a new chapter in connecting East Java to the world.

the strong partnerships with Chinese companies like ZPMC (crane manufacturer) and CHEC (infrastructure constructors) and emphasized the importance of international collaboration in driving efficiency, productivity, and competitiveness. The meeting highlighted both parties' commitment to contribute to substantial development, economic growth, and job creation for Honduras.

In Ecuador, Contecon Guayaquil (CGSA) hosted the visit of International Maritime Organization (IMO) Secretary General Kitack Lim when they talked about collaboration with the global maritime community in upholding industry standards last August.

In Buenos Aires, Philippine Ambassador to Argentina, Her Excellency Grace Cruz-Fabella, visited TecPlata and talked with its CEO Juan Pablo Trujillo on navigating regional challenges and seizing emerging opportunities. The ambassador acknowledged ICTSI's position as the largest Philippine investor in Latin America and expressed optimism in the development of the region's port operations.

In Iraq, Basra Gateway Terminal (BGT) welcomed Razaaq Al-Sadawi, Iraq's newly appointed Minister of Transport in May. Mr. Salvador showcased BGT's advanced equipment and processes while emphasizing its commitment to Iraqi trade and port development. In July, Mr. Salvador hosted General Company for Ports of Iraq (GCPI) Director General Farhan al-Fartosi when they discussed areas for collaboration and optimization at Umm Qasr. The talks centered on digitalization, streamlining operations, easing administrative burdens, and fostering enhanced stakeholder communication.

LOCAL LAURELS, GLOBAL GROWTH

In the Philippines, the country's ports are soaring in their regional performance, compared with Southeast Asian ports, according to the latest Drewry Maritime Research data reported in June.

The Port of Manila, the region's only double-digit performer, had a significant increase in cargo, reaching 5.47 million TEUs in 2022, which put Manila 7th busiest gateway port in SEA while Cebu ranked 13th and Davao 15th. MICT secured the third spot among the region's top gateway ports.

Philippine Ports Authority (PPA) General Manager Jay Santiago cited unwavering commitment and dedication to infrastructure development as key contributors to this success. He emphasized this growth's positive impact on transportation, logistics, and manufacturing, generating jobs and fueling economic development.

The next month, ICTSI and Manila North Harbor Port (NorthPort) were honored as top taxpayers by the City of Manila for 2022 in July. ICTSI took 10th in business taxes and 6th in property taxes, while NorthPort secured 6th in business and 9th in property taxes.

ICTSI's long-standing tax remittance of over PhP3 billion since its PhP40 billion investment in Manila International Container Terminal in 1988 alongside concession fees to the Philippine Ports Authority, had driven broad-based economic growth for Manila and the national port system.

3

SOCIAL

CONTEXT AND COMMITMENTS

At ICTSI, our people, our most valuable asset, are at the center of our social responsibility. From safeguarding human dignity to fostering employee well-being, every action reflects this aspect. Our employee programs cover health, safety, well-being and professional development. Our employees are equipped to strengthen relationships and effectively collaborate with customers, partners, and communities. We protect and empower our workforce because our people are our main drivers for sustainable growth.



GROUNDWORK

We value global well-being, upholding humane standards, and best practices. Robust safety protocols, ethical labor, and unwavering dedication to human dignity empower our workforce. We invest in worker health, finance, skills, and recognition, fostering a diverse, fair, and respectful environment. Our success is anchored on human capital driving progress for all.



GAINS

We invest in our people – the heart of our success. We foster a safe, inclusive, and innovative work environment through comprehensive protocols, training, and development opportunities. Our motivated, skilled, and compassionate team drives operational excellence, strengthens relationships, and fuels our ongoing growth.



MOVING FORWARD

The constant drive to transform: more than resilience and the adaptability to change especially in the diverse environments where operate, an empowered and thriving workforce is what ensures continuity in our business and the harmonious relationships with our communities.

BUILDING CONNECTIONS FOR SHARED SUCCESS

Transformation is more than streamlining processes and innovating solutions. It's about fostering deep connections - with our employees, customers, and the host communities where we operate. We continue to prioritize their health, safety, and well-being, investing in human development, and fostering a collaborative environment. Our customers are at the heart of everything we do, and we build strong partnerships with our communities and other stakeholders to create a win-win situation, driving sustainable business practices and shared success.

As a vital cog in the logistics chain, we see ourselves as connectors, opening doors to opportunities and progress for all. This focus on building meaningful connections forms the foundation of our social responsibility, and propels us forward on our journey of transformation.

EMPLOYEES

At ICTSI, we understand that a thriving and engaged workforce is the foundation of our business success and positive impact. We cultivate a supportive, empowering, and equitable work environment where employees contribute meaningfully, grow personally and professionally, and feel valued. Our focus on sustainability encompasses caring for our people – their well-being, professional development, and equitable working conditions.

In addition to our economic contributions through job creation and trade facilitation, we uphold internationally recognized employment frameworks from the UN, OECD, and ILO. We prioritize adherence to local labor laws across all our operations, ensuring a commitment to fair and responsible employment practices. Building on these foundational standards, ICTSI implements core employment principles and best practices at every terminal, adapted as needed for specific jurisdictional contexts.

HIRING AND EMPLOYMENT

ICTSI's long-standing policy emphasizes full-time employment, ensuring stability, engagement and dedication to employee development. This aligns with our Global Principles on Human Capital, demonstrating our belief in a consistent and responsible approach to workforce management.

The Global Corporate Human Resources (GCHR) in Manila oversees and safeguards effective workforce engagement and labor relations across our business units. GCHR conducts risk assessment related to hiring, retention, and working conditions across all operations. Each business unit has a dedicated Human Resource team or manager for immediate, localized employee management.

As of December 31, 2023, ICTSI employs 9,865 permanent employees, excluding those from its affiliates. The decrease in number of employees in 2023 (from

10,182 in 2022) was mainly due to the expiration of concession contract at PICT in June 2023, partially tapered by further absorption of manpower of i-Tracker business by IRB Logistica in February 2023 and acquisition of CLIA Pouso Alegre in September 2023. In terms of hiring, ICTSI generally does not hire contractual employees, as it believes that it can achieve greater efficiency with a dedicated staff of employees who are familiar with the Group's internal systems. Wherever possible, we focus on internal promotion and hiring from local and neighboring communities to stimulate local economic benefits. *(More information about our full-time employee data can be found at our 2023 SEC 17-A Annual Report.)*

Each terminal adopts employment policies that are fully compliant with local labor laws. These include compensation and benefits packages, fair recruitment and selection, collective bargaining agreements when applicable, and comprehensive hire-to-terminate programs. We continually evaluate and update these programs, carefully considering financial implications to ensure they are both sustainable for the company and beneficial to our employees.

To ensure the continuity of ICTSI's corporate culture and system of operations across the Group, we embrace a strategic mix of workers from diverse nationalities, ethnicities or backgrounds, and deploy them across our global operations. In this way, we create an enriching and collaborative workforce where employees enjoy stability and growth opportunities within their chosen fields.

Alongside this focus on cultural integration, we remain strongly committed to empowering local communities through employment. In Colombia, SPIA implements mandatory hiring from six communities near the terminal to bolster its social responsibility. Ninety-eight percent of BGT's workforce meanwhile, are Iraqi nationals, while SCIPSI's 'Investor in People' accreditation showcases their commitment to employment practices that surpass typical regulatory requirements. Through these actions, we strengthen local

talent pools and directly contribute to the growth of the communities we serve.

Dedicated financial resources are likewise allocated to finding and onboarding top talent. Our recruitment budget covers candidate sourcing, technological resources for new hires, and essential pre-employment assessments such as psychometric tests, background checks, and medical exams.

Our terminals have comprehensive grievance mechanisms to ensure that employees have a safe and reliable way to report concerns. These mechanisms prioritize confidentiality, thorough investigation, resolution, and analysis for ongoing improvement. We encourage our employees to voice potential misconduct such as direct reporting, suggestion boxes,



INVESTING IN FUTURE LEADERS: THE TED CLASS OF 2023

The ICTSI Academy under Global Corporate Human Resources (GCHR) celebrated the graduation of 15 executives from the Terminal Executive Diploma (TED) program last July 21. Hailing from terminals globally, this diverse group honed their leadership skills through an intensive two-week program held from July 13 to 21.

The TED program centered around driving the ICTSI business objective of achieving a compound annual growth rate (CAGR) of 9 percent earnings before interest, taxes, depreciation, and amortization (EBITDA) over the next five years. Participants underwent training covering Terminal Business Drivers, conducted by Eric Bubeer, followed by insights from ICTSI Corporate resource speakers to align corporate functions with terminal goals.



EMPLOYMENT OVERVIEW *

■ 2022 ■ 2023

TOTAL NUMBER (RATE OF) NEW HIRES PER AGE GROUP			TOTAL NUMBER (RATE OF) TURNOVER PER AGE GROUP		
Under 30 years old			Under 30 years old		
28 TERMINALS 491 (0%)	28 TERMINALS 449 (0%)		28 TERMINALS 241 (0%)	28 TERMINALS 221 (0%)	
30 to 50 years old			30 to 50 years old		
28 TERMINALS 609 (0%)	28 TERMINALS 541 (0%)		28 TERMINALS 604 (0%)	28 TERMINALS 606 (0%)	
Over 50 years old			Over 50 years old		
28 TERMINALS 32 (0%)	28 TERMINALS 53 (0%)		28 TERMINALS 199 (0%)	28 TERMINALS 211 (0%)	
TOTAL NUMBER (RATE OF) NEW HIRES BY GENDER			TOTAL NUMBER (RATE OF) TURNOVER BY GENDER		
Male			Male		
28 TERMINALS 918 (0%)	28 TERMINALS 863 (0%)		28 TERMINALS 887 (0%)	28 TERMINALS 899 (0%)	
Female			Female		
28 TERMINALS 214 (0%)	28 TERMINALS 180 (0%)		28 TERMINALS 175 (0%)	28 TERMINALS 139 (0%)	
DIVERSITY OF EMPLOYEES BY EMPLOYEE CATEGORY					
Employee category	28 TERMINALS		28 TERMINALS		
Admin - Rank and File	1,173		957		
Admin - Management	556		587		
Operations - Rank and File	76,09		7,868		
Operations - Management	884		885		
TOTAL	10,222		10,297		
GOVERNANCE BODY** GENDER DIVERSITY			GOVERNANCE BODY** AGE GROUP DIVERSITY		
Gender	2022	2023	Age group	2022	2023
Male	163	179	Under 30	19	24
Female	76	90	30 to 50	153	169
Total	239	269	Over 50	67	76
			TOTAL	239	269

* Figures shown refer to 28 of 30 terminals in the scope. All data are preliminary.

** Governance Body is defined as the Company's Board of Directors, Key Officers, and Global Corporate employees for the Group. ("Key Officers" includes employees with positions from Vice President and higher.)

or through the Company's Compliance Officer, depending on the terminal's setup. Protection of employee privacy and anonymity is assured through our policies, code of conduct, data privacy laws, and local labor codes.

WAGES AND BENEFITS

Keeping our people well-motivated is key to sustaining a dedicated workforce. We demonstrate this commitment through competitive compensation packages and benefits that are designed to promote financial stability, work-life balance, and career development.

We take care of our full-time employees with benefits that significantly exceed local mandates, enabling them to thrive. Benefits that are standard for full-time employees that are not provided to temporary or part-time ones include leaves, life insurance, bonuses, allowances, end-of-service support, and other forms of assistance other than the government-mandated ones.

We offer competitive remuneration relative to the domestic industry and local labor markets. We fully comply with existing laws on wages, work hours, overtime, and benefits. We continue to work within the confines of the business and the law to reward our people for their contributions to ICTSI's success. We also invest in upskilling, training, or retraining the available local labor to ensure their growth

and development and our continued good operations.

ICTSI champions fair pay practices, including gender pay equity across all our terminals. However, women in OPC usually earn around 13.7 percent more



SERVICE AWARDEES HONORED AS ICTSI CELEBRATES 35TH YEAR

ICTSI marked its 35th anniversary by paying tribute to long-serving, loyal, dedicated employees. Separate celebrations were held for service awardees in Global Corporate on June 13 and Manila International Container Terminal (MICT) on June 15.

With service tenures ranging from 20 to 35 years, service awardees from different departments have played and continue to play key roles in shaping the company's success.

ICTSI Executive Vice President Christian R. Gonzalez thanked each service awardee during the celebratory events as he recalled the Company's 35-year journey. "From our humble beginnings of handling around 170,000 TEUs at MICT, we have become the world's largest independent terminal operator. This would not have been possible without our fantastic people, especially those with us for 35 years.

"What sets us apart is our approach to dealing with failure. It requires a special kind of individual, a special type of culture. And, in difficult times, our people and culture have come together, and we've had many. I am very proud that we have gone through those difficult times, crises, and tough situations. The Company wouldn't have wanted to do that with anybody else. On behalf of my family, we thank all of you for your sacrifices and contributions," he added.

ICTSI EMPLOYEES BY REGION AND DIVISION*			
Terminals	Admin	Operations	TOTAL
Philippines	524	3,965	4,489
APAC**	164	791	955
Americas	571	2,643	3,214
EMEA	285	1,354	1,639
TOTAL	1,544	8,753	10,297

*Figures shown in table refer to all 32 operational terminals (excluding affiliates)

**Excluding Philippine operations



OPC, SCIPSI SHINE AS TOP EMPLOYERS

In 2023, two of ICTSI's business units in Honduras and the Philippines earned significant recognition for their outstanding workplace environments and people-centric practices. These achievements underscore ICTSI's core belief that exceptional employees are the key to a sustainable, successful business.

OPC: #1 EMPLOYER IN HONDURAN LOGISTICS. Operadora Portuaria Centroamericana (OPC) was recognized as the most attractive employer in Honduras's logistics and distribution sector last July for the second consecutive year.

The Most Attractive Companies to Work For (EMAT) is a perception survey that ranks the best companies to work for across different companies in the region. For more than 11 years, EMAT has been the survey that reveals how organizations are perceived within the workforce. The results presented are based on the perspective of the economically active population of each country.

The recognition is awarded by recruitment company Tecoloco, which considers the contribution of human capital within companies to be relevant. OPC was also recognized among the top companies in the General and Management Ranking, which covers all sectors.

SCPSI: 2023 PEOPLE INVESTOR OF THE YEAR. South Cotabato Integrated Port Services, Inc. (SCIPSI) won the 2023 People Investor of the Year at the inaugural Investors in People Philippines Awards held last July 25 in Bonifacio Global City.

The event marked the first local awards ceremony organized by Investors in People Philippines to recognize outstanding people management practices and honor outstanding Investors in People organizations in the country. SCIPSI is the first Investors in People accredited company to receive the award, edging NLEX Corporation and Q2 HR Solutions.

In addition, SCIPSI employee Dovie Daligdig was named first runner-up for the Community Employee of the Year Award. This double win signifies a significant milestone for SCIPSI, demonstrating their unwavering belief that their people are not merely employees but the foundation of their success. By prioritizing employee growth, fostering a culture of excellence, and empowering its workforce, SCIPSI garners accolades and cultivates a sustainable future fueled by human potential.



↑ Recruitment company Tecoloco recognizes OPC as one of the Most Attractive Companies to Work For (EMAT) in the logistics and distribution sector in Honduras.

than men, while in MICTSI, women get USD106 higher pay, on average. In both of these cases, pay gaps occur when the position is accounted.

WORK-LIFE BALANCE

At ICTSI, we understand the benefits of a healthy work-life balance, especially in today's evolving workplace. To support our employees, we've proactively adapted our practices as well to foster an environment that prioritizes continued productivity, improvement, and excellence.

Established in 2022, our 'Way of Working' Policy sets clear expectations for balancing remote and in-office work to fulfill job responsibilities. While 'work from office' remains our default, employees can either work from home or other Razon Group locations, subject to department manager approval. This flexibility empowers employees to manage their work effectively.

We continue to optimize office spaces for essential collaboration and business continuity, while providing employees with the necessary tools and technology to thrive in flexible work environments. Moreover, we've transitioned many employee engagement programs to virtual platforms, making it easier for employees to stay connected and participate in team collaborations, even in a hybrid work environment.

Our HR teams are well-equipped to provide relevant information, guidelines, and training to help reduce the psychosocial and mental health impact of teleworking. In the Philippines, we have partnered with Mindnation, a behavioral healthcare organization, to provide our employees with ergonomic, mental health, and psychosocial support using digital telehealth technologies.

We are proud to be a flexible employer, providing our employees with the support they need to maintain a healthy work-life balance. We understand that this balance is essential to our company's continued success and our employees' well-being.

LEAVES

Our company has consistently recognized and upheld workers' rights to build families without discrimination or loss of employment. We strive to provide a work environment that supports both career success and strong family life.

Most of our terminals have policies supporting employee parental leave and childcare, with specific policies varying based on local contexts, codified in leave policies, employee handbooks, and company codes. Examples of these policies include MNHPI's policies on Anti-Violence Against Women and their Children, Solo Parents, Paternity Leave, Maternity Leave, and the Magna Carta for Women. These are uploaded at the company website and the intranet for easy reference.

In Papua New Guinea, SPICTL and MITL have generous maternity leave policies. These include paid and unpaid time off, and daily breaks to care for newborns, particularly within the first four months after giving birth.

Our terminals also have varying days for leaves, especially for paternal leaves, ranging from two to five days.

LABOR PRACTICES

FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING AGREEMENTS

We believe that strong communication and respecting employee rights are essential for long-term success. As our business grows, we remain committed to ensuring our workforce thrives alongside the company, with their rights prioritized and protected.

We champion our employees' rights to association and collective bargaining, upholding international declarations and conventions aligned with our Global Principles on Human Capital. Moreover,



VICT CHAMPION SHINES AS 2023 YOUNG ACHIEVER

Landside coordinator Melissa Scerri of Victoria International Container Terminal (VICT) landed a prestigious win, being recognized as the 2023 Young Achiever of the Year at the Australian Freight Industry Awards (AFIA) in September

This award celebrates Melissa's commitment to enhancing special cargo processes and delivering, customers the highest level of service. Her remarkable organizational abilities and capacity to foster strong relationships with stakeholders continue to play a pivotal role in ensuring goods' safe and efficient transportation.

we strictly adhere to domestic and international socio-economic laws and regulations related to labor conventions. This commitment ensures that freedom of association and collective bargaining are never compromised across our operations and supply chain.

Regarding freedom of association, approximately 58 percent of ICTSI's labor force are unionized, based on ICTSI's total permanent employee headcount, regardless of whether an employee is entitled and eligible to join a union or not. To support positive labor-management relations, 15 out of 30 terminals maintain collective bargaining agreements (CBA). These agreements include notice periods and provisions for consultation and negotiation, with most specifying a 30-day framework, often reflecting local regulations. CBAs usually undergo updates every five years to continuously align with evolving labor situations and compensation relevance.

Regardless of whether a labor union exists in a particular terminal, we proactively create opportunities for dialogue through the formation of labor-management councils (LMC). In this way, even employees who chose not to be part of a union can still engage management or formally address their concerns. *(More information on CBAs entered by the Company and its subsidiaries can be found in the 2023 SEC 17-A Annual Report.)*

LABOR-MANAGEMENT RELATIONS

At ICTSI, we believe a collaborative labor-management relationship is the cornerstone of sustainable business success. This approach leads to tangible outcomes, such as increased productivity, improved safety standards, and greater employee satisfaction. We foster open communication and mutual respect between management and employees to promote this goal.

ICTSI establishes programs and initiatives designed to build trust and transparency. These include regular meetings between

union representatives and management, skills development training for workers, and labor-management committees that address specific concerns. Additionally, ICTSI benchmarks its compensation and benefits against industry standards to ensure its packages remain competitive and fair. We are committed to upholding international labor standards and ensuring compliance with local regulations.

ICTSI also recognizes the importance of fair compensation and benefits for its workers and has implemented programs to ensure that employees receive competitive wages and comprehensive benefits packages. We also adhere to international labor standards and work to ensure that our operations meet the requirements of local labor laws and regulations.

Most of our terminals institutionalized their labor engagement efforts through policies and commitments that comply with internal regulations. In MICT, an Employee Engagement and Communication Program was created and approved by the HR head to improve worker engagement. These policies and other initiatives are evaluated annually through employee surveys.

Of the terminals in review, the majority were able to set goals and targets so they could manage labor relations effectively. They are evaluated using quantitative goals, such as zero labor cases and zero days of work stoppage due to industrial unrest.

Most terminals also have qualitative targets, including safe working conditions, fair compensation, employee satisfaction, and harmonious relationships with labor unions. The primary backdrop for our business units' setting their goals and targets is the capacity to provide higher labor standards and maintain industrial peace. Quantitative and qualitative targets are evaluated internally, monthly and yearly, using KPIs.

Most of our terminals have made budgetary allocations for programs and initiatives, such as employee benefits and salary reviews, employee engagement programs, social and sports activities, and employee recognition awards. In YICTL, allocations are set for the personnel and technical

resources needed to execute labor relations tasks.

Grievance mechanisms to address labor concerns exist in over half of our terminals. Grievance channels usually include labor policies like grievance reporting procedures, the formation of labor-management councils, and suggestion stations spearheaded by the HR department to resolve any grievance internally and prevent employees from filing labor cases against the Company.

MODERN SLAVERY

ICTSI unequivocally condemns modern slavery in all its forms – forced labor, human trafficking, debt bondage, and all severe forms of child labor. These practices violate fundamental human rights and undermine ethical business conduct. We will not tolerate any presence of modern slavery within our operations or supply chains, regardless of location.

As a Company, we fully support the United Nations Global Compact and are dedicated to supporting the global effort to eradicate modern slavery. Our Global Principles on Human Capital embodies our support for the United Nations Global Compact principles. These principles align with ICTSI terminal's essential role as gateways to international trade, foundations for local economic growth, and drivers of community development.

Our business transformation includes continuity in aligning our business practices with the UN Guiding Principles and ensuring that human rights considerations are integrated into our due diligence processes and ESG governance mechanisms. We understand that our presence in different countries and communities comes with a responsibility to maintain the highest ethical standards and safeguard the welfare, safety, and human rights of our business's employees.

Through a partnership between the ICTSI Foundation and the Voice of the Free (VF) Foundation, a leading anti-human trafficking NGO in the Philippines, ICTSI employees will receive training on how to combat modern slavery. This collaboration empowers ICTSI employees at our Manila flagship to identify and report instances of human trafficking, and to support VF's anti-slavery programs. Additionally, employees will gain critical insights into the scale of human trafficking globally and within the Philippines.

DIVERSITY AND EQUAL OPPORTUNITY

At ICTSI, we celebrate the diversity of our people and recognize it as a core strength. We foster a welcoming and inclusive workplace where everyone feels valued, respected, and empowered to reach their full potential. Advancing diversity, equality, and inclusion (DENI) across all our operations is a fundamental priority, regardless of race, gender, age, sexual

DIVERSITY OF EMPLOYEES BY AGE AND GENDER *

2022 2023

GENDER	MALE		FEMALE	
	28 TERMINALS	28 TERMINALS	28 TERMINALS	28 TERMINALS
Age Group				
Under 30	1,418	1,373	319	365
30 to 50	6,203	6,221	719	725
Over 50	1,465	1,518	98	105
Total	9,086	9,102	1,136	1,195

* Figures shown in the tables refer to all 30 terminals (including affiliates covered by this report).

orientation, religion, physical or mental ability, or any other status.

Our Diversity and Equal Opportunities Policy, formalized in 2022, emphasizes our commitment to diversity, inclusion, and respect for human rights as embodied in our Company Values (Respect for all), and the Global Principles on Human Capital. The policy also strengthens the Employee Relations provision in our Code of Business Conduct.

The Company guarantees equal opportunities in all aspects of employment, from application and recruitment to terms and conditions, appraisals, professional development, promotions, employee conduct, disciplinary procedures, and beyond.

Diversity and inclusion in the workplace are crucial to ICTSI's goal of becoming one of the best companies to work for in our industry. In many of our terminals, women now hold positions traditionally occupied by men, such as vessel and yard checkers, equipment operators, engineers, and drivers.

We are committed to creating a work environment where employees feel respected and valued. Access to

employment, education, and career advancement is based solely on individual capabilities and competencies – not on age, sexual orientation, disability, or any other personal circumstance. We have zero tolerance for discrimination leading to unequal opportunities.

To enforce this commitment, we have robust reporting and grievance mechanisms in place. Employees can report any violations of our DE&I policies directly to the Compliance Officer, through Human Resources teams, email, or dedicated phone lines. All substantiated complaints against any employee or officer will result in appropriate disciplinary measures and sanctions, in accordance with existing company personnel policies. These efforts help us build a workforce comprised of top talent, driving our business forward.

LEARNING AND DEVELOPMENT

ICTSI is committed to providing training and development opportunities for our employees with the ultimate objective of everyone reaching their full potential. We emphasize developing skills, supporting employees, harnessing talent, and driving business performance through

AVERAGE HOURS OF TRAINING

■ 2022 ■ 2023

TRAINING HOURS BY GENDER			
Male		Female	
28 TERMINALS 18 HRS	28 TERMINALS 19 HRS	28 TERMINALS 24 HRS	28 TERMINALS 33 HRS
TRAINING HOURS BY CATEGORY			
Admin rank and file		Operations rank and file	
28 TERMINALS 20 HRS	28 TERMINALS 31 HRS	28 TERMINALS 18 HRS	28 TERMINALS 18 HRS
Admin management		Operations management	
28 TERMINALS 26 HRS	28 TERMINALS 24 HRS	28 TERMINALS 18 HRS	28 TERMINALS 23 HRS
AVERAGE HOURS OF TRAINING PER EMPLOYEE			
28 TERMINALS 19 HRS		28 TERMINALS 20 HRS	



ICTSI TERMINALS STRENGTHEN EMPLOYEES' LEADERSHIP AND TECHNICAL SKILLS

CONTECON GUAYAQUIL CULTIVATES LEADERSHIP EXCELLENCE. Empowering its leaders for a brighter future, Contecon Guayaquil launched a training program with a "Lead Positively" seminar in October. Renowned Coach Borja Milans del Bosch ignited transformation, emphasizing the power of building human connections through optimism and courage. He challenged managers to lead by example, inspiring teams to dream, learn, and reach their full potential. This initiative marks Contecon Guayaquil's commitment to cultivating leadership excellence, driving innovation, and building a robust and sustainable future.

NORTHPORT CHARTERS LEADERSHIP TRANSFORMATION. Forty-three (43) NorthPort executives participated in the workshop last August at Solaire Casino and Resort to instigate transformation in the mindset of leaders. Entitled "Power of Listening and the Open Mindset," the workshop encouraged participants to embrace analytical thinking and proactive approaches to problem-solving in an immersive experience that challenged traditional hierarchies and instilled a culture of continuous improvement.

It aimed to enhance the participants' understanding of account/stakeholder owners, confidence and resilience as role models for their teams, sense of ownership and accountability, strategic and proactive thinking, and team connection and collaboration

MICT EQUIPS ENGINEERS WITH ADVANCED SPREADER EXPERTISE. Manila International Container Terminal (MICT) ran a two-day specialized training program for its Engineering department in January. Conducted by Bromma, a leading manufacturer of spreader equipment in the port industry, the training saw five engineering superintendents Nathaniel Atienza, Rodelio Reyes, Ronilo Dialogo, Salvador Perez, and Jessie Todoc- participate in the program, focusing on advanced spreader inspection, maintenance, and troubleshooting techniques.

This skill-share program was made possible through the collaboration of MICT Engineering and Global Procurement to foster closer relationships between business units and ICTSI suppliers while also developing the MICT Engineering team's resilience and performance through learning and development.

TECPLATA UPSKILLS OPERATORS WITH CUTTING-EDGE SIMULATOR TRAINING. Tech meets expertise at TecPlata, where state-of-the-art simulator training empowers operators. Immersed in Tech Simulation Software's virtual world, they master real-world RTG and QC crane operations, safely honing skills in diverse handling scenarios.

Beyond simulated experience, TecPlata drills in safety protocols, norms, and standards. This holistic approach ensures operators handle equipment with both proficiency and responsibility.



↑ Bromma, a leading spreader manufacturer in the ports industry, facilitated a two-day specialist training at MICT on spreader inspection, maintenance, and troubleshooting.

ICTSI deeply values the fundamental human right to health and safety. We rigorously implement measures across our global ports to protect everyone on our premises. We understand the paramount importance of health and safety (H&S) in our operating environments.

Our commitment extends beyond compliance with regulations. We actively involve stakeholders, continuously evaluate our practices, and set clear H&S targets. Our Global Principles on Human Capital underscore our belief that all injuries are preventable through vigilance, training, and robust safety standards.

To ensure that we maintain the highest standards of health and safety throughout our global terminal network, the ICTSI Health and Safety Management System (IHSMS) will soon be rolled out in 2024. Consistent with the Global Health and Safety (H&S) Policy that was established in 2022, the IHSMS will set our minimum expectations to ensure the safety and well-being of all employees, contractors, and visitors in our premises. Our adherence to relevant regulatory and statutory requirements, along with setting measurable targets and regularly reviewing and assessing our H&S performance, further reinforces our commitment to H&S.

Training policies and programs are evaluated periodically based on performance measurements, participant feedback, surveys, internal and external audits, and management meetings.

These training programs cover a broad scope of priority areas, including safely operating and maintaining specialized port equipment, corporate leadership, emergency response, occupational hazard and risk identification, reduction and management, and the personal development of our employees and outsourced labor force to ensure that all our personnel are well-capacitated to perform with both safety and efficiency in the workplace.

HEALTH AND SAFETY

ICTSI is committed to ensuring the health, safety, and well-being of its workforce, customers, and communities. As a global port operator, ICTSI recognizes the fundamental importance of occupational health and safety (OH&S) in its operations and strives to maintain the highest standards.

HEALTH AND SAFETY LEADERSHIP AND ACCOUNTABILITY

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At the Corporate level, the Global HSSE department continues to collaborate with Regional Managers, Terminal CEOs and HSE Heads to discuss H&S performance and progress of improvement plans and

good practices are widely shared across our global network. The department also follows through with the terminals' risk reduction initiatives related to previously launched safety campaigns such as Slips, Trips, and Falls (STF) prevention and hand injury prevention including the closure of gaps identified by the terminals through a self-assessment they've carried out using the preventive safety action checklist.

At the terminal level, Management is responsible for prioritizing the well-being and safety of all stakeholders. They ensure that proper planning and execution of health and safety programs are done and effectiveness of controls aimed at minimizing operational risks are verified and validated. All terminals continue to enhance their existing health and safety management systems based on good practices in accordance with evolving local and international guidelines and standards such as IMDG, OSHA, ILO, and ISO 45001.

Aside from employees, contractors, suppliers, customers, brokers, and other port users, are likewise covered in our implementation of H&S management systems, ensuring the coverage of all the stakeholders who visit or work within the confines of our port. Through these stakeholders, we foster a proactive safety culture by encouraging hazard reporting, conducting risk assessments as necessary, ensuring that pragmatic risk mitigation measures are in place, and continuous fit-for-purpose trainings are carried out especially for safety critical roles. Our ultimate goal is a zero-harm workplace across ICTSI.

SAFETY AT ALL COSTS

ICTSI prioritizes a culture of safety and well-being, ensuring all employees have the right to a safe and healthy workplace. To uphold this commitment, all ICTSI terminals have clear and accessible risk management procedures, which includes among others, protocols for workers to identify potential hazards and remove themselves away from it.

These procedures align with local regulations and robust occupational health

and safety (OHS) management systems. Workers are empowered to remove themselves from unsafe situations and immediately report safety concerns to their supervisors or HSE teams. Management thoroughly investigates all reports, implements corrective / risk mitigation measures, and if necessary issue work stoppage orders if task has been validated to be unsafe to continue. ICTSI strictly protects workers against reprisals for exercising their right to safety.

Workers are protected against reprisals and are not subjected to disciplinary action for refusing to work under unsafe conditions.

A notable practice from Batumi International Container Terminal (BICT) is their conduct of occupational training, which includes information on how trainees can remove themselves from potentially hazardous situations. They also provide safety instructions at every shift.

ICTSI Rio has Ten Golden Rules that reference their OHS Policy, no.7 rule, which states that the worker has the right to refuse a task if he or she does not have safe conditions to carry out their functions.

WORKPLACE HAZARD REPORTING

ICTSI prioritizes the safety and well-being of its employees across all container terminals. We've established a robust framework of internal safety standards, constantly reviewed and improved, reflecting our commitment to occupational health and safety (OHS).

ICTSI recognizes the paramount importance of occupational health and safety (OHS). We've proudly institutionalized robust OHS management systems across our terminals. These systems align with legal requirements and incorporate comprehensive risk assessments based on local and international standards like ISO 45001, ILO guidelines. Our dedicated local H&S teams ensure these systems are effectively implemented to protect everyone within our facilities.

RBT has begun mapping the process to implement occupational health and safety based on ISO 45001. Other terminals, such as BIPI, have health and safety plans and developed systems to reinforce occupational health and safety guidelines.

Most terminals share common goals and targets, including accident frequency reduction, near-miss and hazard reporting, training events and emergency drills.

To evaluate their OHS systems, some terminals have audits related to their certifications and accreditations, while some are working on establishing evaluation mechanisms for their safety systems.

All ICTSI terminals have activities or processes to identify and assess hazards and risks routinely. These disclosed processes are aligned and in compliance with legal requirements, ISO standards, or industry good practices. BCT and BICT are examples of terminals that conduct regular meetings (at least monthly) or assessments as part of their risk management processes.

Actions and control measures at our terminals vary, depending on whether the measures cover routine or non-routine activities and the level and urgency of the risks identified. There are also various triggers for processes undertaken on a non-routine basis, such as changes in procedures, incidents, complaints, or exposure monitoring results.

Our risk assessments are typically conducted by cross-functional teams, composed of operations and technical personnel and safety specialists with the necessary training, qualifications and work experience.

CMSA has its risk assessment matrix covering all its processes for routine and non-routine activities. The matrix is updated in the following cases: a new process, modification of a process, a new area, new activities in the event of an accident, and if personnel detect a new hazard that has not been previously identified in their activities.

Our terminals have processes by which workers may report hazards in the workplace with confidentiality and protection against reprisals. In BGT, personnel are encouraged, required, and obligated to report verbally or in writing any hazards found in the workplace to their Directors, Managers, Heads of Area, Superiors, Supervisors, Security Personnel, Foremen, Safety Officers, and HSSE Officer.

Some terminals also have various hazard reporting tools and channels to encourage incident reporting such as chat groups, hazard report drop boxes, emails, emergency hotlines and through radio communication. Additionally, near-misses and hazards are also gathered from pre-operational toolbox meetings, safety trainings, safety dialogue processes,, safety observation reports.

■ 2022 ■ 2023

IMPLEMENTATION OF HEALTH AND SAFETY MANAGEMENT SYSTEMS 1		
Percentage of terminals with implemented occupational health and safety management systems	100%	100%
Percentage of terminals with implemented occupational health and safety management system that is internally audited	100%	100%
Percentage of terminals with implemented occupational health and safety management system that is audited and/or certified by an external party ²	30%	25%

¹ Percentages above cover all employees and contractors in the terminal

² Terminals that have not yet achieved external certification of their implemented health and safety management system continue to prepare for such



SBITC JOINS FORCES WITH SBMA FOR DISASTER RECOVERY AND CONTINUITY EXERCISES

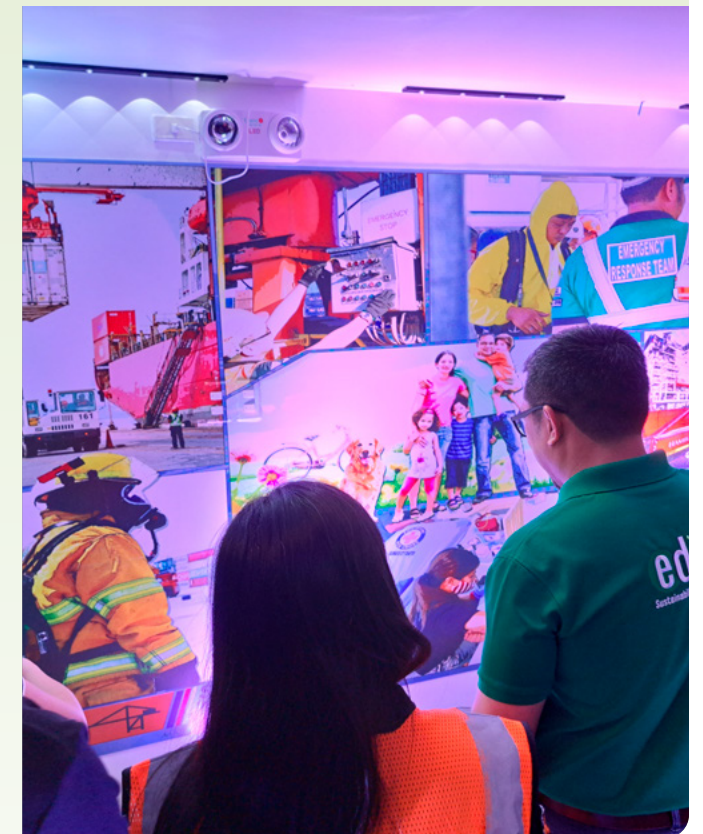
Subic Bay International Terminal Corp. (SBITC) and the Subic Bay Metropolitan Authority (SBMA) Seaport and Fire Departments conducted a disaster recovery and business continuity simulation in August to strengthen the terminal's collaboration with government agencies and private stakeholders in responding to maritime emergencies in the Port of Subic.

This Capstone Project tested the Port of Subic's preparedness for maritime emergencies with the SBMA Law Enforcement Department, Public Health and Safety Department, Philippine Coast Guard, Philippine Red Cross, and the Philippine National Police – Regional Maritime Unit 3. SBITC solidified its commitment to safety and operational resilience by simulating real-world scenarios.

The following month, SBITC celebrated Health, Safety, and Environment (HSE) Month by organizing an exhibit showcasing aspects of the terminal's HSE initiatives.

SBITC celebrates HSE month every September to emphasize the importance of HSE engagement among employees. It also serves as a platform for showcasing the company's efforts and commitment to uphold safe work practices. This year's theme, *May Malasakit Ako* (I Care) represents SBITC's passion for maintaining a safe work environment for employees.

Through initiatives like "May Malasakit Ako," SBITC sets a powerful example for prioritizing employee well-being and fostering a sustainable future for all.



These terminals have protocols for investigating work-related incidents, which cover incident reporting, investigation, and information-gathering, determining the root causes of such incidents, and applying corrective actions. Aside from the usual 5-whys method of conducting a root cause analysis for incidents, a number of terminals use specific methodologies such as ICAM (Incident Cause Analysis Method), Fishbone, Cause Effect Tree Method and SCAT (Systematic Cause Analysis Technique)

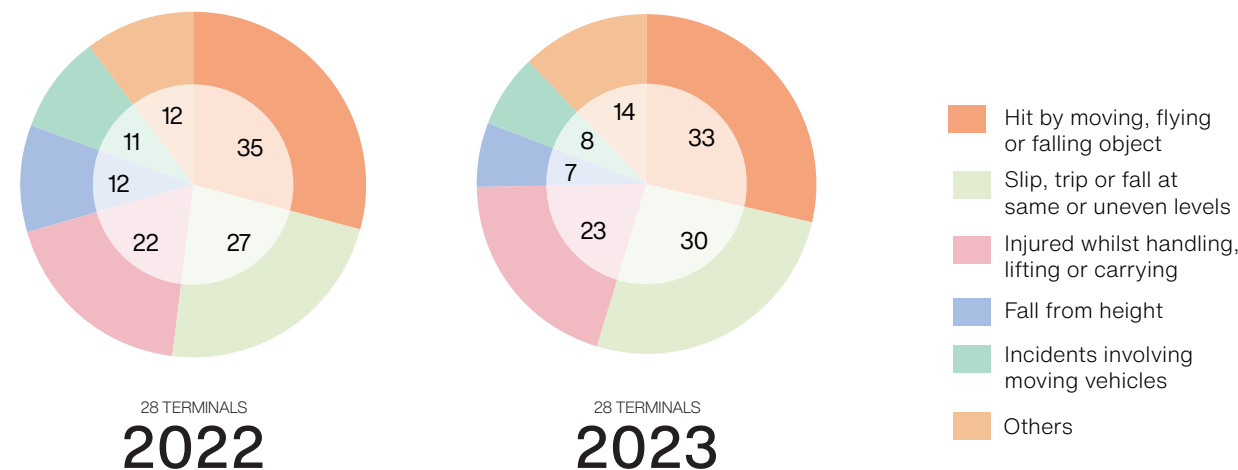
A notable practice by MNHPI provides a 12-step detailed procedure that covers reporting, area and incident investigation, safety equipment identification, Joint Incident Investigation (JIR), preparation of joint investigation reports, internal investigations to determine if MNHPI employees are involved, summoning Engineering personnel if there is damage to terminal property, procedures for near-miss accidents, alcohol and drug testing of personnel, identification of corrective action, issuance of Incident Investigation Report (IIR), and follow-through on corrective actions until such actions are performed.

OUR PROGRESS RELATING TO SAFETY PERFORMANCE

■ 2022 ■ 2023

EMPLOYEES	28 TERMINALS	28 TERMINALS
Fatalities	0	0
Lost Time Injuries	119	115
Lost Time Injury Frequency Rate (LTIFR)	4.28	3.94
Lost Time Injury Severity Rate (LTISR)	72.74	57.99
Man hours	27,796,126	29,175,822
CONTRACTORS*		
Fatalities	1	1
Lost Time Injuries	54	35
Lost Time Injury Frequency Rate (LTIFR)	4.37	2.80
Lost Time Injury Severity Rate (LTISR)	563.62	500.24
Man hours	12,346,975	12,512,072
IMPLEMENTATION OF HEALTH AND SAFETY MANAGEMENT SYSTEMS		
Percentage of terminals with implemented occupational health and safety management systems	100%	100%
Percentage of terminals with implemented occupational health and safety management system that is internally audited	100%	100%
Percentage of terminals with implemented occupational health and safety management system that is audited and/or certified by an external party	30%	25%

EMPLOYEE LOST TIME INJURIES (LTIs)



HEALTH AND SAFETY PROMOTION

A robust workforce is built on the foundation of good health. We ensure that our employees receive good medical care on-site, as well as medical assistance where necessary and in compliance with the laws of the areas where we operate. This is the seed from which we grow the strong, highly-skilled, high-performing workforce that drives our business.

Our facilities have on-site medical offices/clinics for workers' healthcare and first-aid needs. Our Health and Safety teams, including line managers and supervisors have safety licenses and are trained on occupational health and safety management.

Corporate-wide initiatives like the Alisto Amigo Slips, Trips, and Falls Prevention Program, the Hand Injury Prevention campaign, and the Live Your Best Life campaign actively promote employee health and safety across our entire organization, addressing the diverse risks associated with our work environments.

At the terminal level, SBITC has specific policies for PPE, work permits, hazard identification, and dangerous goods handling. OPC has a safety policy and procedure.

CMSA complies with the applicable legal and other requirements, safety and efficiency standards for its supply chain and health and safety risk prevention. It actively promotes safe and healthy working conditions and always seeks the participation and consultation of its collaborators, as well as controlling, mitigating, and compensating for adverse environmental impacts that affect the organization and society.

SCIPSI initiated a Housepoints Reward System (HRS) for contagious disease prevention. Their employees were all part of small groups of seven members each, with their supervisors acting as coaches. This initiative served as a venue to constantly remind our employees to adhere to health protocols for disease prevention. Tecplata set up a Health and

Care Management System to promote institutional cooperation between collaborators to prevent infectious diseases, such as influenza, dengue fever, and COVID-19.

WORKER SAFETY

We believe that injuries are preventable through vigilance, regular employee training, and having rigorous safety standards in place. We are fully committed to complying with all applicable safety laws at each location in addition to ICTSI's stringent policies and requirements.

Our terminals have listed EHS training that commonly includes drills for fire safety, dealing with workplace hazards, giving first aid and health awareness seminars, training on emergency procedures, hazardous waste management, environment training for auditors, and equipment training.

Safety training is best conducted regularly to prepare for the most survivable situations when one is capable and trained to survive and overcome emergencies and disasters. At ICTSI, we take this precept of preparedness seriously and keep our people trained and ready, even as we invest time and resources in taking all possible preventative measures.

CONTRACTOR SAFETY

At ICTSI, we value the essential services provided by our contractors and prioritize their health and safety alongside our own employees. This commitment applies to all contracted personnel, regardless of the frequency or nature of their work.

Our forthcoming Global Guidelines for Contractor Management will provide a comprehensive framework for ensuring safety best practices during all non-routine project work at ICTSI terminals. To be developed by Global HSSE in coordination with Global Engineering, Global Legal and Global Procurement, these guidelines establish minimum standards to be implemented across our network, with local terminals tailoring measures as needed. Penalties for non-compliance are



MICT HONORS HEALTH AND SAFETY CHAMPIONS

The Manila International Container Terminal (MICT) Health, Safety, and Environment (HSE) Department spearheaded the company's celebration of the World Day for Health and Safety at Work by recognizing individuals and teams who showed exceptional safety performance in 2022 last April 28.

Here are the winners:

- Most Improved Safety Performance Award: Container Freight Station for a major safety performance leap in 2022.
- Active Participation: Engineering Department for valuable contributions to HSE policies and initiatives.
- Above and Beyond: Security, HR, and Global PR, for exceptional support in boosting terminal safety.
- Contractor Collaborator: MICT Civil Works team for fostering engaged and safe work with contractors.
- Committed Contractor: Prime Metro BMD Corp. and Athamus Construction Inc. for prioritizing worker safety, efficiency, and adherence to HSE guidelines.
- High-Performance Award: Operations Department for exceeding their annual HSE targets.
- Safety Idols: Leading by Example
- Annabelle Reyes (Global Procurement)
- Darwin Castillo (Operations)
- Mark Dugos (PMO)
- Mateo Lagman (RTGO)
- Jean Emmanuel Rimando (Claims)
- Ramon Calingo (QCO)
- Rick Emerson Quiambao (ITSS)



TRAINING FOR CONSISTENCY, EFFICIENCY, AND RELIABILITY

SBITC (PHILIPPINES). Subic Bay International Terminal Corp. (SBITC) and the Subic Bay Metropolitan Authority (SBMA) Seaport and Fire Departments conducted a disaster recovery and business continuity simulation in August to strengthen the terminal's collaboration with government agencies and private stakeholders in responding to maritime emergencies in the Port of Subic.

This Capstone Project tested the Port of Subic's preparedness for maritime emergencies with the SBMA Law Enforcement Department, Public Health and Safety Department, Philippine Coast Guard, Philippine Red Cross, and the Philippine National Police – Regional Maritime Unit 3. SBITC solidified its commitment to safety and operational resilience by simulating real-world scenarios.

MHC (PHILIPPINES). Manila Harbor Center (MHC) prioritized safety with a recent Hazard Identification, Risk Assessment, and Risk Control (HIRARC) training refresh. In February, the program taught employees to spot potential dangers and enhance workplace alertness and risk management skills.

This refresher honed participants' ability to identify threats, assess risks, and develop control measures for their work areas. MHC also encouraged trainees to contribute actively to their department's HIRARC systems, ensuring comprehensive risk assessment and response plans.

HIRARC is a calculated tool used to identify, quantify, decrease, manage, and eliminate probable causes of accidents that could happen in the performance of duty.

included and will be released in the second quarter of 2024.

The Global Guidelines will include requirements on strict contractor selection process that checks contractors' competencies and experience. Contractors will also be asked to provide risk assessments by evaluating their tasks and work methodology before starting work with the Company. The protocols will also require proper supervision of contractors during the implementation of their project activities. .

An end-of-project review and due diligence of each contractor's performance will also be done to check compliance with our guidelines.

CUSTOMER HEALTH AND SAFETY

ICTSI greatly value the health and safety of our customers, and the Group has policies, frameworks, and guidelines in place to ensure this complies with local and national laws where we operate. Our customers know our Company as a reliable and safe organization to work with, and we do not just keep up appearances: We put in the daily work it takes to earn and maintain their trust and continued business.

Our terminals have policies to ensure any port user's health and safety, which includes every customer who comes to the terminal to transact business. These policies are usually approved by the terminals' top management following local regulations, widely recognized initiatives, and ISO standards.

Most of our terminals indicated that the effectiveness of their OH&S policies is evaluated through internal or external audits. For some, like MHCPI, their policies are evaluated to check for concerns or issues arising from such policies, and adjustments are made to the policies as needed. SPIC reviews its OH&S policies annually and usually includes potential amendments from audits, both internal and external, as well as legal compliance.

Policy commitments are evaluated through performance indicators, annual



SAFETY IN NUMBERS

BIPI (PHILIPPINES). Batangas Bauan International Port (BIPI) surpassed a remarkable milestone: one million safe man-hours achieved in just six years in May. This impressive record, announced during ICTSI's 35th anniversary, reflects BIPI's unwavering dedication to safety as a cornerstone of its success.

Reaching this mark without a single lost time incident since 2017 is a testament to BIPI's people-centric approach. From navigating extreme weather to conquering COVID-19, their safety culture has proven resilient.

TECPLATA (ARGENTINA). Safety took center stage at TecPlata throughout 2023, with initiatives fostering a proactive culture across the terminal. A new brigade of emergency responders formed in March, ready to tackle any scenario through regular drills simulating real-life situations. Safety Week featured engaging workshops and activities in April to embed preventative practices into daily work. In July, brigade drills covered hydrocarbon spills, water rescues, and high-reach crane emergencies.

MICT (PHILIPPINES). Manila International Container Terminal (MICT) Health, Safety and Environment (HSE) team, in coordination with ICTSI Global HSSE (Health, Safety, Security and Environment) Department and MICT Engineering-GSS (General Services Section), prioritized readiness with two intense emergency response drills in January. At Consolidated Training Systems in Tanza Cavite, 15 MICT personnel battled simulated heliport fires, honing skills crucial for simple and complex blazes during helicopter operations. The MICT Emergency Response Team also accomplished a tabletop drill that saw them tackle a vessel fire with an oil spill alongside partners like the Philippine Ports Authority and Coast Guard.

OMT (NIGERIA). Onne Multipurpose Terminal (OMT) hit a remarkable stride in May, celebrating two million man-hours worked without a single lost-time injury (LTI). This achievement, surpassing two years of safe operations, reflects OMT's unwavering commitment to workplace safety. Rebecca Ollornwafor, OMT Head of Safety, emphasized the milestone's deeper meaning: "It's not just numbers; it's about ensuring everyone returns home safe each day." Chief Operating Officer Jim Stewart echoed this sentiment, praising the team for their dedication and vigilance in upholding safety standards.

satisfaction surveys, observation/ inspection, and internal and external audits. BGT, for example, conducts regular evaluations to ensure the effectiveness of its commitments. This type of evaluation involves monitoring key performance indicators related to customer health and



CGSA MAKES HISTORY WITH LARGEST POLICE PRECINCT IN ECUADOR

Contecon Guayaquil S.A. (CGSA) laid the first stone for the foundation of the future facilities of the National Police in October. The barracks, located inside the terminal, will be the largest facility of its kind in Ecuador.

The US\$3.5 million project will empower the Ecuadorian National Police with enhanced surveillance and anti-narcotics capabilities within the Simón Bolívar Libertador Port. CGSA CEO Javier Lancha de Micheo emphasized, "Security is a fundamental pillar in our operations. Thanks to our infrastructure and technology, we are recognized as Ecuador's most secure port terminals."

Construction started in November, aiming to house 74 personnel within a spacious 1,485 sq. meter complex. Beyond the building, CGSA is providing crucial equipment and assets to support land mobility, communication, and counter-narcotics operations. Following national regulations, state-of-the-art scanners are also being installed – showcasing an investment of around US\$15 million in this vital project.

safety, conducting internal audits, and soliciting customer feedback. The results of these evaluations have consistently demonstrated the effectiveness of the terminal's commitment in safeguarding our customers' well-being.

Most terminals also have grievance mechanisms in place for customer health and safety concerns. Ownership of these mechanisms may vary from HSSE personnel to customer service, HR departments, or legal teams. The mechanisms include service hotlines, email, incident reporting, suggestion boxes, websites, or "ombudsman channels". Results, periodic reviews, and feedback from claimants through satisfaction surveys measure the effectiveness of these mechanisms.

Our terminals also assess health and safety impacts of the services being offered to customers (e.g. reefer, CFS, roll-on-roll off, anchorage, etc.) with regular risk assessment inspections being carried out. In YICT's case, they hired a professional organization to deliver this service and prohibit customers from participating in any

operation of the refrigerated box to prevent electric shocks to these customers.

There are some terminals like MICTSI who conducts toolbox meetings and safety talks for its customers to raise awareness on common port safety hazards.

CUSTOMER ENGAGEMENT AND SATISFACTION

ICTSI's global reach and reputation are built on excellence in service, and our Company has worked to sustain and transform that reputation with innovation, a solid work ethic, and robust frameworks that ensure that we continue to serve our customers well.

Fifteen of our terminals have policies to ensure customer engagement and satisfaction in their operations. These policies, which primarily refer to the international standard, ISO 9001, are commonly approved by top management such as the CCO, Customer Service Manager, Commercial Management/ Department, General Manager, Directors, and CEO. They conducted surveys, interviews, audits, and reviews to evaluate the policy's effectiveness. The evaluation results enabled the terminals to make necessary changes or improvements in the policy.

MHCPST in Manila and MGT in the Democratic Republic of the Congo implemented their policies this year, while OMT's policy is still awaiting approval by management.

TSSA in Brazil has no written policy but has several procedures for services. Colombia's SPIA is not maintaining a formalized customer engagement and satisfaction policy.

Twenty-four of our terminals are committed to ensuring customer engagement and satisfaction in their operations. These commitments are aligned with regulatory compliance and international standards or are widely recognized initiatives. SPICT's commitment is part of its regulatory

compliance. At the same time, OMT has SOPs based on Internal Regulatory Compliance and Evaluation that were part of its 2023 audit process.

Through these commitments, SPICT and OMT address the complaints raised using customer feedback, satisfaction surveys, and SMS and phone call campaigns. SBITC has a direct line to the Commercial Team to escalate critical day-to-day matters at the terminal.

MICT's daily operational concerns are covered by the Customer Experience team primarily through email, with the aid of the ISSA Chat Support. They also established group chats for select associations and VIP clients to facilitate immediate assistance, gather feedback, and disseminate information, announcements, and advisories.

According to our internal data, 22 terminals have had key topics and concerns raised through customer engagement. They responded to these matters by directly engaging with the customers to address issues, complaints, or suggestions and close all gaps by working with the government, deploying tools that allow them to confirm the needs of their customers, conducting regular maintenance, meetings, sales engagement, action plan responses, and corrective review and implementation.

Some terminals that still need to have commitments plan to obtain ISO 90001 certification to implement and organize such obligations. KMT now has commitments as part of its regulatory compliance with port authorities and concessions. Most companies did not mention effectiveness evaluations, though some consult the corporate legal department or plan to implement internal or external audits.

The effectiveness of these policies is measured through surveys, KPIs, reviews, and audits. Few terminals that still need to have commitments plan to obtain ISO 90001 certification to implement and organize commitments.

SOCIAL RESPONSIBILITY

For ICTSI, Corporate Social Responsibility is a core value: As we grow, the communities we are rooted in grow with us. The economies that host our business units prosper as we prosper. This makes good business fulfilling: We have opportunities to share our profits in ways that create a positive and sustained impact on the lives of the people around us, so we maximize those opportunities.

Some of our terminals have policies for community relations and initiatives. Senior Management or the CEO commonly approves these policies, and may vary according to local policies. They communicate with local government and authorities as these policies are



ICTSI TERMINALS BOOST SECURITY

MHC (PHILIPPINES). Manila Harbor Center (MHC) earned the Safety Seal Certification on January 16, showcasing its commitment to public health and well-being. Valid for a year, this recognition by the Philippine Ports Authority assures port users of MHC's adherence to all government-mandated health standards.

MHC prioritizes the safety of its employees, customers, and stakeholders while maintaining consistent and uninterrupted operations. The Safety Seal Certification, a testament to their proactive measures against COVID-19, allows MHC to confidently serve the public, fostering a healthy and secure environment for all.

MICT (PHILIPPINES). Manila International Container Terminal (MICT) has been granted the Statement of Compliance of a Port Facility (SoCPF) by the Philippine Department of Transportation – Office for Transportation Security, signifying the terminal's compliance with Chapter XI-2 IMO SOLAS and the International Code of Security of Ships and Port Facilities (ISPS Code) in June.

Valid until 2028, the SoCPF embodies MICT's commitment to ensuring the safety and security of cargo vessels operating within its port facility. The certification also validates that the terminal has passed a thorough audit of its port facility security plan.



CONTECON GUAYAQUIL OFFERS PORT-TO-DOOR SERVICE

Contecon Guayaquil (CGSA) introduced Port-to-Door – an automated cross-docking service that allows customers to receive their cargo directly at their doorsteps in March.

Port-to-Door eliminates the need for customers to go to the terminal to retrieve their shipment. The innovative service can be requested and tracked online, making the process efficient and hassle-free.

CGSA is the first terminal to offer automated cross-docking services in Ecuador.

To access the service, customers need only to log into CGSA's website at www.cgsa.com.ec to track their cargo in real-time using the CGSAPP mobile app. Port to Door can be pre-booked before cargo arrival in Ecuador or while the cargo is stored in the port's warehouses. Cargo can be transported as soon as it is offloaded from the vessel.



implemented. Terminals with no formal policies still carry out various CSR actions.

CGSA, in particular, launched a program in 2023 called Orange Hearts, wherein collaborators who are part of the program looked for needs in the community and worked on improving this program's sustainability.

MICT has an Operations Manual for Sustainability. They have Taskforce Parola, a collaboration by stakeholders of the Parola South Access Road that focuses primarily on monitoring, improving, and developing the traffic situation along Parola South Access Road. The Parola

Inter-Agency Network (PIAN) is an ICTSI-led and organized informal network of organizations that develops, implements, monitors, and evaluates social services, social welfare activities, and social development programs.

Anchored on ICTSI's commitment to contribute to the United Nations Sustainable Development Goals (UN SDG), PIAN maintains inclusivity, sustainability, and shared responsibility with MICT's host community.

Terminals with CSR policies evaluate these policies using feedback from the beneficiaries or the communities.

As with other aspects of our business, ICTSI's CSR initiatives also involve training for our workforce. Twelve of our terminals have conducted training on social responsibility in the last three years. These training activities vary from health and safety awareness to learning sessions on communities and employees, skills enhancement seminars, sexuality seminars, and stress management.

OPC and MICT are the terminals with specific social responsibility training programs, continuing education relevant to program development, implementation, management and evaluation, comprehensive sexuality education, humanitarian charter, response, career orientation, capacity building, and skills enhancement training. TSSA lectured about raising awareness of the importance of blood donation in partnership with HEMOPE.

SPICT conducts school visits to their communities, providing sessions relevant to the environment and environmental protection.

Other areas for CSR work across ICTSI's business include sports sponsorships for promising athletes and hosting athletics activities as fund-raisers for good causes, education support for ICTSI terminals' host countries and communities, and initiatives that support UN SDGs for environmental protection, human rights protection and serving our communities' needs for potable water and renewable energy.



NEW SERVICES IMPROVE CONNECTIVITY AND EFFICIENCY ACROSS ICTSI TRADE ROUTES

RBT (BRAZIL). Rio Brasil Terminal (RBT) started receiving regular calls from the East Coast South America-Europe (ECSA-Europe) joint service by COSCO Shipping, Orient Overseas Container Line (OOCL), and Ocean Network Express (ONE) in September.

The weekly service, branded as the East Coast South America-Europe 2 by COSCO, Europe-East Coast South America Express by OOCL, and Latin-East-Coast Europe Express by ONE, will utilize nine vessels to seamlessly connect Europe, the Mediterranean, and the South America East Coast via the following port rotation: Rotterdam (Netherlands) – London Gateway (United Kingdom) – Hamburg (Germany) – Antwerp (Belgium) – Lisbon (Portugal) – Algeciras (Spain) – Santos (Brazil) – Paranagua (Brazil) – Montevideo (Uruguay) – Buenos Aires (Argentina) – Itapoa (Brazil) – Paranagua (Brazil) – Santos (Brazil) – Rio de Janeiro (Brasil) – Algeciras (Spain) – Rotterdam (Netherlands).

TECPLATA (ARGENTINA). TecPlata welcomed the maiden call of ZIM Integrated Shipping Services' Patagonia Express Service (PES) in July, which opened a crucial trade link between Argentina, the Caribbean, and the US Gulf Coast. The PES connects La Plata to the Caribbean hub of Kingston and Houston via modern 1,000-TEU vessels. Expected calls every 45 days, the service offers reliable and efficient shipping options, fostering economic growth across the region.

CGSA (ECUADOR). Contecon Guayaquil (CGSA) marked a new chapter in Ecuador's trade landscape with the inaugural call of ZIM Shipping Line's Colibiri Xpress service. This partnership will connect the country's West Coast with the United States East Coast, offering twice-weekly sailings aboard six 1,700-TEU vessels starting April 2023. Contecon's dedication to Ecuador is evident in its over US\$400 million investment since 2007, contributing to every facet of the nation's foreign trade.

BCT (POLAND). Baltic Container Terminal (BCT) marked a historic moment on August 23 with the first direct call of the Mediterranean Shipping Company's (MSC) SWAN service. Restored by MSC in May, the service links ports in Europe and the Far East and has provided the Port of Gdynia with a direct connection to the most important Chinese and Korean ports.

MCT (PHILIPPINES). Wan Hai Lines' MHT service resumed weekly calls to Mindanao Container Terminal (MCT) every Saturday, linking Hong Kong and Taiwan with Mindanao businesses and other critical Asian hubs and streamlining international trade.

The inaugural call saw the Wan Hai 231 handle 237 containers, primarily coconut byproducts, falcata lumber, and waste paper. MCT anticipates a flourishing partnership with Wan Hai, fueling regional economic growth and prosperity.

BGT (IRAQ). Basra Gateway Terminal (BGT) marked a historic moment in June 2023, welcoming the inaugural direct freight service between the United Arab Emirates and Iraq. Operated by DP World, this groundbreaking RoRo (roll-on, roll-off) service connects Jebel Ali in Dubai with Umm Qasr, Iraq, slashing travel time from 14 days to a mere 36 hours. No longer will trailers face tedious land border crossings. Instead, they'll be loaded onto vessels in Jebel Ali, whisked across the sea, and discharged at Umm Qasr for seamless onward journeys. This eliminates the need for trans-loading, a significant time and cost saver for traders.



ICTSI'S RECORDS AND MILESTONES



CMSA (MEXICO) AND SPIA (COLOMBIA). ICTSI terminals in Latin America marked a new operational milestone with the arrival of CMA CGM Alexander Von Humboldt at Contecon Manzanillo S.A. (CMSA) in Mexico and Sociedad Puerto Industrial Aguadulce (SPIA) in Colombia last September. The 396-meter-long vessel is the first of its size to operate a regular service in Latin America. Its arrival underscores the capabilities of CMSA and SPIA to handle larger ships and stimulate economies of scale efficiently. CMA CGM Alexander Von Humboldt operates the Asia Central South America 1 (ACSA1) service, which connects Asia and Latin America.

VICT (AUSTRALIA). Victoria International Container Terminal etched its name in Australian maritime history with the arrival of the M/V CMA CGM Pelleas, the largest container vessel ever to dock in the country on September 21. This 350-meter long ship, boasting a near-10,000 TEU capacity, marks a transformative moment for Melbourne's Port and underscores VICT's strategic role in Australia's evolving trade landscape.

CMSA (MEXICO). Contecon Manzanillo (CMSA) made history by welcoming the CMA CGM APL Vanda – a colossal vessel carrying a staggering 14,400 TEUs in November. This record-breaking feat shattered Mexico's single-vessel operation record and solidified CMSA's position as a premier gateway for mega-ships traversing the Latin American Pacific. The APL Vanda, sailing under CMA CGM's Asia Central South America service, follows the CMA CGM Alexander von Humboldt, another 400-meter behemoth to grace Manzanillo's shores. With a maximum capacity of 17,292 TEUs, it currently claims the title of the largest vessel to dock at the port.

CGSA (ECUADOR). Contecon Guayaquil (CGSA) notched a historic mark in April, welcoming the largest vessel to grace its docks. The Maersk Camden, a Liberian-flagged 15,413 TEU ship, made its maiden call, solidifying Guayaquil's role as a key Ecuadorian trade gateway. This achievement showcases CGSA's readiness to handle the largest container vessels in the Asia-America trade.



PARTNERSHIPS, COLLABORATION, AND KNOWLEDGE SHARING FOR TRANSFORMATIVE BEGINNINGS

ICTSI GROUP (GLOBAL). Fifteen terminals across the ICTSI Group came together in September to establish a collaborative platform for sharing best practices in project, bulk, and breakbulk cargo operations.

The ICTSI Breakbulk Group aims to foster knowledge exchange and drive operational efficiency further to strengthen ICTSI's position as an industry leader. It also promotes fruitful discussions, sharing challenges and opportunities, and benchmarking best practices as a foundation for future collaborations.

The terminals comprising the Breakbulk Group are the following:

- Subic Bay International Terminals (Philippines)
- Bauan International Port (Philippines)
- Manila Harbor Center (Philippines)
- Motukea International Terminal (Papua New Guinea)
- South Pacific International Container Terminal (Papua New Guinea)
- East Java Multipurpose Terminal (Indonesia)
- Onne Multipurpose Terminal (Nigeria)
- Matadi Gateway Terminal (DR Congo)
- Kribi Multipurpose Terminal (Cameroon)
- Basra Gateway Terminal (Iraq)
- Baltic Container Terminal (Poland)
- Tecon Suape (Brazil)
- Contecon Guayaquil (Ecuador)
- Operadora Portuaria Centroamericana (Honduras)
- TecPlata (Argentina)

TECPLATA (ARGENTINA). Delegates from COSCO Shipping South America led by Deputy General Manager Wang Kunhui visited TecPlata last October 10. They met with ICTSI vice president and regional head for Latin America Anders Kjeldsen and discussed mutual opportunities for cooperation. Discussions focused on route optimization, feeder network development, carbon neutrality initiatives, and prefabricated warehouse ventures. This builds on COSCO's recent strategic partnership with China Certification and Inspection Group in the region, underscoring their commitment to Argentine growth.

MCT (PHILIPPINES). Mindanao Container Terminal (MCT) fueled conversations at the Mindanao Shipping Conference 2023, a Davao gathering of port operators, truckers, exporters, and government

officials last March. The event, organized by PortCalls Asia, showcased updates on Visayas-Mindanao infrastructure, trade facilitation, and agency operations.

BICT (GEORGIA). Batumi International Container Terminal (BICT) charted a course for sustainable global trade at the Tbilisi Silk Road Forum, joining 2,000 leaders from 60+ nations. The forum explored drivers of connectivity, with BICT emphasizing the role of efficient ports like Batumi in unlocking regional and global opportunities.

SBICT (PHILIPPINES). Subic Bay International Terminals (SBITC) and key stakeholders convened at SMX Convention Center in Clark, Pampanga, on August 10 for the "Container Shipping In North Luzon: Global Reach Through Subic" forum. This event brought together industry experts and officials to explore the untapped potential of Subic port as a strategic trade gateway for North Luzon. The forum marked a milestone for the North Luzon region, highlighting the potential of Subic port as a strategic gateway for import and export activities. The forum showcased the port's versatility, connectivity, and sustainability.





CONTECON PLUS: STREAMLINING LOGISTICS JOURNEY IN ECUADOR



↑ Javier Lancha, CGSA CEO; and Fohodil Galeas, CGSA commercial director at the Port of Guayaquil, Ecuador

Contecon Guayaquil (CGSA) launched Contecon Plus, a comprehensive and innovative logistics solution designed to simplify and optimize the supply chain experience for exporters and importers alike starting in September 2023.

Contecon Plus goes beyond a traditional terminal operation, offering a centralized platform encompassing diverse services under one roof, eliminating the need for multiple providers and fragmented processes. This integrated approach enhances operational efficiency, reduces costs, and streamlines your Ecuadorian trade journey.

"Contecon Plus represents a transformative shift in logistics," said Fohodil Galeas, CGSA Commercial Director. "By consolidating capabilities, we empower our clients to focus on business growth, confident in the smooth and efficient handling of their cargo."

Key Capabilities:

SEAMLESS WAREHOUSING & DISTRIBUTION:

- Dedicated Container Freight Station and empty container depot ensure smooth cargo flow.
- Flexible import storage solutions with tailored options, picking and packing transformation, and labeling.

- Direct access to the Special Economic Development Zone for expedited customs clearance.
- Temperature-controlled Bodega Fría facility (coming soon) extends shelf life for your perishables.

EFFORTLESS LAST MILE DELIVERY:

- Logipuerto provides rapid cargo delivery within Guayaquil, while Port-to-Door solutions handle palletized cargo efficiently.
- Real-Time Visibility and Control:
- CGSApp grants 24/7 access to detailed cargo information, empowering informed decision-making.

SUSTAINABLE LEADERSHIP:

- As the region's first carbon-positive terminal, CGSA offers carbon-neutral cargo certification, aligning your Ecuadorian ventures with environmental responsibility.

EMBRACE THE CONTECON PLUS ADVANTAGE:

- Enhanced Operational Efficiency: Streamlined processes, reduced costs, and faster transit times.
- Simplified Supply Chain Management: Single point of contact and centralized platform for total visibility.
- Sustainable and Responsible Trade: Contribute to a greener future with carbon-neutral cargo certification.



EMPOWERING COMMUNITIES: ICTSI'S HOLISTIC APPROACH TO SOCIAL RESPONSIBILITY

BGT (IRAQ). When harsh weather battered an Umm Qasr family's home, Basra Gateway Terminal (BGT) stepped in, shouldered the reconstruction costs, recognizing their struggle, and brought this grateful family renewed hope and a new home in August 2023.

This compassion resonated deeply within the community, echoing BGT's commitment to Umm Qasr's well-being. "It's more than just business," declared BGT Commercial Director Marko Miskovic. "It's a way for the company to keep the local communities safe."

CGSA (ECUADOR). Contecon Guayaquil (CGSA) launched "Orange Hearts," a new CSR program empowering employees to be agents of change for their community. As part of their 16th anniversary, CGSA donated to five crucial causes in September: Fundacion Casa de la Paz for elderly care, Fundacion Sin Barreras for youth empowerment, The Social Project Foundation for community solutions, Unidad Educativa Particular Miguel Febres Cordero (donation of air conditioning units) and Manuela de Santa Cruz Espejo Basic Education (infrastructure improvements) for education improvements. "Orange Hearts" beats with the rhythm of Guayaquil's needs, strengthening CGSA's commitment to a brighter future for all.

BICT (GEORGIA). Batumi International Container Terminal (BICT) proudly joined dignitaries in celebrating Georgia's maritime heroes in June 2023. The Minister of Economy and Sustainable Development of Georgia Levan Davitashvili, Chairman of the Government of Adjara Tornike Rzhvadze, Director of the Maritime Transport Agency Alexi Akhvlediani, and Batumi Mayor Archil Chikovani lauded captains, students, and all seafarers for their vital role in the nation's economic success. BICT echoes this gratitude, recognizing their dedication and service with unwavering support.

OMT (NIGERIA). Onne Multipurpose Terminal (OMT) turned over three solar-powered water systems to the Ogu community as part of efforts to provide the community with access to clean water in June. The Ogu community elders, led by Ogu Council of Chiefs Chairman Chief Adokiye, expressed appreciation for OMT's efforts to provide clean water. They also highlighted the project's impact on their lives and pledged to take good care of the water systems.

AIL (PAPUA NEW GUINEA). Ahi Investment Ltd. (AIL) in Papua New Guinea (PNG) turned over last July PGK2.5 million (US\$695,000) in dividends to Ahi Prudential Development to fund development projects and programs across the Ahicomunities of Yalu, Kamkumung, Hengali, Butibam, Yanga and Wagang. AIL's subsidiary, Ahi Terminal Services Ltd., partially owns South Pacific International Container Terminal Ltd. (SPICT), part of the concession agreement between International Container Terminal Services, Inc. (ICTSI) and the Ahi Group of Companies. The funding for the Ahi communities demonstrates a successful partnership anchored in the Sustainable Development Goals (SDG), as well as the mutual respect between ICTSI South Pacific Ltd. (ISPL) – ICTSI's subsidiary in PNG, the ICTSI Foundation and the Ahi Group of Companies.

EJMT (INDONESIA). East Java Multipurpose Terminal (EJMT) and partner Eastern Logistics distributed 1,650 food packs last April 13, offering vital support to Lamongan, Indonesia, during the Holy Month of Ramadan. EJMT, deeply embedded in the local community, is actively constructing a new terminal, poised to become a hub for international and domestic trade. This expansion contributes to the region's economic growth and promises a significant surge in job opportunities.



↑ BGT Commercial Director Marko Miskovic hands out a gift of hope and home to a family man in Umm Qasr.



BUILDING TOMORROW: EDUCATION FOR THE YOUNG

TECPLATA (BRAZIL). TecPlata distributed a back-to-school bonanza of school supplies for the children of its employees and outsourced personnel, easing the financial expenses of the school year 2023. This investment reflects TecPlata's unwavering commitment to quality education, ensuring its community has the tools to thrive.

BICT (GEORGIA). Batumi International Container Terminal (BICT) is fueling bright futures for Georgia's youth. Recognizing diverse talent amongst students with social support needs, BICT funded full scholarships for two remarkable individuals in 2023. These American Chamber of Commerce scholars will receive four years of support valued at GEL 9,750 annually, empowering them to reach their full potential. BICT's commitment shines through its presence on the MAC Georgia website (<http://macgeorgia.org/en/>), a testament to its belief in investing in a brighter tomorrow.

MEXICO. Contecon Manzanillo fulfilled its 2022 pledges by enhancing six primary education schools in Manzanillo as part of the 5th Contecon Race for a Cause in 2023. Through the collaboration of 28 sponsors and over 1,600 participants, last year's race generated MXN1,440,800.28 (approx. USD82,000), facilitating significant improvements to educational facilities. Benefitting institutions include Basilio Vadillo Elementary School, Elias Zamora Verduzco Elementary School, Salvador Pérez Mancilla Elementary School, María T. Naranjo Villalobos Kindergarten, Juana Ramírez Kindergarten, and the María Pérez Alfaro Kindergarten.

BCT (POLAND). Baltic Container Terminal (BCT) collaborated with the Center of New Competencies to deliver specialized training for technical school graduates in operating heavy terminal equipment. With a focus on preparing skilled workers for the maritime industry, 20 students underwent training using cutting-edge virtual reality simulations. BCT's initiative, in partnership with technical schools in Pomerania Voivodeship, aims to address skill gaps among vocational school students, facilitating their seamless integration into specialized job roles within the industry.

ICTSI FOUNDATION (DAVAO, PHILIPPINES). The ICTSI Foundation and Francisco Bangoy Central Elementary

School in Davao signed a Memorandum of Agreement (MOA) for the implementation of the school's alternative learning program in April 2023. The MOA is part of the Foundation's continuing support for the Department of Education's Alternative Learning System (ALS), a parallel learning system that caters to out-of-school youth.

ICTSI FOUNDATION (MANILA, PHILIPPINES). The ICTSI Foundation has helped enabled interactive learning for 16,000 students and 571 teachers across five public schools on September 6 with the donation of smart televisions. From Pedro Guevarra Elementary School, Teodoro Yangco Elementary School, Bo. Obrero Elementary School, Rosaurio Almario Elementary School - Isla Annex, to Jose P. Rizal Elementary School, classrooms lit up with the spark of digital learning, supporting the Department of Education's recovery program and amplifying teacher's reach. This tech boost unlocks a world of possibilities, transforming Manila's classrooms into vibrant hubs of curiosity and growth.

Earlier in June, the ICTSI Foundation extended support for nine daycare centers in Manila to elevate the quality of their early childhood education services as it donated nine smart television sets, storybooks, educational toys, tables, chairs, and other school supplies to daycare centers in Paco, San Andres, Pandacan, and Malate. Operated by the Kabalik ng Bayan sa Kaunlaran (KABAKA) Foundation Inc., the centers cater to more than 400 daycare learners.



↑ ICTSI donates learning equipment to Jose P. Rizal Elementary School, as well as four other public schools in Manila, on September 6.



STRENGTHENING COMMUNITY, PUBLIC HEALTH, AND WELL-BEING

TECON SUAPE (BRAZIL). Reinforcing its corporate social responsibility practices by contributing to cancer care for the elderly, Tecon Suape S.A. donated to the Pernambuco Cancer Hospital through tax incentive laws last November. The recent donation to the elderly fund supports expanded treatment access and improved supplies, creating a more timely and compassionate experience. This commitment to corporate social responsibility empowers Tecon Suape to make a real difference in the lives of Brazil's senior citizens.

KMT (CAMEROON). Kribi Multipurpose Terminal (KMT) joined forces with Cameroon's Kribi Health District to combat malaria in July. Following KMT's sustainable development policy, a medical team accompanied by KMT employees set up consultation posts to provide medical care for 102 children and 50 adults during Cameroon's national measles and rubella vaccination period. For most patients examined, the most common condition encountered by the medical team was malaria. Those diagnosed with the disease were provided the appropriate care and medications.

SBITC (OLANGPO, PHILIPPINES). The ICTSI Foundation and Subic Bay International Terminals (SBITC) donated assorted medicines and other supplies supporting the Subic Bay Metropolitan Authority's (SBMA) medical mission. Held in Sitio Pastoal in Hermosa, Bataan last August 11, the medical mission provided consultations to more than 500 residents. A total of 70 adolescent boys underwent circumcision, while 28 residents received oral prophylaxis. Additionally, nearly 100 residents received reading glasses.

ICTSI (MANILA, PHILIPPINES). In keeping the tradition of employee volunteerism alive, 50 ICTSI team members and their families joined Servathon 2023 last October 21, at the Philippine International Convention Center. Aligned with the Hands on Manila Foundation, this flagship program's theme, "STOP Stunting, START Thriving," addresses hunger and child malnutrition and supports at-risk pregnant women, new mothers, and the healthy development of newborns to age five. Volunteers played a vital role in repacking nutritious meals for malnourished children and families while also contributing to creating nursing covers for breastfeeding mothers. ICTSI remains committed to fostering positive change and community well-being.



EMPOWERING FUTURE CHAMPIONS: ICTSI'S SPORTS DEVELOPMENT INITIATIVES

MGT (CONGO). Matadi Gateway Terminal (MGT) was the major sponsor of the 25th Kinshasa International Open, celebrating the Cercle de Kinshasa's 100th anniversary held last September 15 to 17. But beyond the greens, MGT teed off a legacy of future talents.

A pre-tournament golf clinic for under-12s was led by MGT-backed pros Edouard Espana and Aubin Lacaze. Espana, a seasoned veteran with 11 top-20 finishes in the Challenge Tour, inspired the young talents. Lacaze, a prodigy who started at five, brought his Grand Prix-winning expertise to the session.

CGSA (ECUADOR). Contecon Guayaquil S.A. (CGSA) drove continued support for Ecuadorian golf sensation Daniela Darquea. CGSA proudly renewed its LPGA Tour player and company ambassador sponsorship last February. Darquea, who captured the 2017 IOA Championship, embodies CGSA's dedication to nurturing rising athletic stars and promoting sports in Ecuador.

PHILIPPINES. International Container Terminal Services, Inc. (ICTSI) congratulates pole vaulter Ernest John "EJ" Obiena for winning a gold medal for the Philippines in the 19th Asian Games in Hangzhou, China, from September 23 to October 8, 2023. Obiena also set a new Asian Games record with his gold-winning 5.90-meter jump, and will represent the Philippines in the 2024 Paris Olympics. ICTSI takes immense pride in supporting the Philippine athletic team at the Asian Games.

TECON SUAPE (BRAZIL). Tecon Suape, S.A. donated to the Gratitude Association, aiding the Sports Incentive to combat inequality and provide support for underprivileged children and adolescents in Pernambuco, Brazil. The Gratitude Project leverages sports and education to create a transformative impact.

BCT (POLAND). Baltic Container Terminal (BCT) proudly served as the main sponsor for the Gdynia Winter Swimming Cup 2023 BCT Series. The extreme winter swimming event unfolded in Gdynia's yacht marina last February 4 to 5, seamlessly blending sports and charity. Supporting the Ronald McDonald Foundation's beneficiaries and advocating physical activity, the competition featured over 300 swimmers from Poland and beyond.

4

GOVERNANCE

CONTEXT AND COMMITMENTS

Our commitment to Sustainability and good corporate governance forms our Global Good Citizenship. This motivates ICTSI Group to clarify our ESG approaches, policies, and priorities to improve performance. We leverage our commitment to our various stakeholders to fuel a consistent approach to enhancing governance, strengthening our corporate policies and business resilience, driving the sustainability agenda further forward, and developing our risk management and mitigation approaches. This is the heart of transformation, where it matters most.



GROUNDWORK

We continue to optimize our corporate governance policies groupwide and strengthen our commitment to our stakeholders with our Board of Directors and Leadership Team across our global portfolio at the helm. We implement strong ESG to ensure transparency, accountability, and prudent management.



GAINS

Our efforts to constantly teach our solid risk reduction strategies and management across our business through our Enterprise Risk Management System and continued digital transformation have gained good ground. We continue to intensify our commitment to respecting human rights following the groupwide issuance of our Global Principles on Human Capital, strategic sourcing, and responsible value chains.



MOVING FORWARD

Anchored in our strategy of Good Global Citizenship and strong ESG, we adhere to prudent management, enable sustainable growth, and reinforce our risk management approach to ensure robust and resilient businesses where we operate.

WINGS OF CHANGE: ICTSI'S SUSTAINABLE METAMORPHOSIS

We have been riding on the momentum of recovery, creating initiatives for transformation from within the Company that support our people, economies, and the planet. Our commitment continues: to embed sustainability into the heart of our business agenda, corporate culture, and corporate governance framework. We are ensuring sustainable business growth which, in turn, manages our economic, social, and environmental impacts and contributes significantly to a better and more resilient future across our organization.

For ICTSI, the root of innovation and transformation is solid, prudent, and effective corporate governance. Our firm structure includes key areas such as general management, information systems, risk management, reliable financial and operational information, and cost-effective and profitable business operations. We strongly emphasize complying with laws, rules, and regulations that are in force in the territories where we operate.

CORPORATE GOVERNANCE

ICTSI elevates the standard of good governance, implementing measures that enhance organizational awareness and practices. This commitment aims to catalyze value creation and foster sustained long-term growth.

ICTSI upholds the principles and policies embodied in our Manual on Corporate Governance, which serves as the framework of rules, systems, and processes governing the ICTSI Board of Directors and Management performance. Last revised in May 2017, the CG Manual outlines the Board's duties and responsibilities in overseeing all stakeholders' interests.

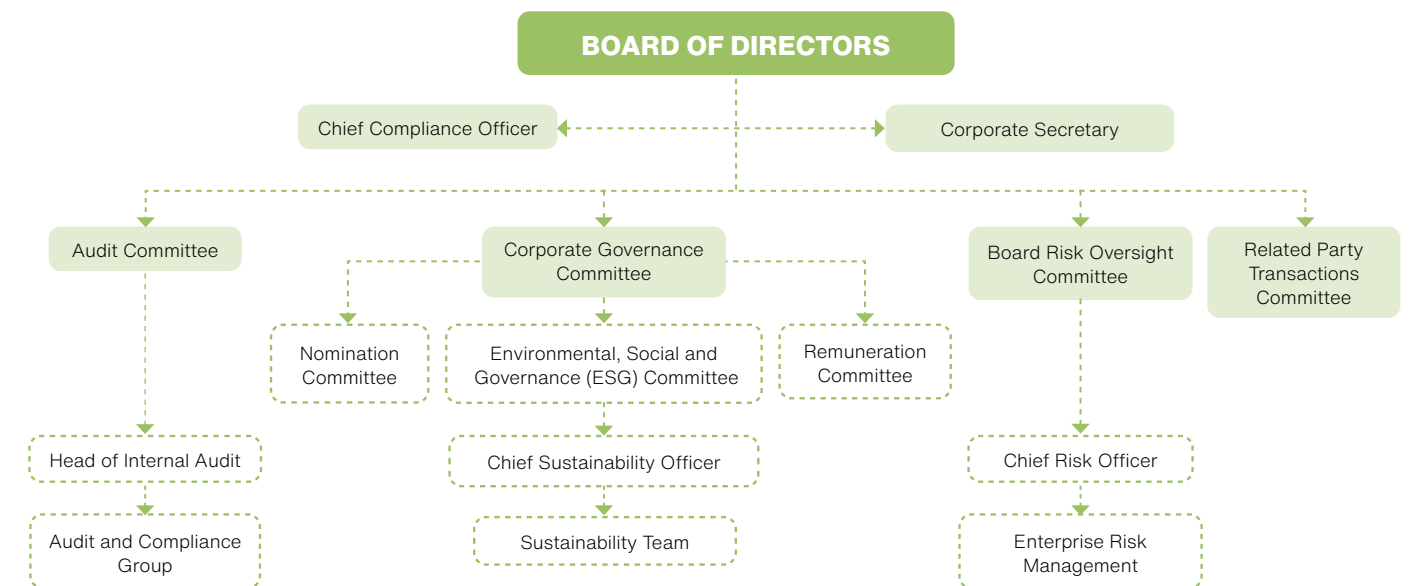
As best practices for corporate governance continue to evolve, we strive to enhance our governance policies and practices as well. To update our stakeholders on the Company's efforts, ICTSI publishes an annual Corporate Governance Report, which adheres to the Code of Corporate Governance for Publicly-listed Companies promulgated by the Philippine Securities and Exchange Commission (SEC).

For benchmarking against global standards on good corporate governance, ICTSI also participates in the ASEAN Corporate Governance Scorecard.

OUR BOARD OF DIRECTORS

The Board of Directors is primarily responsible for the governance of ICTSI by fostering its long-term success and

GOVERNANCE STRUCTURE



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



TRANSFORMATIVE SUSTAINABILITY AND LEADERSHIP: ICTSI'S 2023 BUSINESS AWARDS

2022 ASIA'S OUTSTANDING COMPANIES POLL BY ASIAMONEY: ICTSI was named the most outstanding company in the Philippines under the Transportation Sector category last July 15. The citation was based on the company's financial performance, management team excellence, investor relations, and corporate social responsibility (CSR) initiatives.

13TH ASIAN EXCELLENCE AWARDS: Hong Kong-based *Corporate Governance Asia* cited ICTSI as the Best Investor Relations Company in the Philippines and Asia's Best CSR. Also named were Enrique K. Razon Jr., ICTSI chair and president (Asia's Best CEO, Investor Relations); Rafael D. Consing Jr., former Senior Vice President and Chief Financial Officer (Asia's Best CFO, Investor Relations); and Arthur R. Tabuena, ICTSI Treasury Director and Head of Investor Relations (Philippines' Best Investor Relations Professional) last June 26.

The Asian Excellence Awards recognizes companies for their achievements and superiority in management acumen, financial performance, corporate social responsibility, environmental practices, and investor relations. Winners were selected from China, Hong Kong, India, Japan, Korea, Indonesia, Malaysia, Singapore, Taiwan, Thailand, Vietnam, and the Philippines.

13TH ANNUAL INSTITUTIONAL INVESTOR AWARDS (ALPHA SOUTHEAST ASIA): ICTSI led public listed companies or (PLCs) in the country for having the Best Strategic Corporate Social Responsibility and the Best Annual Report in the Philippines last July 12.

The Institute of Corporate Directors (ICD) rated ICTSI as one of the high-ranking PLCs in the Philippines based on the ASEAN Corporate Governance Scorecard (ACGS).

Lauded with three Golden Arrows for garnering a score between 100 to 109 points, the company maintains commendable compliance with the best practices in the following areas: board responsibilities, disclosure and transparency, rights of shareholders, equitable treatment of shareholders, and role of stakeholders.

CXOCIETY AND FUTURECFO: Both recognized ICTSI's Leadership in Sustainable Environmental, Social, and Governance on February 22, 2023. The citations stem from the Company's accelerated digitization efforts during the pandemic and implementation of a global cash pool program to support its capital expenditure and deleveraging programs.

The FutureCFO Excellence Awards recognize the best finance professionals across the region, industries, and functions. The Awards applaud the invaluable contribution of finance towards the transformation and growth of organizations.

business sustainability following the Company's Purpose and Values. As ICTSI's highest governing body, the Board is instrumental in ensuring that the Company is accountable, fair, and transparent in its dealings, and relationships with stakeholders. The Board likewise serves as an independent check on the Management's performance.

The Board is comprised of seven directors elected by the stockholders during the Annual Stockholders' Meeting (ASM) in accordance with prevailing laws and the Company's By-Laws. The Board is filled up by six Non-Executive Directors and one Executive Director. There are three Independent Directors out of the seven seats. The mix of Non-Executive Directors, Independent Directors, and the Executive Director in the ICTSI Board ensures that no Director or a small group of Directors dominates the decision-making process. This diversity allows a healthy balance of ideas, wisdom, and experience in the management and business of the Company. (The qualifications of the Board of Directors can be found in the 2022 Corporate Governance Report.)

On August 10, 2023, the Board of Directors approved the establishment of the Company's [Board Charter](#) that aims to uphold and improve the principles and policies embodied in the Company's 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.

The Board Charter establishes the purpose, composition, authority and responsibilities of the Company as mandated in the provisions of the Company's Articles of Incorporation, By-Laws, CG Manual, applicable laws, rules and regulations, and global practice. The Board of

Directors shall review and assess the adequacy of the Charter at least once every two (2) years, and make necessary amendments, as applicable.

Under the Manual on Corporate Governance and as a Governance Support Structure, the Board of Directors has established Board Committees to support certain functions of the Board. This structure ensures the Board's effective and optimal performance, particularly in audit, risk management, related party transactions, environmental, economic, social and governance (EESG), and other key corporate governance concerns. Each Board Committee has adopted a Committee Charter, which lays down the committee's purpose, composition, functions, and processes.

For 2023, the current set of Directors were elected during the 2023 ASM, held virtually on April 15, 2023. The Nomination Sub-Committee is responsible for reviewing and evaluating the qualifications of all individuals nominated to the Board, and other appointments which require Board approval. Apart from undertaking the process of identifying potential Directors who have the appropriate mix of competencies that are aligned and relevant to ICTSI's strategic direction, the Nomination Sub-Committee likewise recommends the Board definitions of "independence" and "conflicts of interests" for Board Members, as well as guidance on time commitments and other directorships.

Each member of the Board possesses broad knowledge, experience, and expertise in the port management industry and other related fields.

Mr. Enrique K. Razon Jr., the Company's Chairman of the Board and President, has been a Director of ICTSI since its founding in 1987 and served as Chairman since 1995. The Company finds it practicable and efficient to unify the positions of the Chairman of the Board and President, considering the nature of its business.

Under our Manual on Corporate Governance, given that these positions are unified, the proper checks and balances are put in place. The respective duties and

BOARD OF DIRECTORS	START YEAR	YEARS OF SERVICE
Enrique K. Razon Jr.	1987	36
Cesar A. Buenaventura	2019	4
Carlos C. Ejercito	2021	2
Diosdado M. Peralta III	2021	2
Stephen A. Paradies	1987	36
Jose C. Ibazeta	2009	14
Andres Soriano III	1992	31
Total:		125
Average:		17.85714286



CONTECON GUAYAQUIL WINS ENVIRONMENTAL AWARD

Contecon Guayaquil S.A. (CGSA) bagged the 2023 ULVR Green Award from the Vicente Rocafuerte Lay University (ULVR) last July for its innovative and sustainable initiatives applied to its operations at Ecuador's main maritime port.

The award validates CGSA's commitment to responsible environmental management and promoting sustainability in its port operations. The acknowledgment from the academic community is a source of immense pride for CGSA, and further motivates the company to continue working hard to promote innovation and technologies that minimize the impact of port operations on the environment.



↑ Sol Medina (left), Contecon Guayaquil Head of Inland Services, receives the ULVR Green Award from Vicente Rocafuerte Lay University of Guayaquil Rector Aimara Rodríguez Fernández.



CMSA LANDS IN EXPANSIÓN'S RESPONSIBLE COMPANIES LIST

Contecon Manzanillo S.A. (CMSA) became the first Mexican port operator named in the Responsible Companies list by *Expansión*, the flagship publication of Grupo Expansión, in July. The annual list, which began in 2014, aims to recognize companies with the best Environmental, Social and Governance (ESG) practices.

The recognition emphasizes CMSA's commitment to sustainability, environmental stewardship, social responsibility, and good governance. CMSA entered the list at the 135th place overall, ranking 89th in Environmental, 145th in Social, and 138th in Governance.

"Our effort and strategy are reflected in our image, internally and externally, thus consolidating the path we began two years ago," said José Antonio Contreras, CMSA Chief Executive Officer.

responsibilities of the Chairman and the President are clearly defined to ensure that the Board of Directors benefits from independent views and perspectives. Also, the Non-Executive Directors conduct separate periodic meetings without the presence of any Executive to evaluate the performance of the Board and the Management and may call on the external auditor and/or heads of internal audit, compliance, and risk as resource persons.

THE BOARD'S FIDUCIARY ROLES AND ACCOUNTABILITIES

To ensure the sustainability of ICTSI's business, the Board continues to discharge its duty of care and loyalty in the best interests of the Company and all its shareholders.

Conflicts of interest

ICTSI is committed to conducting business in a manner that ensures that undue personal or financial interests do not influence our employees' and consultants' business judgment and decision-making.

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. Further, the Company discloses all dealings of its Directors and principal officers in the Company's shares (including their nature, number/percentage, and date of transaction) to the Philippine Stock Exchange and the Securities and Exchange Commission within three trading days from the transaction date.

In 2018, ICTSI implemented a Conflict of Interest Policy to guide all ICTSI Group personnel in conducting business where undue personal or financial interests do not influence their business judgment and decision-making. The Policy defines a conflict of interest situation and requires all personnel to read, understand, and comply with the Policy. The Policy details how to disclose a Conflict of Interest and address such situations appropriately. ICTSI Group personnel must also complete a disclosure

form and an undertaking before their roles are assumed and updated regularly.

The ICTSI Global Corporate Human Resources is responsible for ensuring that Conflict of Interest Disclosure Forms and Undertakings are completed by new hires prior to the start of their employment. Employees are likewise required to disclose any potential Conflict of Interest that may arise during their employment with the Company on an annual basis. ICTSI does not tolerate violations and breaches of this policy, which may lead to disciplinary and other actions up to and including termination of employment.

Collective knowledge of the highest governance body

The Directors of ICTSI undergo Annual Corporate Governance Training, programs, seminars, and roundtable discussions on Corporate Governance with service providers or private/government institutions that are accredited by the Philippine Securities and Exchange Commission to ensure that the Company follows the adopted leading practices on good governance.

To ensure that directors and key officers are provided with a continuous learning program, ICTSI allocates an annual training budget for conferences, seminars, and training. In 2023, directors and key officers of ICTSI participated in the annual Corporate Governance Training Program conducted by the Center for Global Best Practices (CGBP).

Assessment system

To determine compliance with the ICTSI Manual on Corporate Governance, the Board adopted in 2018 an evaluation system to ensure effectiveness and identify the areas of improvement of governance practices. The evaluation and assessment also include the performance of the Board, each of the Board Committees, and the individual Directors.

One of the evaluations implemented is the Annual Corporate Governance Assessment done through the Office of the Compliance Officer. During the evaluations, each member of the Board assesses their individual and group performance based

on the Corporate Governance Manual, the SEC Code of Corporate Governance for Publicly Listed Companies, the Integrated Annual Corporate Governance Report (IAGCR), and the ASEAN Corporate Governance Scorecard (ACGS). The Board also makes similar assessments for the Chairman of the Board, President, Chief Risk Officer, Compliance Officer, and Head of Internal Audit. The evaluation results are then presented to all those concerned for any necessary recommendations to improve corporate governance in the Company further. The Company likewise engaged the services of an external facilitator to evaluate and support the results of the 2022 Board and Management Assessment.

The Board and Management Assessment results are then presented to all concerned by the Company's Global Corporate Legal Affairs (GCLA). GCLA also discusses the recommendations and actions to be taken by the Board, Committee Members, and Key Officers to address the issues raised in the evaluation.

Previously, the Company engaged the services of an external facilitator, the Good Governance Advocates & Practitioners of the Philippines (GGAPP), to evaluate the Board and Management Assessment results from 2019 to 2021 and provide further recommendations. The 2023 ACG Assessment will be rolled out within the first quarter of 2024, and an external facilitator will be engaged again.

Remuneration policies

ICTSI has established a formal and transparent procedure for policy development on Board and Executive remuneration to fix individual directors' and executive officers' remuneration packages. These packages may include share schemes, incentive performance packages, fringe benefits, and other items considered appropriate by the Committee. Under this policy, a Director does not participate in discussions or deliberations involving that Director's remuneration.

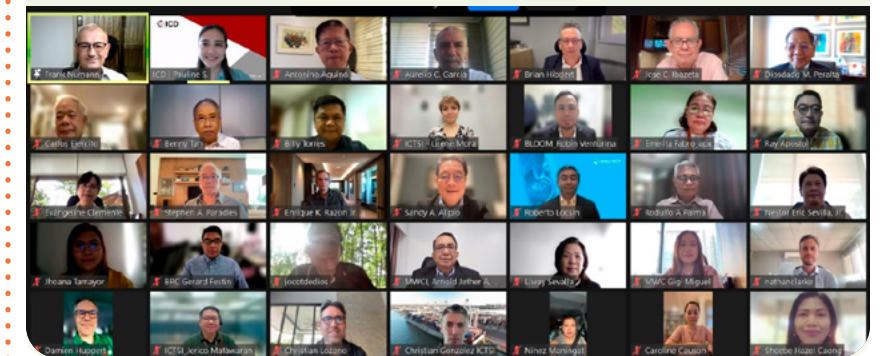
Named Executive Officers are covered by Letters of Appointment, with the Company stating their terms of employment. Except for the automatic vesting of awarded



RAZON GROUP CORPORATE GOVERNANCE TRAINING EMPHASIZES ETHICS, ESG

The listed companies under the Razon Group: ICTSI, Bloomberry Resorts, Manila Water Corporation and Apex Mining Co. held its third Joint Corporate Governance Training last 7 December 2023.

It was attended by the Board of Directors and key officers of the said companies with a total of 70 attendees. It was conducted virtually through the Zoom platform. The training focused on two topics: Importance of Corporate Culture for Ethics and Compliance; and ESG and Strategy: A Board Room Topic for Directors. The training was spearheaded by Global Corporate Legal Affairs and conducted by Institute of Corporate Directors.



shares under the Company's Stock Incentive Plan, there are no existing compensation plans or arrangements, including payments from ICTSI by any named Executive Officer or a change-in-control in the Company.

To achieve its business objectives, ICTSI offers competitive base pay, broad use of equity with a competitive vesting schedule, innovative cash incentive plans, and executive benefit plans reviewed and approved by the Remuneration Committee.

At the Board level, the Remuneration Sub-Committee, supported by the Global Corporate Human Resources (GCHR) and an independent external adviser, as may be required, adopts an integrated and stakeholder-inclusive approach to rewards, remuneration and governance in the Company's best interest in alignment with its Purpose and Values.



TECON SUAPE INTRODUCES NEW MISSION, VISION, VALUES

Tecon Suape announced its Mission, Vision and Values as part of the new strategic plan that will guide and move the Company forward through the coming years in January 2023.

Javier Ramirez, Tecon Suape chief executive officer, explained the importance of organizational transformation, which serves as the basis for a new strategic plan: “We live in a moment of great transformations in organizations, changes that lead to increasingly complex management models in a society in motion. Focused on this transformation process, we at Tecon Suape revisited our organization’s identity and positioning in the market. As everything changes, we change too.”

Tecon Suape’s new Mission, Vision Statements and Values are:

Mission:

To satisfy our customers with excellence in service solutions and port infrastructure, and generate economic, social, and environmental value through an innovative business model with the commitment to be a productive agent of the supply chain of Pernambuco and the Northeast Region.

Vision:

To set the standard in port services and infrastructure by providing our customers with the best logistical solution as a productive agent of the supply chain of Pernambuco and the Northeast Region.

Values:

Integrity
Value generation for the State, Northeast Region, and customers

Passion for what we do:

Sustainability Personal growth, employee safety, and well-being

During the Regular Board Meeting held on December 22, 2023, the Board aligned the remuneration of Directors and Key Officers with the Company's long-term interests. In determining the proper compensation, the Board ensured that (i) the level of remuneration is commensurate to the responsibilities of the role, (ii) no Director participated in the deliberation involving his remuneration, and (iii) the remuneration pay-out schedules are sensitive to the overall risk profile of the Company. For those with control functions, their remuneration was based principally on achieving their objectives

and was independent of any business line they oversaw.

For the confidentiality, safety, and security of ICTSI’s executives, the Company discloses only the aggregate board and executive compensation, but mentions the individual names of the five executives who receive the highest compensation in the Company’s SEC Form 17-A (under Executive Compensation).

The Group has decided not to disclose the information required under GRI Disclosure 2-21 in this report since the ratio of the annual total compensation for the organization’s highest-paid individual to the median annual total compensation for all employees (excluding the highest-paid individual) has not been determined to date: Computing the ratio is a significant task, as ICTSI has presence across many countries with varying income levels (i.e., presence in DRC, which the World Bank currently classifies as Low Income and presence in Australia, which the World Bank currently classifies as High Income).

COMPLIANCE AS A CORE VALUE

ICTSI upholds the highest ethical standards of honesty and integrity as it manages its business operations, striving to safeguard its reputation in every country of operation. Amid its continuing global expansion, the Company redoubles its efforts to faithfully comply with all applicable laws and regulations set forth by governing bodies and regulators, including port authorities, customs and trade agencies, and local government units.

For its part, the Board of Directors is required to comply with laws, rules, regulations, and circulars related to securities regulation and corporate governance. The ESG Committee likewise ensures the Company’s compliance with legal and regulatory requirements, and international industry standards and guidelines applicable to ESG matters.

To wield strength for the Company’s Compliance Program, ICTSI first appointed a Compliance Officer in 2014. The crucial role was an integral factor in

affirming the Company’s commitment to strong corporate governance. The Compliance Officer coordinates with the Philippine Securities and Exchange Commission (SEC) and other government regulatory agencies regarding compliance requirements, monitoring, and reporting. The role continued to mature and extend the Compliance Officer’s responsibilities to ensure adherence to the ICTSI Code of Business Conduct through tracking any potential or occurring violations, and reinforcing full compliance with the Manual on Corporate Governance and the rules and regulations of agencies.

Mr. Rafael D. Consing, Jr. has served as the Company’s 2022 Compliance Officer, a position he held since February 2016. Following his retirement from the Company in January 2023, the ICTSI Board of Directors appointed Mr. Christian R. Gonzalez as Chief Compliance Officer, concurrent to his roles as Executive Vice President and Chief Sustainability Officer.

In case of any violations, the Compliance Officer reports the matter to the Board and recommends proper action and measures to prevent a repetition of the violation.

The Group also maintains regular dialogue with local government and regulatory authorities through its management teams or representatives in each jurisdiction to ensure compliance with the requirements and conditions for obtaining and maintaining its licenses, concessions, permits, or certificates. When possible, the Company undertakes the legal education of its employees by cascading the principles through internal seminars or workshops.

During the reporting period, ICTSI proudly reports that it has strictly complied with relevant laws and regulations and, thus, has not been fined for any non-compliance.

ETHICS AND INTEGRITY

Our Code of Business Conduct aptly describes the expectations that apply to all employees and business partners working with or on behalf of ICTSI. The Code, which serves as a testament to our joint beliefs, values, and commitment, provides us



SUSTAINABILITY CHAMPIONS HONORED AT 2ND EDIFY AWARDS

ICTSI reaffirmed its ESG commitment by honoring its Global Sustainability Champions at the second Edify Awards last August 11. Now on its second year, the Edify Awards was made a part of ICTSI’s First Sustainability Summit, which is designed to raise ESG awareness and encourage active participation across the organization.

Top honors went to Nathan Clarke, Vice-President and Head of Global Engineering - Infrastructure and Project Management, and Arthur De Jonge, Regional TAM Director of Global Engineering - Equipment Maintenance.

De Jonge’s efforts to streamline the environmental reporting of business units to Corporate bested efforts from other nominees for the Most Improved Global Sustainability Champion award. Also nominated for the same category were Attorney Carmeline Viniegra of Global Legal, Cristina Nicanor of Global Health, Safety, Security, and Environment (HSSE), and Zara Canlas of Global Human Relations (HR).

Clarke’s role in improving ICTSI’s climate reporting and spearheading the Climate Change Action Initiative earned him the Best Global Sustainability Champion award. He bested Allan Almero of Global Controllershship, Arnie Tablante of Global Treasury, Camille Martinez of Global Procurement, and Marvin Nalica of Global HSSE for this year’s honors.

The Company also recognized Kum Chai Shin, Global Director – Information Security, with the Exemplary Global Sustainability Champion Award, citing her dedication and active role in sustainability reporting. During the inaugural Edify Awards last year, Shin was named the Best Global Sustainability Champion.

The Edify Awards culminates all internal stakeholders’ contributions to sustainability reporting for the past year. Organized by the ESG Reporting Team (ESG Rep) composed of the Investor Relations, Legal and Public Relations departments, the Edify Awards also marked the start of the Group’s 2023 sustainability reporting cycle.



Nathan Clarke

Arthur De Jonge

Kum Chai Shin



SUSTAINABILITY HEROES HONORED: ICTSI CROWNS CHAMPIONS

ICTSI celebrated its first Edify Awards, highlighting sustainability excellence across its global network. Champion terminals took the stage on August 23:

- **MANILA INTERNATIONAL CONTAINER TERMINAL (MICT):** Best Governance Initiative for digitalizing operations, boosting efficiency and transparency
- **CONTECON GUAYAQUIL (CGSA):** Best Environmental Initiative for achieving Latin America's first carbon-neutral terminal, a true green pioneer
- **PAKISTAN INTERNATIONAL CONTAINER TERMINAL (PICT):** Best Social Initiative for its dedication to employee and community well-being, proving sustainability touches all lives

Launched in 2022, the Edify Awards recognize and inspire continued sustainability achievements throughout the ICTSI Group.

with guidance on our approach to doing ethical business practices, acting with integrity and accountability, and working in compliance with all applicable laws, regulations, and policies.

ICTSI takes a zero-tolerance approach to corruption, bribery, and fraud in any shape or form. Under our Code of Business Conduct and the strengthened Anti-Bribery Compliance Policy and Procedure, ICTSI employees are prohibited from asking for, accepting, or receiving bribes or any other personal benefit that would induce the employee to breach his/her duty to act in good faith, to act impartially or following a position of trust.

ICTSI upholds the highest ethical standards and acts with integrity in its business dealings and local and international relationships. Local business customs and culture are never valid reasons for engaging in bribery and other corrupt practices.

In 2023, refresher courses on the salient provisions of the Code of Business Conduct, Anti-Bribery Compliance Policy and Procedure and Policy on Conflict of Interest were conducted and attended by members of the Senior Management and Heads of the Philippine terminals to

refresh and remind them of their duties and responsibilities under these policies. The program aims to set the tone from the top and subsequently cascade relevant information to the employees and other stakeholders at the terminal level.

Upon joining the Company, new hires are taught the Group's anti-corruption policies and commitments. Consequently, all employees, including managers, of a specific business unit are informed about the codes of conduct, discipline, and work procedures through toolbox talks, newsletters, webinars, and face-to-face training. Board Members are reminded of anti-corruption policies and commitments in regular Board and Committee meetings.

All terminals have policies to ensure ethical conduct and anti-corruption operational procedures. ICTSI group-wide policies are aligned to prevent bribery and corruption while encouraging whistleblowing at all levels that are embedded in the company's Business Code of Conduct, Employee Code of Discipline, work regulations, and code of ethics.

These are approved by their respective top management, such as the President, HR Department, General Manager, Board Members, Senior Management, and the CEO. Periodic reviews, audits, indicators, and employee evaluations ensure the effectiveness of these codes will strictly be observed. For CGSA, compliance is verified through employee evaluations such as polygraph tests, home visits, legal background checks, and the follow-up carried out by each immediate chief on possible breaches of this code—notable practices from MICTSI with its Anti-Tipping policy and additional disclosure on conflict of interest. While MICTSL translated their Code of Conduct in their local Malagasy language, the terminal maintains ISO 28000 and ISPS code certification.

Mandatory Signature for Code of Conduct

On top of the Supplier Code of Conduct approved in 2022, we require all suppliers to sign contracts with anti-corruption and anti-bribery clauses. These policies are available on our corporate websites

for the reference of business partners and stakeholders.

ICTSI strictly implements an anti-tipping policy that prohibits and penalizes the acts of receiving and soliciting or exacting monetary consideration from port users, company clients, or the public in consideration of work (including facilitation payments and tipping). Failure to comply with these will lead to severe consequences, such as termination of employment, for its employees and personnel, the termination of a business relationship for a third party, and other civil and criminal penalties.

Apart from Group-wide policies, terminals have specific commitments on anti-

corruption, which are embedded in their code of conduct and employee code of discipline, which Management approves. There are also identified point persons to whom employees can report possible violations or non-compliance with these policies, ranging from security employees to line managers, Human Resource Department (HRD) Industrial Relations or Operations Manager, an assigned Compliance Officer, Department Heads, and, in some cases, even the CEO.

To evaluate the effectiveness of the Company's anti-corruption policies and commitments, we conducted the following activities: strict implementation of the Code of Conduct, refresher courses, improvement of working standards and



GLOBAL LEGAL ROLLS OUT LEGAL EDUCATION IN SUBIC

ICTSI's Global Corporate Legal Affairs (GCLA) department conducted a Terminal Exposure Awareness (TEA) Time seminar last June for Subic Bay International Terminals (SBITC).

The TEA Time seminar is a component of GCLA's Legal Education initiative and deals with legal exposure and implications of daily operational activities of a terminal. It also tackled the applicable strategies to eliminate or mitigate legal risks that could arise from such activities.

Covering issues, such as occupational health and safety and their legal implications, the seminar helped participants enhance their knowledge and ensured that future risks can be minimized, mitigated appropriately, and coordinated with the appropriate groups.

Spearheaded by Atty. Mark C. Acoymo, the seminar was held at the SBITC Training Hall in coordination with teams from SBITC Health and Safety and Manila International Container Terminal (MICT) Claims.



↑ Atty. Mark C. Acoymo (fifth from right, standing) with TEA Time seminar participants at SBITC Training Hall

ANTI-CORRUPTION INDICATORS

2022 2023

TOTAL NUMBER OF EMPLOYEES THAT THE ORGANIZATION'S ANTI-CORRUPTION POLICIES AND PROCEDURES HAVE BEEN COMMUNICATED TO			
Admin – Rank and File		Admin – Management	
28 TERMINALS 709	28 TERMINALS 743	28 TERMINALS 481	28 TERMINALS 354
Operations – Rank and File		Operations – Management	
28 TERMINALS 5,288	28 TERMINALS 5,434	28 TERMINALS 900	28 TERMINALS 727
TOTAL NUMBER OF EMPLOYEES THAT HAVE RECEIVED TRAINING ON ANTI-CORRUPTION			
Admin – Rank and File		Admin – Management	
28 TERMINALS 709	28 TERMINALS 743	28 TERMINALS 481	28 TERMINALS 354
Operations – Rank and File		Operations – Management	
28 TERMINALS 5,288	28 TERMINALS 5,434	28 TERMINALS 900	28 TERMINALS 727
PERCENTAGE OF EMPLOYEES THAT THE ORGANIZATION'S ANTI-CORRUPTION POLICIES AND PROCEDURES HAVE BEEN COMMUNICATED TO			
Admin – Rank and File		Admin – Management	
28 TERMINALS 77%	28 TERMINALS 82%	28 TERMINALS 75%	28 TERMINALS 80%
Operations – Rank and File		Operations – Management	
28 TERMINALS 75%	28 TERMINALS 80%	28 TERMINALS 90%	28 TERMINALS 82%
PERCENTAGE OF EMPLOYEES THAT HAVE RECEIVED TRAINING ON ANTI-CORRUPTION			
Admin – Rank and File		Admin – Management	
28 TERMINALS 77%	28 TERMINALS 82%	28 TERMINALS 75%	28 TERMINALS 80%
Operations – Rank and File		Operations – Management	
28 TERMINALS 75%	28 TERMINALS 80%	28 TERMINALS 90%	28 TERMINALS 82%
Total number of employees		28 TERMINALS 10,222	28 TERMINALS 10,297
Total number of employees that have received training on anti-corruption		28 TERMINALS 7,378	28 TERMINALS 7,258
Total percentage of employees that have received training out of the total number of employees		72%	70%

Company environment, periodic internal and external audits, and monthly reviews and evaluations. Anti-corruption policies and commitments have been effectively applied to all cases. They have helped ensure that employees follow the set guidelines, and are correspondingly dealt with in line with due process. To encourage wider dissemination and compliance, we translated their policies and commitments to the local language in some terminals; MICTSL translated their Code of Conduct into their local Malagasy language, while BICT had their anti-corruption commitments translated into the Georgian language. SPIA will implement the signature of a commitment letter from all employees to comply with the Code of Ethics.

Regular Forums and Anti-corruption Policies

At the Manila flagship, the aforesaid policy is evaluated through the HRD Industrial Relations. The policies are scrutinized thoroughly via grievance mechanisms and quarterly Labor-Management Conferences called “Ugnayan sa Pantalan.” These mechanisms and conferences enable dialogue between Management and employees. Aside from this, regular Labor Management Council meetings are in place for discussions of operations-related issues between Management and Union Officers. The results of this evaluation are evident in the good rapport between management and labor unions, and in their level of cooperation in implementing anti-corruption efforts among MICT employees.

Most of the terminals also have resources allocated towards managing anti-corruption policies. Existing information systems and assets, such as Office 365 tools, are being used to evaluate the effectiveness of anti-corruption policies.

Nineteen of 28 terminals have goals and targets to ensure ethical conduct and prevent corruption in their operations. The context of the goals and targets are mostly from the anti-bribery policy and code of conduct of their terminals. Most terminals have their baseline of goals and targets as having zero corruption cases.

TecPlata and BGT conduct employee training for their goals and targets, while TSSA and MICTSL monitor specific key performance indicators in every operational area. Most terminals evaluate their goals’ effectiveness by educating, ensuring compliance, and conducting annual reviews, but some do not have ways to assess their goals and targets yet. During the reporting period, we are proud to report that we do not have any confirmed incidents of corruption.

Grievance Mechanisms and Fraud Reporting

Grievance mechanisms are essential to the Company’s risk management and anti-corruption assessment process, as they enable compliance and adherence to policies and regulations in countries where we operate, as well as encourage employees and concerned parties to immediately report any concern and known or suspected violations of the Code and other company policies.

In 2023, the Company enhanced its Policy on Fraud Reporting, Complaints, and Non-compliance with Policies by providing a specific reporting process and disclosing malpractice or violations. Any stakeholder may now report a possible breach or non-compliance via personal reporting, mail, email, or telephone to the appropriate HRD of the Business Unit (BU) or the Global Human Resource Department (GHR) for Corporate Functions. Should there be a real threat of harassment and retaliation, or if any personnel from BU’s HRD or GHR may be compromised, the report or disclosure may be filed directly with the Office of the Compliance Officer (OCO).

Twenty-two out of 28 terminals have grievance mechanisms commonly owned by the HR Department. Most of their grievance mechanisms, which are based on the 2019 Collective Bargain Agreement, Anti-Bribery Policy, Whistleblowing Policy, and Code of Conduct, are commonly directed to and addressed by the HR Department and their respective top management. Some have specific mechanisms, including suggestion stations, complaints boxes, Whistleblowing channels, IPQRS, anonymous forms, anonymous

complaint mailbox, website, confidential direct line, and the ombudsman channel.

The policy likewise provides for lodging complaints through appropriate reporting channels, gathering evidence, conducting investigations, and submitting recommendations, up to the imposition of disciplinary action against erring individuals. It likewise provides full confidentiality for the informant, treating them with the utmost privacy and that they shall be protected from any reprisal, retaliation, and other forms of harassment.



ICTSI'S TOP SUPPLIERS SHINE AT 15TH ICTSI 2023

The 15th ICTSI Supplier Quality Awards (ISQA) marked a significant return to in-person celebrations on August 10, casting aside years of virtual ceremonies at ICTSI Manila Office. The celebration focused on "Driving Change: Celebrating Sustainable Innovation."

Damien Huppert, ICTSI's Global Procurement head, stressed the crucial role of integrity, highlighting the Supplier Code of Business Conduct and its emphasis on transparency, anti-bribery, and the "no PO, no payment" policy.

Sustainability took center stage, with Huppert calling for supplier collaboration on eco-friendly practices: "By embracing innovation and sustainable practices, we can secure our supply chain and build a better future." This echoed Arthur Tabuena's, Head of Investor Relations and ESG Reporting, message, emphasizing ICTSI's deep commitment to supply chain governance and evaluating suppliers based on environmental and social criteria.

Tabuena, ICTSI Treasury director and head of Investor Relations and ESG Reporting, emphasized ICTSI's commitment to sustainability and supply chain governance: "Supplier engagement remains a pivotal concern for the Company, ensuring effective supply chain governance. This is especially crucial as we strive for carbon neutrality and pursue our climate change goals."

Global Procurement awarded the following suppliers:

- Blusky Chemicals Trading for Industrial Parts
- E.R.A. Print for Office Materials
- Zenshin Systems Corporation for IT Materials
- C.A. Dagunan Service Boats for Industrial Repair
- Inno-Tech Skills & Equipment for Office Services
- Trends & Technologies for IT Services
- One80 Residential Building for Facilities
- Seaborne Construction for General Construction

Across BUs, any complaint may be directed to and addressed by the HR Department, and their respective top management. Some have suggestion stations, a complaints box, a whistleblowing channel, anonymous forms, an anonymous complaint mailbox, a website, a confidential direct line, and the Ombudsman channel.

Some terminals like SBICT, MICTSI, and SPIA have their grievance committees. MICTSL also has different channels through which customers, employees, and people in the local neighborhoods may raise their concerns. Some terminals evaluate the effectiveness of their grievance mechanisms through audits and employee surveys. They also monitor the resolution of cases and the timeliness and fairness of the committees overseeing these cases. BCT's grievance mechanisms are processed through the regulations of the Polish Labor Code.

SUPPLY CHAIN

As a global company, ICTSI recognizes that our procurement decisions influence local and international environmental, social, and economic conditions. Understanding the stewardship required to coordinate and optimize sustainable and responsible sourcing practices that are vital in addressing sustainability issues in our supply chains, we have implemented the Supplier Code of Business Conduct.

A Global Policy that outlines ICTSI's non-negotiable expectations of the suppliers that the terminals have engaged and will engage, it describes our expectations and minimum standards that our suppliers must meet or exceed, even as they comply with all applicable laws and regulations when doing business with ICTSI, its Business Units (BUs), and subsidiaries.

As stated in our Code, we are committed to conducting business in a way that upholds the highest ethical standards of honesty and integrity in strict accordance with all relevant laws and regulations. This commitment extends to external third parties acting with, for, or on behalf of the Company, such as its suppliers.

ICTSI's efforts towards supporting responsible procurement is anchored

on the Global Procurement department, established in 2020 to support strategic procurement for the Group's top and critical spending and standardize supplier environmental and social impact assessment methodology in our operations. This was done to improve the consistency of procurement guidelines across our business units and better manage sustainability risks in our supply chain.

A Project Management Office within the department handles change management for procurement-related initiatives, including sustainability. At the same time, the Procurement Back Office provides oversight on the supplier management process to ensure compliance and identify and mitigate the environmental and social risks within the supply chain, including supplier environmental and social due diligence procedures and KPIs.

In 2023, 17 out of 28 terminals have a policy to ensure the sustainability of the supply chain. Most of the terminals adhere to the group-wide policy or Supplier Code of Conduct while some terminals have their policies aligned with local regulations or international standards such as ISO 9001. In particular, MICT, SCIPSI, SPICTL, and MITL have multiple policies set to meet the company's sustainable targets, including supplier accreditation, electronic bidding, supplier evaluation, vendor tracking, and procurement review.

The supplier life cycle perspective incorporating sustainability criteria is introduced at the procurement category level. This is to strengthen our management of procurement and supply chain practices to transform our approach into one that manages sustainability in a more integrated fashion. We aim to integrate ESG criteria into all phases of the supplier engagement life cycle, including positive supplier screening and preferring suppliers with above-average sustainability credentials.

During the accreditation process, we may conduct physical or virtual plant visits for our manufacturers' suppliers if the quality of their workmanship needs to be validated or if their supply capacity needs to be validated. ICTSI also conducts reviews of its suppliers' financial statements if



RAZON GROUP JOINS PROCUREMENT FORCES: COLLABORATION DRIVES EFFICIENCY

The Razon Group united its procurement power in a historic networking event hosted by the ICTSI Global Procurement team that brought together procurement officers from Solaire Resort, Prime Infra, and Manila Water to foster more vital collaboration.

Following their electricity joint tender success in 2002, the teams shared best practices, forming new working groups on various procurement areas in the event that started with a tour of the Manila International Container Terminal.

The collaboration paves the way for optimized strategies and cost savings, from sharing suppliers to mastering software like SAP and Ariba. By breaking down silos and fostering synergy, this initiative exemplifies the spirit of innovation and shared success within the Group.



Procurement teams from the Razon Group of Companies share best practices and explore new opportunities for collaboration. Photo shows (from left) Angelica de Castro, ICTSI Global Procurement back office manager; Mariel Zamora, Regional Procurement director MICT, Philippines & APAC - Global Procurement; Randolf Rellera, Prime Infra Supply Chain Management head; Joseph San Diego, Solaire Procurement director; Damien Huppert, ICTSI vice president - Global Procurement; Jhoana Tamayor, Manila Water Corporate Procurement Group head; Mira Bautista, Manila Water Corporate Procurement manager for chemicals and network departments; Kristina Alegria, Manila Water Corporate Procurement Group support head; Eureka Karen Lejos, ICTSI Global Procurement Category manager for Indirect & IT; and Muhammad Anis Asghar, ICTSI Global Procurement Category senior manager for equipment.



TECON SUAPE LAUNCHES RISK MANAGEMENT CAMPAIGN

Tecon Suape launched the “Supply Chain Security, Responsibility of All” campaign in line with its Risk Management Policy. From August 8 to 10, employees were trained regarding operational procedures and other areas related to the company’s certification for the Organization of American States (OAS). This initiative empowers employees and third-party contractors to properly navigate risky situations, deliver reliable, high-quality service, and maintain the highest control over terminal operations.

The de-risking educational campaign reaffirms Tecon Suape’s commitment as an Authorized Economic Operator and status as an agile terminal that meets all international standards. Tecon Suape’s adaptability benefits the regional logistics chain and enhances its goal of serving customers excellently and efficiently while focusing on productivity.



↑ Tecon Suape training participants

the supplier requires a down payment. This process enables us to check the financial capabilities of the supplier and reduce risks related to business continuity. Periodic reviews are also carried out with active suppliers through due diligence checks, evaluations, accreditations, and assessments.

Depending on the nature of the project, our contracts with our suppliers may also contain a clause noting that any company representative can conduct a supplier visit at any given time without notice to the supplier. Government or third-party certification submission may also be required, depending on the nature of the business.

We also provide annual recognition of the efforts of suppliers who have done their best to support, comply with, and abide by the performance standards of ICTSI through the ICTSI Supplier Quality Awards (ISQA) and Supplier Performance Evaluation initiative.

Our suppliers’ performance is evaluated on dependability/timeliness, product/service quality, and social, health, safety, and environmental (HSE) compliance. Special recognition is also given to suppliers who extended additional efforts to support ICTSI’s special projects. These include dependability in sustaining urgent requirements, dedication and commitment to assuring a supply of rush requirements to ensure safe port operations, and quick responses to requests for items that the ICTSI Foundation and our CSR projects need.

The ISQA aims to inspire other suppliers to improve their performance and improve their partnerships with ICTSI. Our Company maximizes it as a venue where we reiterate important corporate guidelines and reminders and cascade ICTSI initiatives to all our suppliers, ensuring they have ample information and opportunities to align their company objectives with ours.

ICTSI has also encouraged its suppliers to adopt their safety and sustainability targets based on the best practices shared with them by the Company. ICTSI and our suppliers should work together to achieve our economic and sustainability goals.

Our feedback mechanisms include a grievance hotline and a whistleblower policy that upholds our commitment as a Company to the highest standards of business conduct. Those with grievances or concerns can do so without fear of retaliation. Under this policy, suppliers are asked to submit a Disclosure of Conflict of Interest. They are also provided with the email address of our Compliance Officer, where they can openly report any conflicts or violations of the Supplier Code of Business Conduct. The Company designates the Compliance Officer, and this team member must be unbiased and treat all reports fairly.

SUPPLY CHAIN INDICATORS

2022 2023

	28 TERMINALS	28 TERMINALS
Suppliers		
Total number of suppliers for the port	25,619	15,225
Total number of local suppliers	22,343	12,859
Local Suppliers (total)		
Total procurement budget (in million USD)	379.62	758.08
Total procurement budget spent on local suppliers (in million USD)	250.51	548.50
Local Suppliers (average)		
Percentage of procurement budget that is spent on local suppliers		
Environmental Criteria (total)		
Number of new suppliers screened using environmental criteria	221	106
Number of suppliers screened using environmental impacts	1,122	849
Number of suppliers identified as having significant actual and potential negative environmental impacts	20	13
Number of suppliers identified as having significant actual and potential negative environmental impacts with which improvements were agreed upon as a result of assessment	8	5
Number of suppliers identified as having significant actual and potential negative environmental impacts with which relationships were terminated as a result of assessment	0	0

2022 2023

	28 TERMINALS	28 TERMINALS
Environmental Criteria (average)		
Percentage of new suppliers screened using environmental criteria		
Percentage of suppliers identified as having significant actual and potential negative environmental impacts with which improvements were agreed upon as a result of assessment		
Percentage of suppliers identified as having significant actual and potential negative environmental impacts with which relationships were terminated as a result of assessment		
Social Criteria (total)		
Number of new suppliers screened using social criteria	314	69
Number of suppliers screened using social impacts	1,163	787
Number of suppliers identified as having significant actual and potential negative environmental impacts	7	3
Number of suppliers identified as having significant actual and potential negative social impacts with which improvements were agreed upon as a result of assessment	2	0
Number of suppliers identified as having significant actual and potential negative social impacts with which relationships were terminated as a result of assessment	0	0
Social Criteria (average)		
Percentage of new suppliers screened using social criteria		
Percentage of suppliers identified as having significant actual and potential negative social impacts with which improvements were agreed upon as a result of assessment		
Percentage of suppliers identified as having significant actual and potential negative social impacts with which relationships were terminated as a result of assessment		

Company Memos on environmental and social compliance policies are relayed to our vendors via email, training sessions, and the ISQA. We use the same lines of communication for any updates to our policies, sustainability topics, and the like.

Eighteen out of 28 terminals have goals and targets to ensure sustainable supply chains. The goals are either quantitative or qualitative. Quantitative goals such as key performance indicators (KPIs) include savings on total purchases and 100 percent compliance with suppliers/ vendor accreditation. Qualitative targets include establishing a sustainable supply chain methodology, training and improving suppliers' sustainability. Evaluation comes in the form of risk assessments, KPIs, and audits.

Notable practices from SPIA are that they aim to reduce their emissions by 50 percent by 2030, supply 90 percent of the water required to operate the terminal through their internal rainwater use system, and increase to 50 percent the percentage of recycled waste derived from the activities of the terminal.

Concerning the decrease in the screening of suppliers for environmental and social criteria, ICTSI is working to embed the accreditation and re-accreditation process further across our business units. MICT, MHCPST, and TSSA are already implementing annual re-accreditation screenings.

Our Company also expects that if and when issues are encountered during the first year of working with a supplier, our terminals will work to correct these practices and issues with the supplier. Improvements in the practices of the suppliers may also have led to a decrease in screenings.

ICTSI has been implementing a nuanced and responsive cascade of the Company's environmental and social policies across its terminals and supply chain, as well as embarking on a focused effort to help our suppliers and vendors align their business practices and ethics with ours. This is how we build momentum for meaningful change within our organization and bring it where it

matters: Through our supply chain, across our operations, and to our stakeholders.

IT GOVERNANCE

With the digital evolution of port management and operations, each link of the supply chain benefits in terms of productivity, profitability, and sustainability. The other aspect is that our industry is more vulnerable to cyberattacks due to the vast volumes of data exchanged between stakeholders daily. In our changing landscape, digital enables improved governance for organizational transparency and gains in operational efficiency. It is also essential for risk management in areas like health and safety and cybersecurity and enhances resiliency and security, especially in the global supply chain.

Digital security is a key corporate governance strategy, therefore we constantly optimize and adapt ways to minimize our vulnerabilities. As part of our measures to manage the threat landscape, our Global Corporate IT has continued to bring in a proactive and existing approach to cyber security.

In 2023, all business units across ICTSI continue to leverage a single cloud-based IT Service Management platform that allows the definition of processes and service levels for all IT requests. It provides a single global repository of IT Service Management activity, providing unprecedented auditability and visibility into operations and activities.

Enhancements to our end-point protection capabilities, such as End Point Response automation, allow us to monitor real-time threats and prevent a broad set of attacks in our system, including malware and beyond.

In 2023, ICTSI Data Protection Officer (DPO) Atty. Mark Vincent Z. Escalona ensured that more terminals had policies to ensure customer data would be private and secured and that terminals adhered to local or international data privacy laws befitting their locale.

During the year in review, we stepped up our efforts to ensure more responsive

ways of containing data breaches, such as optimizing ticketing and reporting systems, while leveraging digital platforms to provide our customers with the most transparent and visible logistics process while maintaining our shipping line neutrality.

The ICTSI App continues to give port users real-time access to critical logistics data across our global operations. Its services enable port users to optimize

their shipping experience through ICTSI and reduce costs.

ICTSI continues to invest in enhancing online payment systems for its customers. This provides a reliable billing process is unaffected by predictable interruptions and the need for most of the Philippines' workforce to work from home.

Across our global operations, ICTSI terminals are working to ensure that data



MICT FORTIFIES CYBER DEFENSE

Manila International Container Terminal (MICT) sharpened its defense against cyber threats, simulating a ransomware attack in a business continuity drill in January. Facilitated by KPMG, the exercise tested MICT's readiness and identified areas for improvement in response protocols. This proactive approach strengthens MICT's cyber resilience and safeguards its critical operations.

Photo shows Frits Gerald Enriquez (third from left), KPMG consultant; Jennalyn Mae Osorio (fourth from left), KPMG consultant; Kum Chai Shin (fifth from left), ICTSI Information Security global director - Global Corporate IT; Jericho Matawaran (sixth from left), Enterprise Risk Management director; Reynaldo Mark Cruz (10th from left, back row), ITSS director and other ITSS personnel.



↑ MICT conducts drill as preparation for potential cyber threats. The activity was facilitated by KPMG R.G. Manabat & Co. and was attended by personnel from the MICT ITSS, Global Corporate IT and Enterprise Risk Management departments. Photo shows Frits Gerald Enriquez (third from left), KPMG consultant; Jennalyn Mae Osorio (fourth from left), KPMG consultant; Kum Chai Shin (fifth from left), ICTSI Information Security global director - Global Corporate IT; Jericho Matawaran (sixth from left), Enterprise Risk Management director; Reynaldo Mark Cruz (10th from left, back row), ITSS director and other ITSS personnel.

collected from stakeholders, including customers, are free from undue influence and abuse. Our privacy measures have been authorized by applicable legislation and are very much in line with worldwide activities undertaken by the Group.

At the global level, ICTSI has an international policy for cybersecurity and data privacy that supports the company's business and information technology initiatives and helps manage ICTSI's risk exposure to an acceptable level. The Global Incident Response Plan includes dealing with data privacy incidents as part of the Company's business continuity plan. Each Terminal IT Head is part of the reporting chain and response team. All terminal ITs should be compliant with both the policy and the plan.

Twenty of 28 terminals are committed to ensuring their customer data is private and secure. These commitments adhere to regulatory compliance, group-wide policies, the Data Privacy Act, and their internal information policy. To evaluate the commitment's effectiveness, the terminals conduct audits and reviews compared to international standards or guidelines.

Notable practices include TSSA's Information Security Standard (NR-TI-01) being correctly deployed and widely communicated. Ongoing awareness training is promoted to preserve the integrity, confidentiality, and availability of their information and computer systems. This is to achieve zero nonconformance, zero significant or high vulnerability, and zero data security incidents. Additionally, we seek to avert data leaks and promote a more proactive understanding of our policies. Our terminals conduct satisfaction surveys, quarterly evaluations, reviews, monitoring, vulnerability scans, penetration testing, monthly reports, incident reports, training, and assessments to determine the effectiveness of the Company's Cyber Security policy.

Seventeen of 28 terminals have key performance indicators to guarantee customer data privacy. The rest of the terminals are formulating their goals and targets to ensure customer data is private and secure. For those with existing goals



MICT E-GATE: STREAMLINING PORT PROCESSES FOR FASTER TURNAROUND

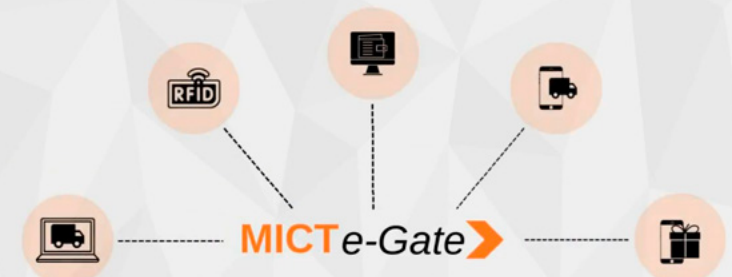
In Manila International Container Terminal (MICT), the new e-Gate Program, launched in April, united all digitalization initiatives at the port under one banner campaign to accelerate customer gate processes. This program was created for customers to take easier advantage of MICT initiatives that are geared toward a speedier and more seamless gate-in-to-gate-out experience.

The e-Gate Program has five components: TABS Truck Manifesting, which simplifies gate entry by pre-collecting data electronically, eliminating kiosk interactions, and automating tandem slot allocation for exports; RFID, which leverages existing SLEX and NLEX tags for faster truck identification; ACTS e-Wallet, which streamlines exit by automatically deducting storage and reefer charges from the user's wallet; EIR Online, which promotes sustainability by eliminating printed Equipment Interchange Receipt (EIR) copies; and Kalakbay Rewards, which incentivizes participation through a rewards program for truckers, brokers, and forwarders who actively use e-Gate initiatives.

In May, MICT partnered with Intelligent E-Processes Technologies Corp. (IETC), the subsidiary of San Miguel Corporation that manages Autosweep RFID, to enable a faster, more seamless gate process for trucks at the Port of Manila.

The partnership enables RFID scanners at the terminal gates to read Autosweep tags and match the trucks' plate numbers, resulting in faster gate access and process. This solves the challenges of low success rate of our license plate recognition cameras due to the poor condition of the plates mounted on some trucks.

The program is aligned with ICTSI's company-wide efforts toward digitalization while providing the best possible service to stakeholders.



↑ The MICT e-Gate program streamlines port processes using five key approaches: 1. TABS Truck Manifesting; 2. RFID Integration, 3. ACTS e-Wallet, 4. EIR (Equipment Interchange Receipt) Online, 5. Kalakbay Rewards



TRUCKS ZOOM THROUGH MANILA PORT AS ICTSI & AUTOSWEEP TEAM UP

Manila International Container Terminal (MICT) improved gate process efficiency by partnering with Autosweep starting May. By using existing RFID tags, trucks now breeze through gates, eliminating delays caused by worn license plates.

"This investment tackles license plate challenges we've faced for years," explained Reynaldo Mark Cruz Jr., MICT IT Director. "Autosweep's RFID tags provide a reliable alternative, speeding up operations."

Intelligent E-Processes Technologies Corp. (IETC), managing Autosweep, even offers free tag installation at MICT, granting immediate access to RFID lanes on major SMC toll roads, saving fuel and time.

MICT's commitment to innovation shines through with this partnership, ensuring a smoother, faster experience for truckers at the heart of Manila's port operations.



Trucks line up towards the exit gate of the Manila International Container Terminal. The MICT and Autosweep partnership will allow for trucks to move through the port more efficiently.

and targets, their baseline and context of their goals and targets vary from zero tolerance for any breach of confidentiality, zero data leaks, zero non-conformity, and minimizing risks on data privacy issues, protection of customer data against any external or non-authorized access, for information to be accessible to the appropriate people, and to be aware and observant of the policy. Privacy impact assessment and internal audits are also conducted to further evaluate the policy's effectiveness.

All terminals commit to ensuring that their customer data is private and secure in their operations. Key officers have delegated the task of responsible reporting in their operations, and notably, MNHPI and BGT are evaluated for their effectiveness.

In MNHPI, a Data Breach Response Team composed of department representatives is tasked with implementing and ensuring compliance with ICTSI's data protection policy and related issuances. The Data Breach Response Team conducts regular internal and external audits and system reviews to evaluate the policy's effectiveness. KMT hires a third party to provide the regular vulnerability assessment and penetration testing of its IT systems containing customer data to ensure impartiality.

Sixteen out of 28 terminals have financial, human or technological resources allocated to data protection. MNHPI has resources for training in privacy awareness programs and information technology security. To date, all of its 1,288 employees have undergone training in data protection, with the expenses shouldered by the Company.

The grievance mechanisms for each terminal vary, but some include the following: reporting via email, phone, or website; incident response plans; customer service desk; reporting to point persons; and a whistleblower channel.

All ICTSI terminals reported that they received no complaints concerning customer privacy breaches last year.



DIGITALIZATION WINS: REAL-TIME VISIBILITY WITH ICTSI APP



ICTSI helps port users and businesses gain a competitive edge by providing real-time cargo visibility through the ICTSI App.

The ICTSI App is a secure operational tool that enables port users and cargo owners to monitor the status of their shipments loaded and offloaded from a vessel, and those hauled in or out of the port. The ICTSI App has three main features that promote visibility and transparency – vessel monitoring, container tracking, and truck tracking. It is available for iOS and Android devices. Users can also access the web app using a computer.

Launched in 2022, the app lets users track their cargo at the Manila International Container Terminal and NorthPort – both in the Port of Manila, Subic Bay International Terminals in Zambales, Laguna Gateway Inland Container Terminal in Calamba, and Mindanao Container Terminal in Cagayan de Oro.

The ICTSI App currently has close to 29,000 users. It will soon be available for customers of Adriatic Gate Container Terminal in Croatia, South Pacific International Container Terminal and Motukea International Terminal in Papua New Guinea, Onne Multipurpose Terminal in Nigeria, and Matadi Gateway Terminal in D.R. Congo.

GRI CONTENT INDEX

GENERAL DISCLOSURES

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2-3	Reporting period, frequency and contact point	22, 24, 114
2-4	Restatements of information	28, As indicated throughout the report
2-5	External assurance	No external assurance
ACTIVITIES AND WORKERS		
2-6	Activities, value chain and other business relationships	10-13
2-7	Employees	56-59
2-8	Workers who are not employees	56
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2-9	Governance structure and composition	86-90
2-10	Nomination and selection of the highest governance body	86-90
2-11	Chair of the highest governance body	87-90
2-12	Role of the highest governance body in overseeing the management of impacts	16-17
2-13	Delegation of responsibility for managing impacts	16-17
2-14	Role of the highest governance body in sustainability reporting	16-17
2-15	Conflicts of interest	90
2-16	Communication of critical concerns	16-17
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2-18	Evaluation of the performance of the highest governance body	90-91
2-19	Remuneration policies	91-92
2-20	Process to determine remuneration	91-92
2-21	Annual total compensation ratio	92, The Group has decided not to disclose the information required under GRI Disclosure 2-21 in this report since the ratio of the annual total compensation for the organization's highest-paid individual to the median annual total compensation for all employees (excluding the highest-paid individual) has not been determined to date: Computing the ratio is a significant task, as ICTSI has presence across many countries with varying income levels (i.e., presence in DRC, which the World Bank currently classifies as Low Income and presence in Australia, which the World Bank currently classifies as High Income).

STANDARD	DISCLOSURE	PAGE NUMBER/ DIRECT ANSWER
STRATEGY, POLICIES AND PRACTICES		
2-22	Statement on sustainable development strategy	6-7
2-23	Policy commitments	18-20; As indicated throughout the report
2-24	Embedding policy commitments	As indicated throughout the report
2-25	Processes to remediate negative impacts	97-98; As indicated throughout the report
2-26	Mechanisms for seeking advice and raising concerns	97
2-27	Compliance with laws and regulations	92-94
2-28	Membership associations	21
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2-29	Approach to stakeholder engagement	28-29
2-30	Collective bargaining agreements	61-63
DISCLOSURE OF MATERIAL TOPICS		
3-1	Process to determine material topics	24-27
3-2	List of material topics	26
3-3	Management of material topics	As indicated throughout the report

TOPIC SPECIFIC DISCLOSURES

STANDARD	DISCLOSURE	PAGE NUMBER/ DIRECT ANSWER
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ECONOMIC PERFORMANCE		
GRI 3 Material Topics 2021	3-3 Management of Material Topics	46-53
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	49
	201-2 Financial implications and other risks and opportunities due to climate change	The Company is still currently putting in place efforts to address this disclosure item.
INDIRECT ECONOMIC IMPACT		
GRI 3 Material Topics 2021	3-3 Management of Material Topics	46-53
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	51-53
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GRI 3 Material Topics 2021	3-3 Management of Material Topics	98-103
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	101
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GRI 3 Material Topics 2021	3-3 Management of Material Topics	96-98
GRI 205: Anti-Corruption 2016	205-1 Operations assessed for risks related to corruption	97-98
	205-2 Communication and training about anti-corruption policies and procedures	96
	205-3 Confirmed incidents of corruption and actions taken	97, No incidents of corruption.
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GRI 207: Tax 2019 (Topic management disclosures)	207-1 Approach to tax	
	207-2 Tax governance, control and risk management	
	207-3 Stakeholder engagement and management of concerns related to tax	
GRI 207: Tax 2019	207-4 Country-by-country reporting	The Group has decided not to disclose the information required under GRI Disclosure 207-4 in this report as it believes that this information should only be disclosed on a strict as-need basis. We understand that Disclosure 207-4 requires essentially the same information as found in the CBCR that the Group has been preparing and submitting since the inception of this requirement. There are proper channels wherein such information can be disclosed between tax authorities of the different jurisdictions where the Company has presence, under the Multilateral Competent Authority Agreement on the Exchange of Country-by-Country Reports, and which should likewise be under an enacted legislation in the jurisdiction/country requesting for the CBCR.

STANDARD	DISCLOSURE	PAGE NUMBER/ DIRECT ANSWER
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GRI 302: Energy 2016	302-1 Energy consumption within the organization	40
	302-2 Energy consumption outside of the organization	The Company is still currently putting in place efforts to monitor this.
	302-3 Energy intensity	40
	302-4 Reduction of energy consumption	The Company is still currently putting in place efforts to monitor this.
	302-5 Reductions in energy requirements of products and services	
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GRI 3 Material Topics 2021	3-3 Management of Material Topics	30-41
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	41
	305-2 Energy indirect (Scope 2) GHG emissions	41
	305-3 Other indirect (Scope 3) GHG emissions	The Company is still currently putting in place efforts to monitor this.
	305-4 GHG emissions intensity	41
	305-5 Reduction of GHG emissions	The Company has published its target commitment for 2030 (26% emission reduction per move) and 2050 (net zero)
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GRI 306: Waste 2020 (Topic management disclosures)	306-1 Waste generation and significant waste-related impacts	43-44
	306-2 Management of significant waste-related impacts	43-44
GRI 306: Waste 2020	306-3 Waste generated	44
	306-4 Waste diverted from disposal	The Company is still currently putting in place efforts to monitor this.
	306-5 Waste directed to disposal	
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GRI 3 Material Topics 2021	3-3 Management of Material Topics	42-43
GRI 303: Effluents and Waste 2018 (Topic management disclosures)	303-1 Interactions with water as a shared resource	43
	303-2 Management of water discharge-related impacts	42
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	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	59
	401-3 Parental leave	61, The Company is still currently putting in place efforts to monitor this.
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	403-2 Hazard identification, risk assessment, and incident investigation	66-70
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GRI 403: Occupational Health and Safety 2018 (Topic-Specific Disclosures)	403-8 Workers covered by an occupational health and safety management system	68
	403-9 Work-related injuries	70
	403-10 Work-related ill health	70
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	404-2 Programs for upgrading employee skills and transition assistance programs	64-65
	404-3 Percentage of employees receiving regular performance and career development reviews	100%
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GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	58, 63
	405-2 Ratio of basic salary and remuneration of women to men	64

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GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	107

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INVESTOR INQUIRIES

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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 2023 ICTSI Group Sustainability Report and the ICTSI Foundation Accomplishment Report.