



CORPORATE GOVERNANCE COMMITTEE CHARTER

(As of 27 February 2020)

I. STATEMENT OF POLICY

Corporate Governance is aimed to enhance an organization's value of and optimize over time the returns to its shareholders. These are done through sound, prudent, and effective management, efficient and effective management information systems, reliable financial and operation information, cost-effective and profitable business operations, and compliance with laws, rules, regulations, and contracts. It shall be the policy of International Container Terminal Services, Inc. (ICTSI) to maintain a Corporate Governance Committee ("Committee"), which shall assist the Board of Directors ("Board") in ensuring that there is an effective and integrated corporate governance process in place.

II. ORGANIZATION

There shall be a Committee of the Board to be known as the Corporate Governance Committee and this Charter sets out the role, composition, authority, responsibilities, and operation thereof. The Committee shall have three Sub-committees, namely, the Nomination Committee, the Remuneration Committee and the Environment, Social and Governance (ESG) Committee, which respective role, composition, responsibilities and operation are laid out in their respective charters.

Composition

The Committee shall be composed of at least three (3) Members, one of whom will be appointed as the Chairperson. The Board shall review the composition of the Committee from time to time and, based upon the recommendation of the Chairman of the Board, shall annually appoint the Committee Members.

Term

The Board shall appoint the Members of the Committee at its annual organizational meeting and each Member shall serve upon his/her election until the next organizational meeting of the Board, unless replaced or removed by the Board.

Qualifications

- The Members of the Committee must have collective working knowledge, experience or expertise in corporate governance to effectively assist the Board in the performance of its corporate governance responsibilities.
- The Committee shall be entirely composed of Independent Directors and its Chairperson must likewise be an Independent Director.

- Each Member of the Committee shall be free of any relationship that, in the judgment of the Board, would interfere with the exercise of his or her independent judgment.

Disqualification

The grounds for the permanent or temporary disqualification of a Director shall apply to the Members of the Committee, which are prescribed in Sections 2.4.4 and 2.4.5, respectively, of ICTSI's Revised Manual on Corporate Governance ("CG Manual").

III. AUTHORITY

The Committee has the authority to:

- Assist the Board in ensuring compliance with and proper observance of corporate governance principles and practices;
- Endorse to the Board strategies, plans and programs in relation to ESG;
- Secure such advisers whom it considers necessary for the proper performance of the Committee functions under this Charter; and
- Seek any information and assistance it may reasonably require from any ICTSI employee.

IV. RESPONSIBILITIES

The Committee's regular responsibilities are enumerated below.

- Oversee the implementation of ICTSI's corporate governance framework and policies and periodically review and update the said framework to ensure its appropriateness and relevance in reference to the material changes of ICTSI's size, complexity, and business strategy, as well as its business and regulatory climate;
- Oversee the Company's policies, plans and projects on ESG issues and concerns;
- Oversee the periodic self-assessment by and performance evaluation of the Board, Board Committees, Management, Chairman of the Board, and the individual Directors, of which the evaluation results shall be shared to the Board, and implement concrete plans of action to address identified areas of improvement and concern;
- Evaluate its own performance;
- Ensure that every 3 years, the evaluations and assessments mentioned above shall be supported by an external party;
- Plan and recommend continuing education/training programs for the Board, with compliance to the required minimum hours for new and incumbent Directors, and propose assignment of projects and tasks to the Board Committees, subject to Board approval;
- Review and approve the recommendations and endorsements made by the Nomination, Remuneration and ESG Sub-Committees;

- Provide guidance and advice, when necessary and sought, on appointments by the Board Chairman or President;
- Evaluate succession plans for members of the Board and senior executives;
- Assess the effectiveness of the Board's processes and procedures in its conduct of election and/or replacement of the Directors, and in the appointment of officers or advisors, and develop, update, and recommend to the Board policies for considering nominees for Directors, Officers, or Advisors;
- In consultation with the appropriate Committees, redefine the role, duties, and responsibilities of the President by integrating the dynamic requirements of the business as a going concern and future expansionary prospects within the scope of good corporate governance at all times; and
- Perform such duties and responsibilities that may be assigned or delegated to the Committee by the Board from time to time.

V. COMMITTEE PROCEDURES

Meetings and Quorum

The Committee shall meet as required by its Chairperson, preferably in conjunction with Board Meetings. The Committee shall hold meetings at least twice a year. Nonetheless, any member may call a meeting of the Committee. The Committee may invite other Directors as it deems necessary.

A quorum shall be called when at least majority of the Members of the Committee is present, which must include the Chairperson. The quorum shall have the ability to exercise all or any of the powers, authorities, or discretions vested in the Committee.

Notice

A notice of each Committee Meeting, confirming the venue, time and date, will be prepared and sent to all Members, as well as to the Management or other concerned persons as may be invited by the Committee, at least two (2) weeks prior to the scheduled meeting. The Committee may also meet via telephone conference call or any other means of remote communication, as permitted by law or ICTSI's By-Laws.

Escalation

The Committee may escalate any matter that in its opinion should be brought to the attention of the Board as well as any recommendations requiring Board approval and/or action.

Minutes and Records

The Committee Secretary, under the guidance of the Committee Chairman, shall prepare and provide the agenda, give advance notice of meetings, and appropriate briefings materials to the Members of the Committee.

The Corporate Secretary or his/her designated representative shall act as Secretary for the Meeting and record the Minutes of the Committee Meeting. Records of attendance will be included in the Minutes, and the Minutes shall be presented to the Committee at the next Committee Meeting for approval by the Members.

The Corporate Secretary shall keep all Minutes as well as other records of documents of the Committee. These shall be made available for inspection by any member of the Committee or the Board, as and when requested.

Reporting and Recommendations

The Committee, through its Chairperson, shall report to the Board at the earliest possible Board Meeting after each Committee Meeting. Minutes of all Committee Meetings shall be circulated to the Board. The report shall include, but not limited to:

- The Minutes of the Committee and Committee Resolutions passed, if any;
- Any other matters that in the opinion of the Committee should be brought to the attention of the Board, and recommendations requiring Board approval and/or action.

VI. REMUNERATIONS

The Committee Members may receive remuneration, as determined from time to time by the Board.

As the Committee has the authority to retain independent parties to advice or to assist in the fulfillment of its responsibilities, the remuneration of such advisers shall be recommended by the Committee for approval by the Board.

VII. REVIEW AND AMENDMENT

The Committee shall review and assess the adequacy of this Charter at least once every two (2) years. The Committee may propose any amendments any time as may be necessary for Board approval, and ensure appropriate disclosure as may be required by law or regulation.