



Ensuring Reliability and Creating Impact



OUR PURPOSE

We partner with global organizations to provide manufacturing solutions to **SAVE LIVES, CONSERVE ENERGY, and IMPROVE QUALITY OF LIFE.**

OUR VISION

The leading **INNOVATIVE** partner for customized solutions. Our **PEOPLE** deliver the highest quality experience.

OUR MISSION

Passionately create a unique product realization experience that our partners love

OUR CORE VALUES

INTEGRITY

Honesty, trustworthiness, and consistency in words and actions

CUSTOMER FOCUS

Building a strong partnership with customers by providing excellent and mutually beneficial solutions

CONCERN FOR OTHERS

Caring for co-employees, community, and country

EXCELLENCE

Doing the best and continuously exceeding expectations

About IMI

Integrated Micro-Electronics, Inc. (IMI), the electronics manufacturing subsidiary of Ayala Corporation, is a leading global electronics manufacturing solutions expert specializing in highly reliable and quality electronics for long product life cycle segments in the automotive, industrial, power electronics, communications, and medical industries.

IMI ranks 23rd among the top EMS providers in the world by the Manufacturing Market Insider based on 2023 revenues, and remains among the top ten in the automotive sector according to New Venture Research.

From its 18 manufacturing plants across eight different countries, the company provides engineering, manufacturing, and support and fulfillment capabilities to diverse industries globally.

For more information, visit global-imi.com.

About this Report

This Integrated Report for the year 2024 reflects IMI's unwavering value-driven commitment to transparency, innovation, and sustainable growth. As a global leader in electronics manufacturing solutions, the company continues to align its operations with the evolving demands of the automotive, industrial, medical, and communications sectors. This report serves as a comprehensive overview of our performance, strategies, and aspirations, providing stakeholders with a clear understanding of our journey and future direction.

In 2024, IMI took significant strides to refocus on its core strengths while emphasizing our dedication to foster resilience and adaptability in a dynamic market landscape. Highlighted in this report are initiatives, showcasing how the company is positioning itself as a future-ready organization.

The objective of this document is to provide a holistic view of the company's financial and non-financial performance in creating value for all stakeholders. By integrating environmental, social, and governance (ESG) considerations into our business strategies, we aim to demonstrate our role as a responsible corporate citizen. This report also outlines our efforts to address global challenges, such as climate change and technological disruptions, while seizing opportunities for sustainable growth.

IMI aligns its sustainability reporting with the Sustainability Accounting Standards Board (SASB) framework, ensuring focused and investor-relevant disclosures on the most material ESG factors impacting the electronics manufacturing sector. These standards recognize that companies within the same sector typically share similar business models and resource dependencies, which result in common sustainability challenges and opportunities. SASB standards can be used alongside other sustainability reporting frameworks, such as GRI Standards. They can also be a helpful tool for implementing broader sustainability principles outlined by organizations like the Task Force on Climate-Related Financial Disclosures (TCFD) and the International Integrated Reporting Council (IIRC).

We invite our stakeholders to join us in celebrating our achievements and understanding the challenges we face. It is our hope that this document not only informs but also inspires confidence in IMI's ability to navigate the complexities of the modern business environment.

Together, we look forward to creating a brighter, more innovative future.

IMI welcomes feedback and inquiries to help improve its future reporting.

The company is happy to receive feedback and comments through the following email addresses:

- | | |
|----------------|--|
| Investors | IR@global-imi.com |
| Governance | corporatesecretary@global-imi.com
compliance_officer@global-imi.com |
| Sales | sales@global-imi.com |
| Sustainability | john.madriaga@global-imi.com |
| Data Privacy | privacy@global-imi.com |
| Careers | careers@global-imi.com |

- A copy of IMI's financial statements can be accessed at www.global-imi.com.
- Additional references for specific stakeholders are available at www.global-imi.com/governance.
 - Corporate Governance Manual
 - IMI Board Charter
 - Internal Audit Charter
 - Risk Management Policy
 - Policy on Insider Trading
 - IMI Code of Conduct
 - IMI Supplier Code of Conduct
 - 2024 SEC Form 17-A
- For more details about the various frameworks and standards referred to, check:
 - integratedreporting.ifrs.org
 - globalreporting.org
 - fsb-tcfid.org
 - unglobalcompact.org
 - sdgs.un.org/goals
- For Management's Discussion and Analysis of Financial Condition and Results of Operations, go to → **page 78**.
- The Independent Assurance Statement on IMI's sustainability disclosures is on → **page 72**.

Sustainability is essential to our operations as it reflects our dedication to responsible business practices and ensures our long-term success.



In 2024, Integrated Micro-Electronics Inc. (IMI) embarked on a transformative journey aimed at achieving renewed profitability and growth.

The company's strategic vision in 2024 was centered around three imperatives: cost reduction, footprint rationalization, and revenue generation. Cost reduction efforts focused on improving direct material costs by identifying alternative components, increasing the share of IMI-controlled parts, and targeting logistics costs for reduction. Factory overhead was adjusted to align with revenue levels. These initiatives are projected to deliver annualized savings beginning in 2025.

Footprint rationalization involved optimizing operations in key locations in North America, Europe, and China. This rationalization seeks to enhance operational efficiency and better align IMI resources with market opportunities.

IMI's strategic direction in 2024 was deeply informed by current trends in the electronics manufacturing services (EMS) industry, including the impact of global economic factors on consumer spending, such as inflation and economic uncertainty. Meanwhile, ongoing trends towards reshoring and nearshoring presented opportunities for IMI, particularly in Mexico. By diversifying suppliers and investing in local manufacturing, the company is better mitigating risks associated with supply chain disruptions.

Growth in the electric vehicle (EV) market is another key trend. By developing specialized components for EVs, the company seeks to position itself as a major player in this burgeoning market. IMI recognizes the potential of automation and AI integration to enhance production efficiency and reduce costs. The company also strengthened its sustainability initiatives, reflecting growing pressure from eco-conscious consumers and regulatory requirements.

IMI's 2024 strategy focused on restructuring for profitability, optimizing operations, and driving growth by leveraging industry trends. By improving internal capabilities and capitalizing on market opportunities, IMI bolstered its competitive position for long-term success in the global EMS industry.

Major Strategies in each ESG Pillar

Environmental:

- Carbon Neutrality by 2050: IMI is committed to achieving carbon neutrality by 2050, demonstrating its dedication to long-term environmental sustainability.
- Reduce Carbon Intensity: The company aims to reduce carbon intensity for Scopes 1 and 2 by 50% by 2030.
- Partnerships: IMI partners with companies like Zero Motorcycles and Lithos that serve the electric vehicle ecosystem, furthering its commitment to sustainable practices.

Social:

- Training and Development: IMI provides training and development opportunities for all employees, ensuring continuous growth and skill enhancement.
- Employee Engagement: The company maintains a high employee engagement rating, reflecting its commitment to a positive and inclusive work environment.
- Health and Safety: IMI ensures a safe and healthy work environment for all its employees, prioritizing their well-being.

Governance:

- Responsible Business Practices: IMI commits to responsible business practices and aligns with the standards of the Responsible Business Alliance (RBA).
- Corporate Governance: The company upholds strong corporate governance standards across management and sites. IMI also received several recognitions from both government agencies and award-giving bodies.
- Compliance: IMI ensures compliance with all audit requirements in finance, operations, and sustainability with zero incidents of material non-compliance.

ESG Roadmap - Activities and Impact

The landscape of ESG compliance is demonstrably shifting, marked by an increasing emphasis on GHG reduction, addressing threats to biodiversity, water management, and the advancement of social equity. This evolution is being propelled by escalating environmental concerns worldwide and the implementation of more stringent governmental policies.

While global companies are adopting these evolving standards at different paces, often influenced by their respective market positions, IMI is actively engaging with its customers on a range of significant ESG initiatives. Through these comprehensive ESG

customer engagement strategies, IMI not only enhances its brand reputation but also builds stronger, more loyal relationships with its customers. By prioritizing transparency, sustainability, and customer involvement, the company demonstrates its commitment to creating a positive impact on both the environment and society.

The following outlines the key ESG activities IMI undertakes in collaboration with its customers, along with the combined revenues associated with these partnerships.



2022	2023	2024	2025	2030
<div><input checked="" type="checkbox"/> GHG reduction target by 2030</div> <div><input checked="" type="checkbox"/> Net Zero 2050</div> <div><input checked="" type="checkbox"/> Energy efficiency & PPA initiatives</div> <div><input checked="" type="checkbox"/> IPS ESG Awards</div>	<div><input checked="" type="checkbox"/> IMI Scope 3 strategy</div> <div><input checked="" type="checkbox"/> ESG awareness initiatives (flag ceremony talk, Plastic free week, etc)</div> <div><input checked="" type="checkbox"/> Sustainability Internal Audits</div>	<div><input checked="" type="checkbox"/> SouthPole Project</div> <div><input checked="" type="checkbox"/> Science Based Target Initiative (SBTi)</div> <div><input checked="" type="checkbox"/> Carbon Disclosure Project (CDP)</div>	<div><input type="checkbox"/> Validation of carbon emission reduction roadmap</div> <div><input type="checkbox"/> IMI-initiated community outreach programs</div> <div><input type="checkbox"/> Sustainability audits covering 20% of our top 150 suppliers</div>	<div><input type="checkbox"/> 50% reduction in Scope 1 & 2 GHG</div> <div><input type="checkbox"/> 25% reduction in Scope 3</div> <div><input type="checkbox"/> Green Energy utilization ≥ 50 %</div>
<div><input checked="" type="checkbox"/> Firming up of social targets</div> <div><input checked="" type="checkbox"/> Training and certification of ESG Team</div> <div><input checked="" type="checkbox"/> IMI Global cascade workshops</div> <div><input checked="" type="checkbox"/> ESG KPI on BSC</div>	<div><input checked="" type="checkbox"/> IMI Supplier Code of Conduct</div> <div><input checked="" type="checkbox"/> IMI Supplier Audit Procedure</div> <div><input checked="" type="checkbox"/> Supplier engagement workshops</div>	<div><input checked="" type="checkbox"/> IMI COC full rollout</div> <div><input checked="" type="checkbox"/> ESG upskilling for leaders</div> <div><input checked="" type="checkbox"/> Working hour compliance</div>	<div><input type="checkbox"/> RBA Compliance Audit Preparation</div>	<div><input type="checkbox"/> Healthy & safe work environment</div> <div><input type="checkbox"/> Stakeholder collaboration</div>
<div><input checked="" type="checkbox"/> IMI Sustainability table of organization</div> <div><input checked="" type="checkbox"/> ESG organizational alignment to business strategies</div> <div><input checked="" type="checkbox"/> DNV 3rd party assurance</div>	<div><input checked="" type="checkbox"/> IMI Supplier Code of Conduct</div> <div><input checked="" type="checkbox"/> IMI Supplier Audit Procedure</div> <div><input checked="" type="checkbox"/> Supplier engagement workshops</div>	<div><input checked="" type="checkbox"/> Preparation for SEC new guidelines on sustainability reporting</div> <div><input checked="" type="checkbox"/> Preparation for IFRS RBA COC Version 8</div> <div><input checked="" type="checkbox"/> Audit 20% of top IMI Suppliers</div>	<div><input type="checkbox"/> RBA Certification - 2025</div>	<div><input type="checkbox"/> Ethical & sustainable business practices aligned with global standards</div>

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURE

As one of the top 25 EMS providers globally, IMI recognizes the critical role it plays in transitioning to a low-carbon future. In 2021, we demonstrated our commitment to climate action by joining Ayala and its other subsidiaries in pledging Net Zero emissions by 2050. Additionally, we further strengthened our position by aligning with the Task Force on Climate-Related Financial Disclosures (TCFD) to ensure transparency in our climate-related efforts.




GOVERNANCE	STRATEGY	RISK MANAGEMENT	METRICS AND TARGETS
<div><input checked="" type="checkbox"/> Present the current findings of the climate scenario analysis to Audit & Risk Committee (ARC), detailing the potential financial impacts on IMI.</div> <div><input checked="" type="checkbox"/> Chief Risk Officer role to be expanded to include the assessment and management of climate-related risks and opportunities.</div> <div><input checked="" type="checkbox"/> Ensure regulatory and legal compliance in all regions where IMI operates.</div>	<div><input checked="" type="checkbox"/> Climate Risk Analysis– Evaluate potential climate scenarios to understand and identify relevant risks and opportunities.</div> <div><input type="checkbox"/> Engage and partner with customers and suppliers to align common ESG targets.</div> <div><input type="checkbox"/> Implement tools for better ESG data collection and management.</div>	<div><input checked="" type="checkbox"/> Describe the organization's processes for identifying and assessing climate-related risks.</div> <div><input checked="" type="checkbox"/> Describe the organization's processes for managing climate-related risks.</div> <div><input checked="" type="checkbox"/> Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.</div>	<div><input type="checkbox"/> Establish a revised greenhouse gas emissions baseline year of 2021, accompanied by the implementation of enhanced methodologies for a more comprehensive and accurate accounting of Scope 3 emissions.</div> <div><input type="checkbox"/> Develop Net Zero Roadmap and implement interventions to attain Near-term and Long-term goals.</div>

☒ Completed ☐ In progress



For us at IMI, fostering a sustainable future is the bedrock of our business strategy. We seamlessly weave environmental stewardship and social responsibility into the fabric of our operations, propelling innovation and growth far beyond regulatory mandates. Our unwavering commitment to the UN SDGs energizes our proactive initiatives in addressing climate change and cultivating a sustainable, low-carbon future from within.



Laurence S. De la Cruz
Chief Sustainability Officer

OUR INTEGRATED VALUE CHAIN

Our integrated value chain enhances innovation, efficiency, and sustainability across our operations. It ensures high-quality outputs, optimizes resource utilization, and supports IMI's commitment to long-term growth and competitive advantage in the global market.



INPUTS



OUTPUT

ENVIRONMENT • SOCIAL • GOVERNANCE

OUR SUSTAINABLE FUTURE - NET ZERO 2050



IMPACT



Financial Capital

- Equity US\$223.3 million
- Asset US\$792.9 million
- Bank debts US\$290.5 million



Manufactured Capital

- 18 Manufacturing plants in eight countries
- Capital expenditure of US\$9.9 million



Human Capital

- Global headcount 10,368
- Number of engineers 842
*Excluding VIA & VTS Japan
- Cadetship programs across multiple sites



Natural Capital

- Electricity 97M kWh
- Water 877k m³



Social & Relationship Capital

- No. of customers approximately 300
- Number of active suppliers 1,937
- Continuous collaboration with government and academe in various geographies



Intellectual Capital

- Advanced Competitiveness Engineering
- Patents



Commercial

- New programs US\$197 million
 - Automotive: 63%
 - Industrial and Others: 37%
- New business quote hit rate 16.8%



Process & Operations

- Customer satisfaction 4.61
- Implementation of updated supplier code of conduct
- 1,634 Kaizen projects with total cost savings of US\$9.0 million



Financial

- Total revenues US\$1.1 billion
- EBITDA US\$36.9 million



People



Planet



Purpose



Prosperity

- Revenues of IMI customers with ESG engagements — US\$540 million
- Manufacturing value add — US\$339 million
- Engagement survey — 89%
- Voluntary attrition rate — 23.8%
- Training hours — 603k
- Recycled waste — 2.0k metric tons
- ICT digital transformation — 100% completion for 2024 projects
- Number of nationalities — 14

GOVERNANCE

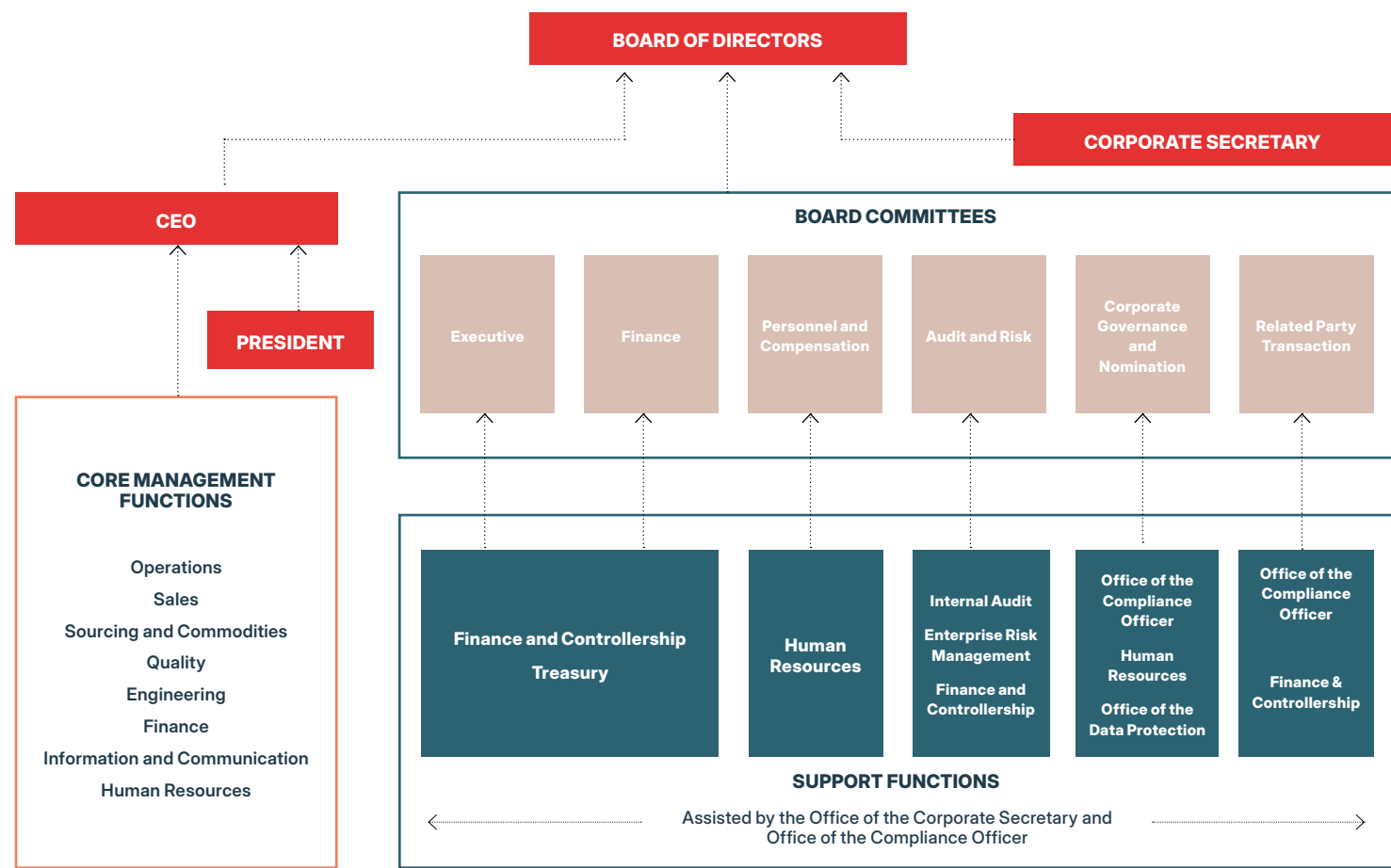
ALIGNMENT TO EXTERNAL STANDARDS AND FRAMEWORKS

We are committed to the principles and best practices of good corporate governance as embodied in our Corporate Governance Manual, which has been the foundation for the development and implementation of our value-creating activities. The Manual outlines our company’s vision, mission, and core values and reinforces accountability, ethical corporate behavior, fairness, and transparency. It is reviewed and updated to ensure consistency with internal policies, laws, and regulations. Importantly, we continuously look to external frameworks to better inform us of the evolving standards of responsibility and sustainability. From this perspective, we are compliant with the Code of Corporate Governance for Publicly-Listed Companies set forth by the Securities and Exchange Commission (SEC), except for the following deviations:

DEVIATIONS FROM THE CODE	EXPLANATION
Executive remuneration not disclosed on an individual basis	For executive remuneration, only the aggregate remuneration of the top five highest-paid officers is disclosed for the protection and privacy of the individual officers.
Notice of Annual and Special Shareholders’ Meeting not sent at least 28 days before the meeting	The 2024 Definitive Information Statement was distributed to stockholders on April 3, 2024, at least 22 calendar days before the Annual Stockholders’ Meeting on April 25, 2024, in compliance with SEC’s required timeline of at least 15 business days before the date of the Annual Stockholders’ Meeting.
Independent director serving for a term of more than nine years	As discussed in the 2024 Definitive Information Statement, Mr. Nishimura has served as an independent director for more than nine years. The Corporate Governance and Nomination Committee endorsed his nominations as independent director notwithstanding the fact that if elected once again, his services as such will exceed the recommended nine-year term provided in the SEC Corporate Governance Code for Publicly-Listed Companies after taking into consideration their commitment and dedication in fulfilling his mandate and his invaluable contribution to Board discussions with his expert insights and independent judgment. He was duly elected by IMI’s stockholders during the 2024 annual stockholders meeting.

Supporting this compliance is an attestation from the company’s Chief Executive Officer, Compliance Officer and the Chief Audit Executive for 2024 on the adequacy of the company’s system of internal controls, risk management, compliance, and governance processes. The Attestation is available at www.global-imi.com.

As we seek to improve our practices around processes and controls, we appreciate being consistently recognized for our work on corporate governance. In 2024, we were awarded a 3 Golden Arrow by the Institute of Corporate Directors (ICD) in relation to our 2023 performance based on the ASEAN Corporate Governance Scorecard (ACGS), a globally-benchmarked scoring system designed for improving the corporate governance performance of publicly-listed companies from participating ASEAN countries. The ACGS was jointly developed by the ASEAN Capital Markets Forum (ACMF) and the Asian Development Bank (ADB) to promote regional integration and the ASEAN region as an asset class. The 3-arrow recognition is given to companies that achieved a score between 100 and 109 points out of 130 points. We were included in the list of Golden Arrow awardees for three consecutive years.



BOARD STRUCTURE AND PROCESS

THE BOARD OF DIRECTORS

The Board of Directors is the supreme authority in matters governing and overseeing the business of the Company. Within their authority under the Revised Corporation Code and other applicable laws and the By-laws of the Company, the Directors, acting as a Board, have the fullest powers to regulate the concerns of the Company according to their best judgment.

The Board is responsible to promote and adhere to the principles and best practices of corporate governance, to foster long-term success of the Company and to ensure its sustained competitiveness in the global environment in a manner consistent with its fiduciary responsibility.

To ensure good governance, the Board formulates and continuously reviews the Company’s vision, mission, strategic

objectives, policies and procedures that guide its activities, including the means to effectively monitor management’s performance. The Board reviews the appropriateness of the vision and mission statement every year and oversees the implementation of the corporate strategy. The Board oversees the development and approval of the Company’s business objectives and strategies, and monitors their implementation to sustain its long-term viability and strength. They adopt an effective succession planning programs for Directors, key officers and management to ensure growth and a continued increase in the shareholders’ value. The Board also reviews and affirms the adequacy of internal control mechanism and risk management practices, accuracy and reliability of financial reporting, and compliance with applicable laws and regulations, and the proper implementation of the Company’s Code of Conduct.

The Board reviewed and affirmed the true and fair representation of the annual financial statements.

The Board’s roles and responsibilities are formalized in its Charter found in the company website, including its responsibility of overseeing the business affairs and being accountable to the shareholders for the long-term performance of the company.

As a commitment to TCFD, the Board’s responsibility shall extend to managing the risks and opportunities associated with climate change which is rightly a pressing matter for both the corporation and the wider world. Our CEO and President have directed the company to focus on sustainability / ESG / climate action. As such, we continue to develop our understanding and integrate our learnings from the risks and opportunities associated with climate change into our business operations.

Acting in the best interests of its stockholders and all other stakeholders, the Board’s aim is to create long lasting success in the competitive global environments in a manner consistent with its corporate objectives.

GOVERNANCE

In line with the corporate goals, IMI participates in governance summits and internal councils, as part of Ayala Corporation's (Ayala Corp) oversight controls to put management decisions in check and ensure that we conform to regulatory requirements and global best practices. IMI is also part of Ayala Corp's sustainability council to ensure that we are kept abreast of current sustainability matters concerning Ayala Corp. Furthermore, as a member of the sustainability council, we are able to learn from shared experiences which is crucial given sustainability and climate change are developing subject areas with research and practical guidance constantly being produced.

BOARD COMPOSITION

It is the responsibility of the Corporate Governance and Nomination Committee to review and monitor the structure, size and composition of the Board and ensure the appropriate mix of competencies of directors that are aligned with the Company's vision, mission, and strategic objectives. The Board is composed of eleven members who are elected individually by the Corporation's stockholders entitled to vote at the annual meeting and shall hold office for one year until their successors are elected in the next annual meeting. Majority of the directors have no executive responsibility and does not perform any work related to the operations (Non-Executive Directors). Among the board members are three independent non-executive directors.

BOARD DIVERSITY POLICY

IMI's board diversity policy encourages the selection of an appropriate mix of competent Directors, each of whom can add value and independent judgment in the formulation of sound corporate strategies and policies. Diversity includes business experience, age, gender, and ethnicity. With respect to gender, the Board shall strive to be composed of at least 30 percent or two (2) female directors, whichever is lower, by 2025 as stated in its board diversity policy.

LEAD INDEPENDENT DIRECTOR

In 2024, Mr. Jesse O. Ang was appointed Lead Independent Director by the Board. As stated in the Board's Charter, it is the lead independent director's role, among others, to act as an intermediary between the Chairman of the Board and the other Directors, when the need arises; to convene and chair the periodic meetings of the non-executive and the independent directors with the external auditor and head of internal audit, compliance and risk, as needed; and to contribute to the performance evaluation of the Chairman of the Board.

INDEPENDENT DIRECTORS

The Board currently includes three independent directors: Jesse O. Ang, Hiroshi Nishimura, and Sherisa P. Nuesa.

Independent directors, apart from their fees and shareholdings, hold no interests or relationship with the Corporation that may hinder their independence from the Corporation, management, or shareholder which could, or could reasonably perceived to, materially interfere with his exercise of independent judgment in carrying out his responsibilities as a Director of the Corporation. The Corporation has set a term limit of nine years in accordance with the rules set by the SEC.

As discussed in the 2024 Definitive Information Statement, Mr. Nishimura has served the recommended nine-year term for independent directors (reckoned from 2012). The Corporate Governance and Nomination Committee endorsed his nominations as independent director notwithstanding the fact that if elected once again, his services as such will exceed the recommended nine-year term provided in the SEC Corporate Governance Code for Publicly-Listed Companies after taking into consideration his commitment and dedication in fulfilling his mandate and invaluable contribution to Board discussions with his expert insights and independent judgment. He is elected by IMI's stockholders' during the 2024 annual stockholders meeting. Moreover, none of the directors or senior management have worked for the Corporation's external auditing firm within the three years immediately preceding the date of their election or appointment.

BOARD PERFORMANCE

BOARD MEETING AND ATTENDANCE

The Board meets at least six times each fiscal year, with the schedule of meetings determined and approved before the start of each financial year. As provided in the company's By-Laws, the presence of at least two-thirds of the number of directors constitutes a quorum for the transaction of corporate business. All members of the board, including independent directors are expected to attend and actively participate in all of the Board, Committee and Shareholders' meetings in person or remote communication, such as videoconferencing, teleconferencing or other alternative modes of communication allowed by the Commission. The director should also review meeting materials and, if called for, ask the necessary questions or seek clarifications and explanations.

The Corporate Secretary ensures that the materials are adequate and made available at least five working days before the scheduled meeting to allow the Board with enough time to prepare and make informed decisions. The Board may, to promote transparency, require at least one independent director in all of its meetings. However, the absence of an independent director shall not affect the quorum requirement if he is duly notified of the meeting but notwithstanding such notice fails to attend.

BOARD COMMITTEES

The Board created six committees as it may deem necessary to support in the performance of its functions in accordance with the By-Laws, Corporate Governance Manual, and Board Charter of the Corporation, and to aid in good governance. The Board has delegated specific responsibilities to each of these Committees and these Committees had been formed and are guided by their respective committee charters which are available in the Company's official website.

Executive Committee

The Executive Committee, in accordance with the authority granted by the Board, or during the absence of the Board, shall act by majority vote of all its members on such specific matters within the competence of the Board of Directors as may from time to time be delegated to the Executive Committee in accordance with the Corporation's By-Laws, subject to the limitations provided by the Revised Corporation Code.

Finance Committee

The Finance Committee oversees the company's financial risk management, including the company's capital structure strategies, mergers, acquisitions and other strategic investments, as well as divestitures of any material operations of the Company, and make appropriate recommendations to the Board of Directors. The Committee also has general oversight responsibility over the company's treasury activities and policies, including policies with respect to cash flow management, investment of the company's cash, and financial risk management including the use of derivatives. They are responsible for reviewing and evaluating the financial affairs of the Corporation from time to time and carry out such other duties as may be delegated by the Board of Directors.

Personnel and Compensation Committee

The Personnel and Compensation Committee is responsible for establishing a formal and transparent procedure for developing a policy on director and executive remuneration and for fixing the remuneration packages of corporate officers and directors, and provide oversight over remuneration of senior management and other key personnel ensuring that compensation is consistent with the Corporation's culture, strategy and control environment. The Committee also oversees the annual performance review of each of the members of management appointed by the Board other than the Chief Executive Officer, Chief Operating Officer and President; Recommends and reviews succession plans for members of management and senior executives, except the Chief Executive Officer, Chief Operating Officer and President, and implements a process to ensure appointment of competent, professional, honest, and highly motivated individuals who will add value to the company; Identifies, reviews and evaluates the qualifications, skills and abilities needed for management positions; Assesses the effectiveness of the Board's processes and procedures in the appointment, election or replacement of senior executives; and establishes a performance management framework that ensures senior officers' performance is at par with the standards set by the Board.

Corporate Governance and Nomination Committee

The Committee reviews and monitors the structure, size, and composition of the Board and makes recommendations to ensure compliance with applicable laws, rules and regulations as well as the Corporation's By-Laws, Board Charter and Corporate Governance Manual. The Committee also assesses the company's needs to identify the best mix of competencies of directors that would be aligned with the company's vision, mission and strategic objectives; Identifies, reviews and evaluates the qualifications and disqualifications, skills, and abilities that would result in a proper mix of competent Directors, including the Chief Executive Officer, Chief Operating Officer and President; for this purpose, the Committee may make use of professional search firms or other external sources of candidates to search for qualified candidates to the Board; Develops, updates, and recommends to the Board policies for considering nominees for Directors to ensure that all nominations to the Board are fair and transparent; Assesses the effectiveness of the Board's processes and procedures in the election or replacement, and recommends and reviews succession plans for members of the Board, including for the Chief Executive Officer, Chief Operating Officer and President; Oversees the implementation of the corporate governance framework and periodically reviews the said framework; Adopts corporate governance policies and ensures that these are reviewed and updated regularly, and consistently implemented in form and substance.

Audit and Risk Committee

The Audit and Risk Committee is expected, through the provision of checks and balances, to bring positive results in supervising and supporting the management of the Corporation. The Committee, through the Global Internal Audit (GIA) department of the company, monitors and evaluates the adequacy and effectiveness of the corporation's internal control system, integrity of financial reporting, and security of physical and information assets. The Committee also performs oversight functions over the company's internal and external auditors and reviews and monitors management's responsiveness to the auditors' findings and recommendations. The Committee is also responsible in the development, evaluation and oversight of the implementation of enterprise risk management plans to ensure that it's relevant, comprehensive and effective. It also provides oversight over management's activities in managing credit, market, liquidity, operational, legal and other risk exposures of the corporation.

Related Party Transaction Committee

The Committee was assigned by the Board to review all material RPTs for endorsement to the Board to ensure that these are at arm's length, the terms are fair, and they will inure to the best interest of the company and its subsidiaries or affiliates and their shareholders. The Committee ensures that related party transactions are reviewed, approved, and disclosed in accordance with its policy consistent with the principles of transparency and fairness. The Committee also oversees the implementation of the system for identifying, monitoring, measuring, controlling, and reporting RPTs, including a periodic review of RPT policies and procedures.

GOVERNANCE

BOARD REMUNERATION

In accordance with the company's By-Laws, each director is entitled to receive from the Corporation fees and other compensation for his services as director. The Compensation Committee's duties and responsibilities as defined in its charter is to recommend to the Board remuneration package for directors, and provide oversight over remuneration of senior management and other key personnel ensuring that compensation is consistent with the Corporation's culture, strategy and control environment, and aligned with the long-term interests of the company and its stakeholders.

Executive directors Louis Sylvester Hughes and Jerome S. Tan, who are the company's CEO and President, respectively, do not receive remuneration for attending Board meetings.

Non-executive and independent directors receive a per diem of ₱100,000 for each Board meeting attended and a per diem of ₱20,000 for each Committee meeting attended.

In 2024, the following directors received gross remuneration as follows:

NON-EXECUTIVE AND INDEPENDENT DIRECTORS	GROSS REMUNERATION (IN ₱)
Alberto M. de Larrazabal	1,420,000
Jose Ignacio A. Carlos	1,280,000
Rafael C. Romualdez	1,440,000
Jaime Z. Urquijo	1,440,000
Gilles Bernard	500,000
Jesse O. Ang	1,000,000
Hiroshi Nishimura	1,360,000
Sherisa P. Nuesa	1,360,000
Edgar O. Chua*	500,000
Mark Robert H. Uy**	300,000
Ginaflor C. Oris**	300,000
Roland Joseph L. Duchâtelet***	-
TOTAL	₱10,900,000

* Replaced by Mr. Jesse O. Ang during the Annual Stockholders' Meeting on April 25, 2024.
** Elected during the Annual Stockholders' Meeting on April 25, 2024 but replaced by Messrs. Louis Sylvester Hughes and Gilles Bernard during the regular board meeting held last June 20, 2024.
*** Mr. Duchâtelet waived his director's fees for the meetings attended.

None of the non-executive directors and independent directors have been contracted and compensated by the Company for services other than those provided as a director.

BOARD AND COMMITTEE MEMBERSHIP

STOCKHOLDERS, BOARD, BOARD COMMITTEE MEETINGS, AND DIRECTORS' ATTENDANCE FOR THE YEAR ENDED DECEMBER 31, 2024

DETAILS	MEMBERSHIP AND ATTENDANCE							
	Stockholder & Board		Board Committee					
MEETINGS	AS	BOD ¹	EC ²	ARC	FC	CGNC	RPTC	PCC
NO. OF MEETINGS	1	7	4	7	8	4	-	4
Alberto M. de Larrazabal Non-Executive Director	C 1/1	C 7/7	C 4/4 effective 25 April 2024	-	M 8/8	-	M	-
Louis Sylvester Hughes ³ Executive Director	-	M 4/4						
Arthur R. Tan ⁴ Executive Director	- 1/1	VC 2/3	C 1/1 until 25 April 2024	-	-	-	-	-
Jerome S. Tan Executive Director	- 1/1	M 6/7	-	-	-	-	-	-

1 In 2024 and during the incumbency of the director
2 The actions of the Executive Committee were taken via digital/electronic means.
3 Elected on June 20, 2024
4 Served as director until April 25, 2024

DETAILS	MEMBERSHIP AND ATTENDANCE							
	Stockholder & Board		Board Committee					
MEETINGS	AS	BOD ¹	EC ²	ARC	FC	CGNC	RPTC	PCC
NO. OF MEETINGS	1	7	4	7	8	4	-	4
Jose Ignacio A. Carlos Non-Executive Director	- 1/1	M 7/7	-	-	-	-	-	M 4/4
Rafael C. Romualdez Non-Executive Director	- 1/1	M 6/7	M 4/4	M 7/7	M 8/8	-	M	-
Jaime Z. Urquijo Non-Executive Director	- 1/1	M 7/7	-	-	C 8/8	-	-	M 4/4
Roland Joseph L. Duchâtelet Non-Executive Director	- 1/1	M 6/7	M 4/4	-	-	-	-	-
Gilles Bernard ⁴ Non-Executive Director	-	M 3/4	-	-	-	-	-	-
Jesse O. Ang Independent Director	- 1/1	M 4/4	-	C 4/4	-	M 1/1	M	-
Hiroshi Nishimura Independent Director	- 1/1	M 4/4	-	M 6/7	-	M 4/4	C	-
Sherisa P. Nuesa Independent Director	- 1/1	M 7/7	-	M 6/7	-	M 4/4	-	C 4/4
Edgar O. Chua ⁴ Independent Director	-	M 3/3	-	C 3/3	-	M 3/3	M	-
Mark Robert H. Uy ⁵ Non-Executive Director	- 1/1	M -	-	-	-	-	-	-
Ginaflor C. Oris ⁵ Non-Executive Director	- 1/1	M -	-	-	-	-	-	-

C - Chairman | VC - Vice Chairman | M - Member | AS - Annual Stockholder | BOD - Board of Directors | EC - Executive Committee | ARC - Audit and Risk Committee | FC - Finance Committee | CGNC - Corporate Governance and Nomination Committee | RPTC - Related Party Transaction Committee | PCC - Personnel and Compensation Committee

5 Elected on April 25, 2024 and served as director until June 20, 2024

PERFORMANCE ASSESSMENT

In a landscape of rising competitive and regulatory pressures, oversight from a strong and effective board goes a long way in guiding the company to success. As such, the Board engages in an annual process of self-assessment and evaluation of the performance of the Board, its Committees, the individual members, the CEO and the President to measure the effectiveness of the company's governance practices and identify areas for improvement, and to adopt new methodologies towards further strengthening the company's corporate governance standards. Every three years, an independent consultant is appointed to assist in the evaluation process of the Board. AON plc facilitated the 2023 board evaluation exercise.

Each director was requested to complete a self-assessment form which includes criteria such as: Part I: Board Effectiveness; Part II: Committee Effectiveness; Part III: Individual Effectiveness; and Part IV: President and CEO Effectiveness.

The board assessment survey resulted to a favorable overall perception on board effectiveness. The evaluation report also included relevant comments of the Board members that will help in enriching and improving board effectiveness to carry out its responsibilities.

TRAINING OF DIRECTORS

Prior to assuming office, all new directors are required to undergo at a minimum an eight-hour orientation program on the company's business and corporate structure, vision and mission, corporate strategy, Articles, By-Laws and Corporate Governance Manual, Board and Committee Charters, and SEC-mandated topics on corporate governance and other relevant matters essential for the effective performance of their duties and responsibilities. This ensures that directors are equipped with the knowledge and skills required to perform their roles effectively.

Directors shall likewise attend at least once a year, a four-hour annual continuing training program involving courses on corporate governance matters relevant to the Corporation. It is the responsibility of the Compliance Officer to ensure that each director has undergone the necessary trainings for the year.

Trainings and seminars were administered by Institute of Corporate Directors, an accredited training provider of the Securities and Exchange Commission.

As part of the Board's commitment to climate governance, the board and management team attend annual integrated summits held by Ayala Corporation which covers materials on climate action and sustainability.

GOVERNANCE

The 2024 Ayala Integrated Corporate Governance, Risk Management and Sustainability Summit was held last November 5, 2024, which included sessions on Sustainability, Governance and Risk Management.

Prior to this, the Integrated CG, RM and Sustainability Summit conducted by the Ayala Group in collaboration with the Institute of Corporate Directors (ICD) was held on October 3, 2023. These summits have been held since 2014, which reinforce our commitment to continuous education.

Corporate Governance Programs Attended in 2024

DIRECTOR	PROGRAM	TRAINING INSTITUTE	DATE OF TRAINING
Jerome S. Tan Alberto M. de Larrazabal Jaime Z. Urquijo Roland Joseph L. Duchâtelet Jesse O. Ang Jose Ignacio A. Carlos Rafael C. Romualdez Sherisa P. Nuesa Hiroshi Nishimura	2024 Ayala Integrated Corporate Governance, Risk Management and Sustainability Summit	Institute of Corporate Directors (ICD)	November 5, 2024 At Fairmont Makati, Makati City

MANAGEMENT OVERSIGHT

The Management Committee ensures that everything the organization does supports its vision, purpose and aims. The Committee sets the strategic direction to guide and direct the activities of the organization. The members are responsible for ensuring that all decisions are taken in the best interests of the organization and that their roles are carried out effectively.

Management also support and implement the Board’s strategic goals and objectives, as such play a crucial role in delivering upon the Boards vision for addressing the risks and opportunities associated with climate change.

Through the Enterprise Risk Management department, management is informed of both internal and external large-scale climate risks and opportunities that could affect the company. This can range from natural calamities and events to climate-related risk and opportunities.

The Chief Sustainability Officer (CSO) is primarily accountable for climate oversight and disclosure.

ACCOUNTABILITY AND AUDIT

EXTERNAL AUDITORS

The Audit Committee has the primary responsibility to recommend the appointment and removal of the external auditor. The external auditors are directly accountable to the Audit Committee in helping ensure the integrity of the company’s financial statements and financial reporting process. Their responsibility is to assess and provide an opinion on the conformity of the audited financial statements with Philippine Financial Reporting Standards and the overall quality of the financial reporting process. The Audit Committee oversees the work of the external auditors and ensures that they have unrestricted access to records, properties, and personnel to enable performance of the required audit.

The Committee meets with the external auditors without the presence of the management team to discuss any issues or concern. To ensure that the external auditor maintains the highest level of independence from the company, both in fact and appearance, the Audit Committee had approved all audit, audit-related, and permitted non-audit services rendered by the external auditor. Non-audit services expressly prohibited by regulations of the SEC were awarded to other audit firms to ensure that the company’s external auditor carries out its work in an objective manner.

During the Annual Stockholders’ Meeting last April 25, 2024, the shareholders re-appointed Sycip, Gorres, Velayo and Co. (SGV & Co.) as the company’s external auditor for the year 2024, with Ms. Cyril Jasmin B. Valencia as the lead engagement partner.

The aggregate fees billed for the current year and each of the last two years for professional services rendered by SGV & Co.:

	2024	2023	2022
Audit and Audit-related fees*	4.75	6.97	5.43
All other fees**	0.06	0.87	0.13
TOTAL	4.81	7.84	5.56

In ₱ Millions

* Audit and Audit-Related Fees. This category includes the audit of annual financial statements and services that are normally provided by the independent auditor in connection with statutory and regulatory filings or engagements for those calendar years, including the review of the audit work of the other independent auditors and any additional scope identified during the course of the audit. The fees are exclusive of out-of-pocket expenses incidental to the independent auditors’ work.

** All Other Fees. This category includes other services rendered by SGV & Co. such as limited assurance services, agreed upon procedures and the validation of votes during Annual Stockholders’ Meeting.

GLOBAL INTERNAL AUDIT

Global Internal Audit (GIA) serves as a vital support in the effective discharge of the Board of Directors Audit and Risk Committee (ARC) oversight role and responsibilities. The main role of the Global IA is to undertake independent and systematic review of the system of internal controls, risk management, governance, and compliance, with the view to provide reasonable assurance that the system of internal controls is adequate and continued to operate effectively in all material aspects.

Global IA through the Chief Audit Executive, Lorlyn Arceo, reports functionally to the Board’s Audit and Risk Committee, with its operations governed by an Internal Audit Charter reviewed on annual basis, presented to senior management, and approved by ARC and the Board, thus ensuring its independence and objectivity. Periodically, the Committee also meets the Chief Audit Executive without the presence of Management.

GIA adopts the Institute of Internal Auditors’ Three Lines Model to establish clear lines of defense against risks and promote accountability and collaboration, as well as to avoid duplication of efforts across different levels and functions within IML.

In carrying out its mandate, GIA adopts a risk-based audit approach with coverage of the most critical processes/systems in its annual internal audit plan mapped out with assurance and advisory reviews.

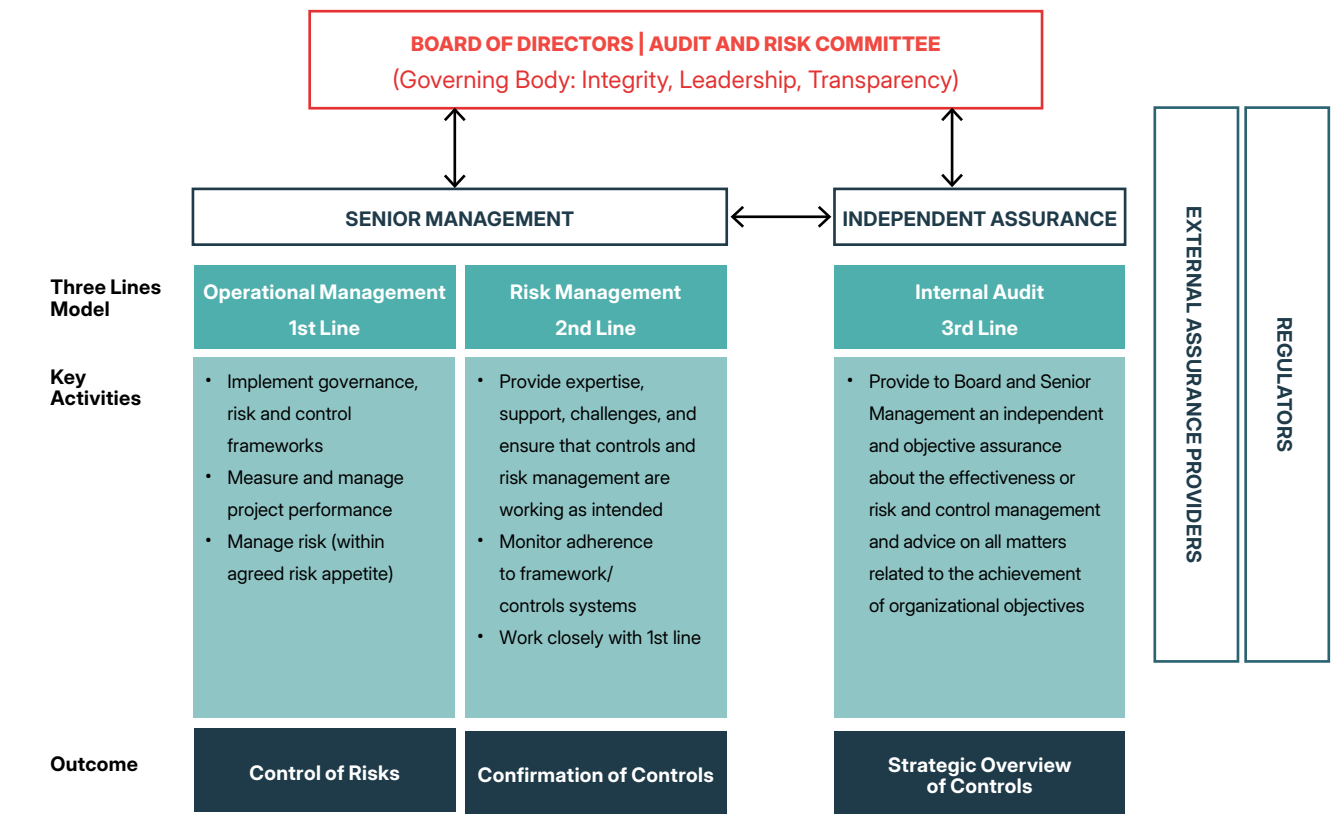
The internal audit plan and any changes thereto are reviewed and approved by the ARC and are reassessed quarterly to consider emerging risks, dynamic business, market, industry, and customer conditions to allow maximum and timely coverage of key risk areas.

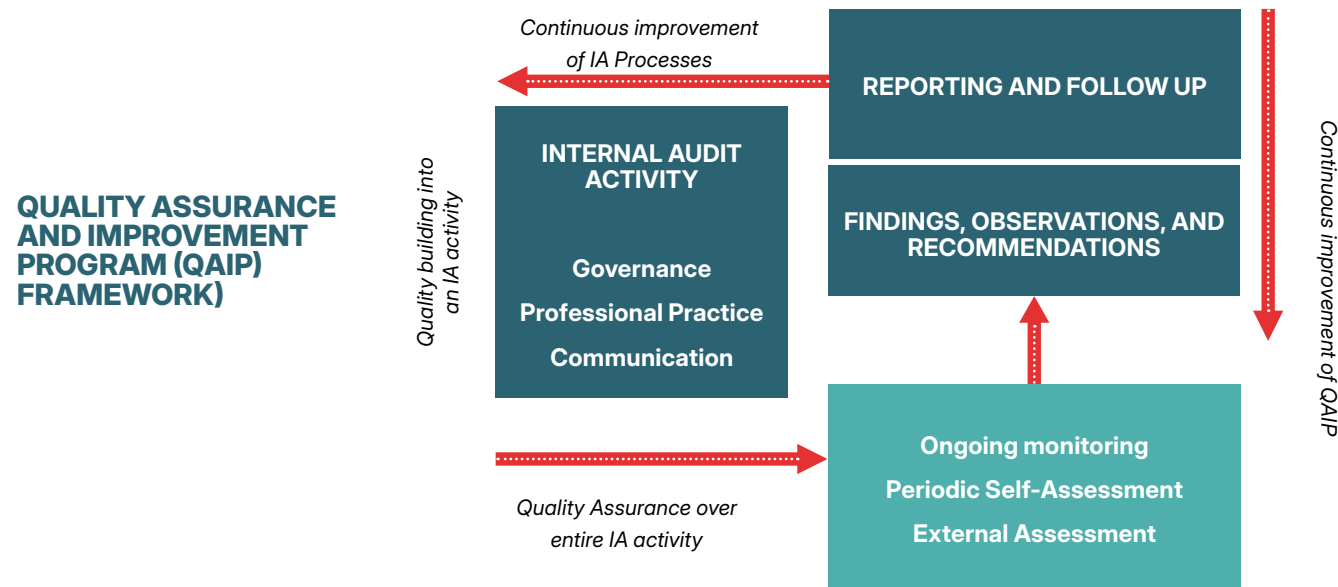
On a quarterly and annual basis and as needed, Global IA reports the status of the approved audit plan, review results including recommendations and implementation status of management corrective actions to ensure timely resolution. Further, the report includes quality assurance improvement program, resource management, competencies, and trainings of the staff to ensure effectiveness of the internal audit function and that resources are adequate and reasonably allocated to the areas of highest risks.

CORE MANAGEMENT TEAM

NAME	POSITION
Louis Sylvester Hughes	Chief Executive Officer
Jerome S. Tan	President
Robert William Heese	Chief Finance Officer and Compliance Officer
Eric de Candido	Chief Operations Officer
Margarita V. Del Rosario	Chief Human Resources Officer
Laurice S. Dela Cruz	Vice President, Finance and Corporate Controller, Deputy Compliance Officer, Acting Chief Risk Officer and Acting Chief Sustainability Officer
Julien Fournial	Global Head, Sales and Marketing
Philippe Antunez	Global Head, Sourcing and Commodities
Onur Bayulgen	Global Head, Quality
Remy Buogo	Global Head, Advanced Competitiveness Engineering
Cherie Sasan	Power Business Head
Mary Ann S. Natividad *	Chief Commercial Officer
Rosalyn O. Tesoro*	Chief Information Officer

*Retired from the company effective January 1, 2025





All members of Global IA are free from any relationships or conflicts of interest, which could impair their objectivity and independence, and this is confirmed annually, in all audit projects/ reviews. Moreover, on an annual basis and as needed, members of Global IA also confirm to Company’s mandated annual compliance declaration to Code of Conduct and related governance policies and procedures including conflict of interest.

As of 2024, the audit team has an average of nineteen (19) years audit experience with various professional qualifications, namely Certified Public Accountant, Certified Risk Manager, Lead Auditor Certifications in Business Continuity Management System, Quality Management System, Information Security Management System, Environmental Management System, Lean Six Sigma, Verband der Automobilindustrie (VDA) 6.3 Process Audit, Qualified Persons in Industrial Regulatory Affairs (QPIRA), and affiliations to the Institute of Internal Auditors and Association of Certified Fraud Examiners.

In strengthening key stakeholders’ relationship and value add proposition, GIA participates in key management and operations meetings and business reviews, coordinates with other internal and external assurance providers to optimize audit efficiencies and effectiveness, and secures Executive Management input in support and alignment to corporate strategies and business goals.

DISCLOSURE AND TRANSPARENCY

IMI is fully committed in ensuring that timely and accurate disclosure is made on all material matters regarding the Corporation, including financial information, performance, ownership, and governance of the Company.

OWNERSHIP STRUCTURE

As of December 31, 2024, IMI’s outstanding common shares were held as follows:

NAME OF SHAREHOLDER AND BENEFICIAL OWNER	TOTAL SHARE OUTSTANDING*	% TO TOTAL SHARE
AC Industrial Technology Holdings, Inc.	1,153,725,046	52.03%
Resins, Inc.	291,785,034	13.16%
Shares owned by the Public	733,446,400	33.08%
AC, ESOWN, Directors and Officers	38,336,735	1.73%
TOTAL	2,217,293,215	100%

*Based on the Public Ownership Report as of December 31, 2024

RELATED PARTY TRANSACTIONS

RPTs are transactions which may include sales and purchases of goods and services to and from related parties that are concluded at normal commercial terms consistent with the principles of transparency and fairness. To promote good corporate governance and the protection of the shareholders and minority investors, the Company has adopted a policy to ensure that its RPTs are at arm’s length, their terms fair, and will inure to the best interest of the Company and its Subsidiaries or affiliates and their shareholders. As per policy, the company or a related party or any of its subsidiaries or affiliates, as the case may be, shall disclose material RPTs to the RPT Committee for review and approval prior to entering into the transaction, unless it is considered as a pre-approved RPT. Material RPTs are transactions that meet the threshold values – US\$1 million or five percent (5%) of the Company’s consolidated assets based on its latest audited

financial statements, whichever is lower. The RPT policy can be found in the company’s website.

The Company discloses the names of all related parties, degree of relationship, nature and value of significant RPT. Details are found in Note 31 to the Consolidated Financial Statements and are also made available in the company’s website.

No RPTs classified as financial assistance to entities other than wholly-owned subsidiaries were entered into in 2024. There were also no cases of noncompliance with the laws, rules, and regulations pertaining to significant or material RPTs in the past three years.

POLICY ON INSIDER TRADING

To protect the shareholders of the company, all directors, officers, consultants and employees, including their immediate family members living in the same household, who may have knowledge of material non-public information about the company are strictly prohibited from trading IMI shares during the trading blackout period.

IMI updated its Insider Trading Policy in 2021 to clarify the definition of Covered persons and to reiterate the reporting obligations of the covered persons as indicated in the revised policy.

The blackout period starts from five trading days before and two trading days after the disclosure of quarterly and annual financial results for structured disclosures. While for non-structured disclosures, the blackout period is two trading days after disclosure of any material information other than the quarterly and annual financial results. The Compliance officer issues a blackout period notice via e-mail before the release of structured reports or disclosure of other material information to ensure compliance with the policy.

It is the company’s policy that all directors and reportable officers must report all acquisitions and disposals, or any changes in their shareholdings in the company within three trading days from the transaction date, two days earlier than the five-day disclosure requirement of the PSE. All other officers and employees must submit a quarterly report on their trades of company securities to the Compliance Officer.

CHANGES IN SHAREHOLDINGS

Reported trades in IMI securities of the directors and officers in 2024:

	SECURITY	BALANCE AS OF DECEMBER 31, 2023	ADDITION	DISPOSAL	BALANCE AS OF DECEMBER 31, 2024
DIRECTORS					
Louis Sylvester Hughes	Direct	-	1	-	1
	Indirect	-	2,500,000	(140,000)	2,360,000
Jerome S. Tan	Indirect	2,884,733	-	-	2,884,733
Alberto M. de Larrazabal	Direct	100	-	-	100
Jesse O. Ang	Direct	-	1	-	1
Sherisa P. Nuesa	Direct	112,807	-	-	112,807
	Indirect	390,578	-	-	390,578
Jose Ignacio A. Carlos	Direct	1	-	-	1
Rafael C. Romualdez	Direct	1	-	-	1
Hiroshi Nishimura	Direct	115	-	-	115
	Indirect	712,463	-	-	712,463
Jaime Zobel de Ayala Urquijo	Direct	100	-	-	100
Roland Joseph L. Duchâtelet	Direct	1,000	-	-	1,000
Gilles Bernard	Direct	-	1	-	1
OFFICERS					
Robert William Heese	Indirect	-	800,000	-	800,000
Laurice S. Dela Cruz	Indirect	157,221	62,000	-	219,221
Eric De Candido	Indirect	-	-	-	-
Mary Ann S. Natividad	Direct	75,204	-	-	75,204
	Indirect	1,360,036	-	-	1,360,036
Rosalyn O. Tesoro	Indirect	39,505	-	-	39,505
Anthony Raymond P. Rodriguez	Direct	-	-	-	-
Maria Franchette M. Acosta	Indirect	-	-	-	-
Rosario Carmela G. Austria	Direct	-	-	-	-
TOTAL		7,014,339	3,362,003	(140,000)	10,236,342

WHISTLEBLOWER POLICY

The Policy covers all directors, officers, employees and stakeholders. The Policy provides a process whereby employees and other stakeholders of IMI will report in good faith, instances of actual and suspected non-compliance with the Code of Conduct, and in a manner that is outside the normal chain of commands that preserves confidentiality. It encourages an atmosphere that allows individuals to exercise their obligations to responsibly disclose violations of law and serious breaches of conduct and ethics covered by the Code of Conduct through IMI’s reporting channels. It provides the process which protects the whistleblowers from retaliation or reprisals by adverse disciplinary or employment penalties as a result of having disclosed wrongful conduct.

Whistleblowers may report, among others, conflicts of interest; misconduct or policy violations; theft, fraud, or misappropriation; falsification of documents; financial reporting concerns; and any act of retaliation taken against persons covered by the policy.

The whistleblower may choose the manner by which he or she may be contacted without compromising his or his anonymity. It can be through face-to-face meeting with any member of the Committee or the Human Resource Department (HRD) at the option of the employee or stakeholder, through email imi-integrityhotline@global-imi.com, or through hotline +63 917-629-7074 and +63 917-557-9323.

STAKEHOLDER RELATIONS

SHAREHOLDER MEETING AND VOTING PROCEDURES

Notice of Annual Stockholders’ Meetings is sent to all shareholders at least twenty eight (28) days before the meeting by adopting SEC-allowed alternative modes of distributing the notice and other meeting materials. The notice includes the agenda and a detailed explanation on the same, the allowed means of participation and voting, and sets the date, time, place for validating proxies, which must be done at least five business days prior to the meeting.

Each outstanding common shares of stock entitles the registered holder to one vote.

In response to the challenge brought about by the pandemic, the company has held its virtual stockholders’ meeting since 2020. The company ensures that its shareholders have active participation through attendance by remote communication, voting in absentia previously through the enhanced Voting in Absentia and Shareholder (VIASH) System, and now through ConveneAGM system, voting through proxy forms assigning the Chairman as proxy, and sending their questions and comments through the company’s established communication channels. Shareholders who notified the corporation of their participation in the meeting by remote communication were included in the determination of quorum as well as those who voted in absentia, either electronically or through proxy.



The requirements and procedure for electronic voting in absentia are included in the Notice and the Definitive Information Statements (Annex “C”) which is sent to the stockholders at least 21 calendar days prior to the date of the meeting. The Company also provides non-controlling or minority shareholders the right to nominate candidates for board of directors and to propose items for inclusion in the meeting agenda.

DIVIDEND POLICY

Dividends declared by the Company on its shares of stocks are payable in cash or in additional shares of stock. The payment of dividends in the future will depend upon the earnings, cash flow and financial condition of the Company and other factors. There are no other restrictions that limit the payment of dividends on common shares.

Cash dividends are subject to approval by the Company’s Board of Directors but no stockholder approval is required. Property dividends, which may come in the form of additional shares of stock, are subject to approval by both the Board of Directors and the stockholders of the Company. In addition, the payment of stock dividends is likewise subject to the approval of the SEC and PSE.

SHAREHOLDER AND INVESTOR RELATIONS

The Company maintains strong and transparent relationships with its investors and encourages active participation and regular communication with various stakeholders. Through the Investor Relations team, information requirements of the investing public and minority shareholders are fully disclosed to securities regulators on time.

After the release of quarterly financial results, the company management team conducts briefings for the media, investors, and credit analysts. Since 2020, these briefings have been done virtually through the online app Zoom.

Presentation materials used in the briefings are posted in the Company’s official website: <https://www.global-imi.com/investors>

Typically, the company conducts roadshows two or three times a year to engage potential investors from other regions.

The Company’s official website provides information on its compliance to Corporate Governance, matters related to the Board, and investor relations program. (www.global-imi.com)

GLOBAL SITES CERTIFICATIONS

The following underscore our commitment to high-quality standards, operational efficiency, and customer satisfaction while enhancing our credibility and competitiveness in the global market.

*Certifications as of December 31, 2024

ISO 9001:2015 Quality Management Systems	IATF 16949:2016 Automotive Quality Management Systems	ISO 14001:2015 Environmental Management Systems	ISO 13485:2016 Quality Management Systems for Medical Devices	ISO 45001:2018 Occupational Health and Safety	ISO/IEC 27001:2013 Information Security Management Systems
<ul style="list-style-type: none">IMI PH Laguna (EMS 1, ATC Lab)IMI PH Laguna (EMS 2, Camera, Captive, Power Module)IMI CN - JiaxingIMI CN - KuichongIMI CN - PingshanIMI BulgariaIMI SerbiaIMI Czech RepublicIMI USAIMI MexicoVia optronics - Suzhou, ChinaVia optronics - Nuremberg, Germany	<ul style="list-style-type: none">IMI PH Laguna (EMS 1, ATC Lab)IMI PH Laguna (EMS 2, Camera, Captive, Power Module)IMI CN - JiaxingIMI CN - KuichongIMI BulgariaIMI SerbiaIMI Czech RepublicIMI MexicoVia optronics - Suzhou, ChinaVia optronics - Nuremberg, Germany	<ul style="list-style-type: none">IMI PH Laguna (EMS 1, ATC Lab)IMI PH Laguna (EMS 2, Camera, Captive, Power Module)IMI CN - JiaxingIMI CN - KuichongIMI CN - PingshanIMI BulgariaIMI SerbiaIMI Czech RepublicIMI MexicoVia optronics - Suzhou, China	<ul style="list-style-type: none">IMI PH Laguna (EMS 1, ATC Lab)IMI PH Laguna (EMS 2, Camera, Captive, Power Module)IMI CN - KuichongIMI USA	<ul style="list-style-type: none">IMI Serbia	<ul style="list-style-type: none">IMI PH Laguna (EMS 1, ATC Lab)IMI Bulgaria
			ANSI ESD S20.20:2021 Protection of Electrical and Electronic Parts	IEC 61340-5-1:2016 Electrostatic Discharge Control	PNS ISO/IEC 17025:2017 General Requirements & Standards for Calibration and Testing
			<ul style="list-style-type: none">IMI PH Laguna (EMS 2, Camera, Captive, Power Module)IMI PH Laguna (Warehousing and Testing)	<ul style="list-style-type: none">IMI PH Laguna (EMS 2, Camera, Captive, Power Module)IMI PH Laguna (Warehousing and Testing)	<ul style="list-style-type: none">ATC Laboratory IMI PH - Laguna<ul style="list-style-type: none">Analytical Testing and CalibrationChemical TestingElectrical TestingMechanical Testing

*PH: Philippines
*CN: China

STRATEGY

ESG Engagement and Communication

The landscape of climate-related expectations continues to evolve, with top customers increasingly demanding that preferred suppliers demonstrate tangible and accelerated progress towards environmental sustainability. No longer are vague commitments sufficient; customers are actively seeking suppliers with aggressive carbon neutrality targets and transparent strategies for achieving them. This heightened scrutiny extends to energy consumption, where major customers are exerting significant pressure for 100% green energy adoption by 2030, with some as early as 2025. This demand is driven by a growing awareness of climate change impacts and a desire to support businesses that align with their own values, effectively transforming sustainability from a "nice-to-have" to a core business imperative.

Customer Engagement

IMI has established itself as an electronics manufacturing services (EMS) industry leader not only through its technological prowess, but also by its commitment to Environmental, Social, and Governance (ESG) principles. The company's ESG customer engagement strategy is dedicated to sustainability, ethical governance, and transparency.

The company saves lives, saves energy, and improves the quality of life by partnering with internal and external stakeholders to deliver manufacturing solutions. The shared value and positive impact created through the delivery of IMI services and manufacturing processes for our customers go beyond ESG compliance requirements, measured through manufacturing value-add which is one of our key indicators. In 2024, IMI's manufacturing value-add was US\$338.9 million.

Transparency and Communication: IMI places a high value on transparency and annually communicates its ESG goals, initiatives, and progress to its customers through annual integrated report.

Sustainable Products and Services: The company integrates sustainability into its core business strategy, actively supporting the United Nations Sustainable Development Goals (SDGs) 9 and 12, which focus on industry innovation, infrastructure, and responsible consumption and production.

Customer Involvement and Feedback: IMI actively involves its customers in its ESG initiatives through structured feedback. This customer input directly supported initiatives that foster a sense of community while delivering operations efficiencies.

Educational Initiatives: IMI believes in the power of education to drive sustainability. The company delivered targeted ESG-related content through its blogs, videos, and webinars. These educational and awareness efforts helped increase customer alignment with IMI's strategic ESG objectives.

Recognition and Rewards: IMI recognizes and rewards customers who support its ESG initiatives. The company has implemented structured loyalty programs and offers special resulting in measurable increases in customer uptake of sustainable products and participation in ESG activities, contributing to stronger customer loyalty and repeat business.

Free Trade Agreements (FTAs): IMI leverages its participation in several Free Trade Agreements (FTAs) to offer additional benefits to its customers. These agreements provide preferential access to key markets, reducing tariffs and facilitating smoother trade. For

example, by manufacturing in the Philippines, IMI can offer its customers significant cost savings and enhanced market access.

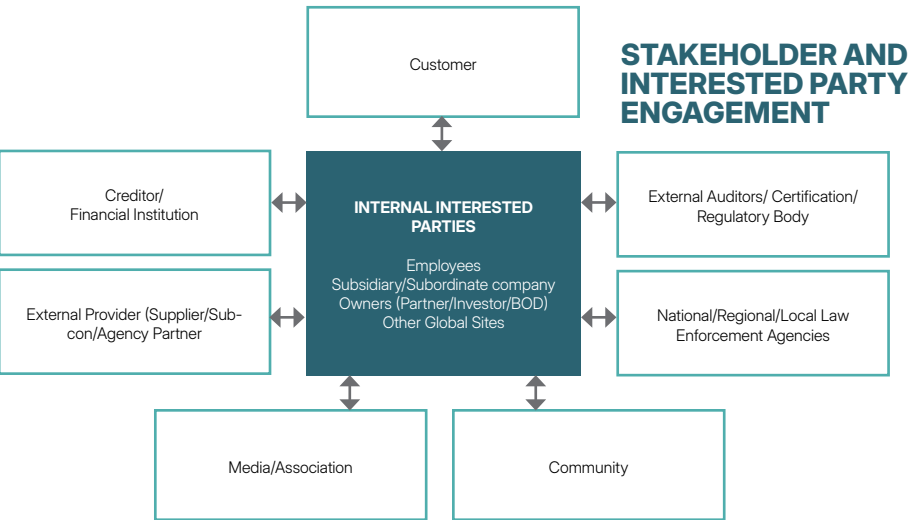
Current customer sustainability audit and activity requirements suggest that non-compliance with measures and objectives that are important to our major customers may result in findings that may lead to loss of business. Among our top 20 customers, 70% have ongoing ESG engagements with us, while the total revenues of customers with ESG activities with IMI stands at US\$540 million, 49% of our total company revenues in 2024.

ESG ACTIVITIES	NO. OF CUSTOMERS
Net Zero Commitment	20
Green House Gas (GHG) Data Reporting: Scopes 1, 2, 3	23
Neutrality by 2030	13
Sustainability Audit	8
Third-Party Self-Assessment Questionnaires (SAQ) - Ecovadis Supplier Assurance	16
Carbon Disclosure Project (CDP) Survey Rating	2
Responsible Business Alliance (RBA) Validated Assessment Program (VAP)/RBA Membership	2
Supply Chain Management - Code of Conduct Roll Out	22
Conflict Materials Reporting Template (CMRT) and Restriction of Hazardous Substances in Electrical and Electronic Equipment (RoHS)	22
TOTAL REVENUES OF CUSTOMERS WITH ESG ENGAGEMENTS	\$540 million



Stakeholder Engagement

IMI prioritizes robust stakeholder engagement, actively addressing both internal and external concerns. This involves open dialogue with investors, employees, customers, suppliers, regulators relevant government agencies, and communities to understand their diverse perspectives. By diligently considering the issues and concerns being raised, the company strives to foster mutually beneficial relationships and ensure sustainable, responsible operations.



Internal Issues

CATEGORY	ISSUES		RISK	OPPORTUNITIES
Organization	Competencies/ retention	<ul style="list-style-type: none">Continuous learning and development (training and tracking of competencies)Knowledge retention	<ul style="list-style-type: none">Lack of technical/ organizational skillsLose experts and no continuity on specific functions	<p>To strengthen the succession planning and prioritize internal employees for critical positions</p> <p>Programs to retain and develop people</p>
Process	Capabilities	Stabilization and managing changes (especially during disruptions)	<ul style="list-style-type: none">Confusion on specific areas of roleUnstable organizationLose good employees	
Technology	Rising	Value creation and staying relevant with the emerging new technologies	<ul style="list-style-type: none">Lose existing or potential customersIssues in delay of retrieval of records/documents	<p>More involvement and exposure to business with new technologies</p> <p>Expands IMI capabilities to offer with potential customers. Under Sales/BDG Team</p>
	Digitalization	Awareness on cyber connection of processes and customer touchpoints in operation, supply chain, and commercial		<p>Lead towards more automation and digitalization in different processes (such as production processes, paperless system, etc).</p> <p>Spearhead by ICT and different business units as Internal Customers</p>
Asset	Space optimization	<ul style="list-style-type: none">Space availability nearing full utilizationOptimization	No opportunity for expansion	Utilize areas which are vacated by EOL and delisted customers
	Equipment optimization	Equipment performance from aging equipment	<ul style="list-style-type: none">Frequent downtimeObsolete spare partsNot adaptable to traceability systems	<p>Enhancement to upgrade current equipment</p> <p>Study the existing machines (compact and with higher capacity)</p>
Financial	Overhead expenses	Analyzing and benchmarking current overhead expenses	Unstable finances and planning	

External Issues

Political

- Geopolitical issues (US, EU, China)
- Trade wars; Tariff issues
- Risk in Trump Presidency
- Moving towards regionalism; protectionism

Economic

- Global economy to remain almost flat at 3.2% in 2024, and 3.3% in 2025
- Shortages in semiconductors have eased but are still present in some segments
- Global inflation rates continue to fall
- ASEAN region has growth trajectory that will outpace China in the next decade
- Advanced economies will continue to struggle
- Manufacturing will slowly recover in 2025 amidst struggle in different geographies

Social

- Rising demographic changes (rising number of older people)
- High labor costs due to high rates of attrition and talent shortage, especially in developed countries
- EV has reached almost 20% of new light vehicle sales in 2024 to above half of the market by 2035
- Use of AI language tool ChatGPT; need for upskilling in digitalization and related skills in labor force

Technical

- Hastening of technology and digital advancement
- Faster lifecycle of technologies
- Artificial intelligence, automation, machine learning, Industry 4.0

- The rise of demand for connectivity, higher bandwidth and memory for computers and enterprise systems / quantum computing
- Rise of electric vehicle; doubling of demand
- Lack of new tech skills in engineering and analytics

Legal

- ESG and Sustainability becoming a required standard for businesses
- Health, safety and travel laws
- Liability issues
- Copyright and patent laws
- Tax guidelines
- Employment and labor laws
- Manufacturing and quality standards

ENVIRONMENT	RISK (ENVI)	OPPORTUNITIES (ENVI)
Changes on weather and climate	<ul style="list-style-type: none">> Excessive use of ODS refrigerant> Use of HCFC refrigerant	<ul style="list-style-type: none">> Use alternative non-ODS refrigerant for cooling system> Conversion of R22 to R407C. Target: Until 2027> Use alternative non-HCFC refrigerant for cooling system
Electricity and fuel consumption	<ul style="list-style-type: none">> Excessive use of electricity and fuel resulting to increase in CO₂ emission	<ul style="list-style-type: none">> Installation of solar panel as part of the priority intervention> Creation of Energy Management Committee (cater both production and facilities) Target: January 2025
Pollution control laws and waste water management	<ul style="list-style-type: none">> May fail testing due to additional requirements on phophate and ammonia using current testing system	<ul style="list-style-type: none">> Convert wastewater neutralization system to chemical treatment to treat phosphate and ammonia. Target: February 2025
Use of green and eco-friendly products and practices	<ul style="list-style-type: none">< Non compliance to regulations< Transition Risk (Policy & Legal, Technology, Market, Reputation)	IMI opportunities for the 2030 and new carbon economy are primarily driven by Products and Services. Target: 2030
Climate risk analysis as part of ESG requirements	<ul style="list-style-type: none">< Non compliance to regulations< Transition Risk (Policy & Legal, Technology, Market, Reputation)	
Integrated reporting	<ul style="list-style-type: none">< Non compliance to new reporting requirements< Insufficient data as prescribed by standards (GRI/IR/TCFD/SASB)	<ul style="list-style-type: none">> IMI will be preferred supplier if IMI is able to disclose at least minimum ESG and Sustainability KPIs3rd Party Validation in place to assure transparent and accurate disclosure of non-financial KPIs

Building a Sustainable Future Through Digital Transformation

IMI is strategically aligning its digital transformation with its ESG and sustainability objectives. This integrated approach, powered by cutting-edge technology, enables us to modernize operations, automate processes, and optimize resource utilization. The result: enhanced efficiency, superior customer experience, and sustainable value creation.

In 2024 IMI-ICT completed 100% of committed projects for the year.

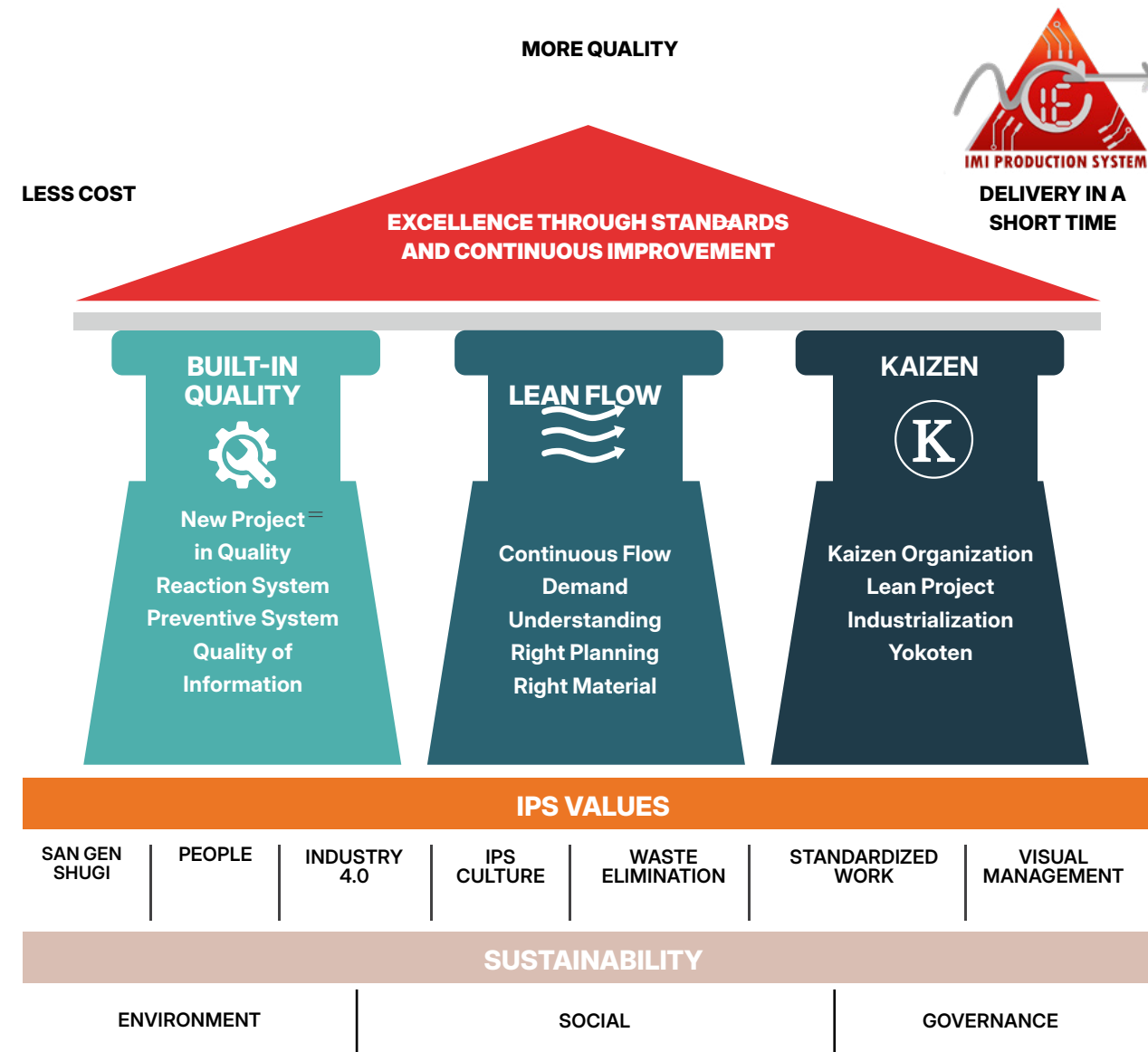


CONTINUOUS IMPROVEMENT THROUGH IMI PRODUCTION SYSTEM (IPS)
— IMI's Commitment to Excellence and Sustainability

At IMI, achieving operational excellence goes hand-in-hand with sustainable practices. This commitment is built on a strong foundation of quality principles and frameworks.

- The pillars that underpin our approach:
- Quality Mindset: IMI fosters a culture of quality by applying San Gen Shugi (a Japanese philosophy for workplace improvement) and the Golden Triangle (Standard – Measure – Improve).
 - Customer Focus: The company continuously strives to improve the customer experience.
 - Operational Efficiency: IMI utilizes LEAN methodologies (eliminating waste) to optimize costs and ensure efficient operations.

This foundation enables the company to achieve operational excellence while minimizing the company's environmental impact.



IMI's Integrated Production System (IPS) is built on three core pillars—Built-in Quality, Lean Flow, and Kaizen—which drive excellence through standardized processes and continuous improvement. Supported by IPS values, including Industry 4.0 integration, waste elimination, and visual management, this system enhances efficiency, reduces costs, and ensures high-quality, sustainable manufacturing. By embedding sustainability principles across ESG factors, the system strengthens IMI's long-term resilience and operational performance.

Measurable Success
Kaizen powers continuous improvement across all IMI facilities, resulting in 1,634 employee-led projects this year. These initiatives delivered US\$ 9,019,932.00 in combined savings, an improvement from 2023's US\$ 7,651,201.00 showcasing the significant impact of our team's innovation on operational excellence.

IPS Global Convention
IPS Global Convention is an annual event organized by IMI's Global Industrial Excellence Group which aims to showcase the success story of the best Kaizen projects per region.



SUSTAINABLE PROCUREMENT – Integrating Sustainability Throughout Our Supply Chain

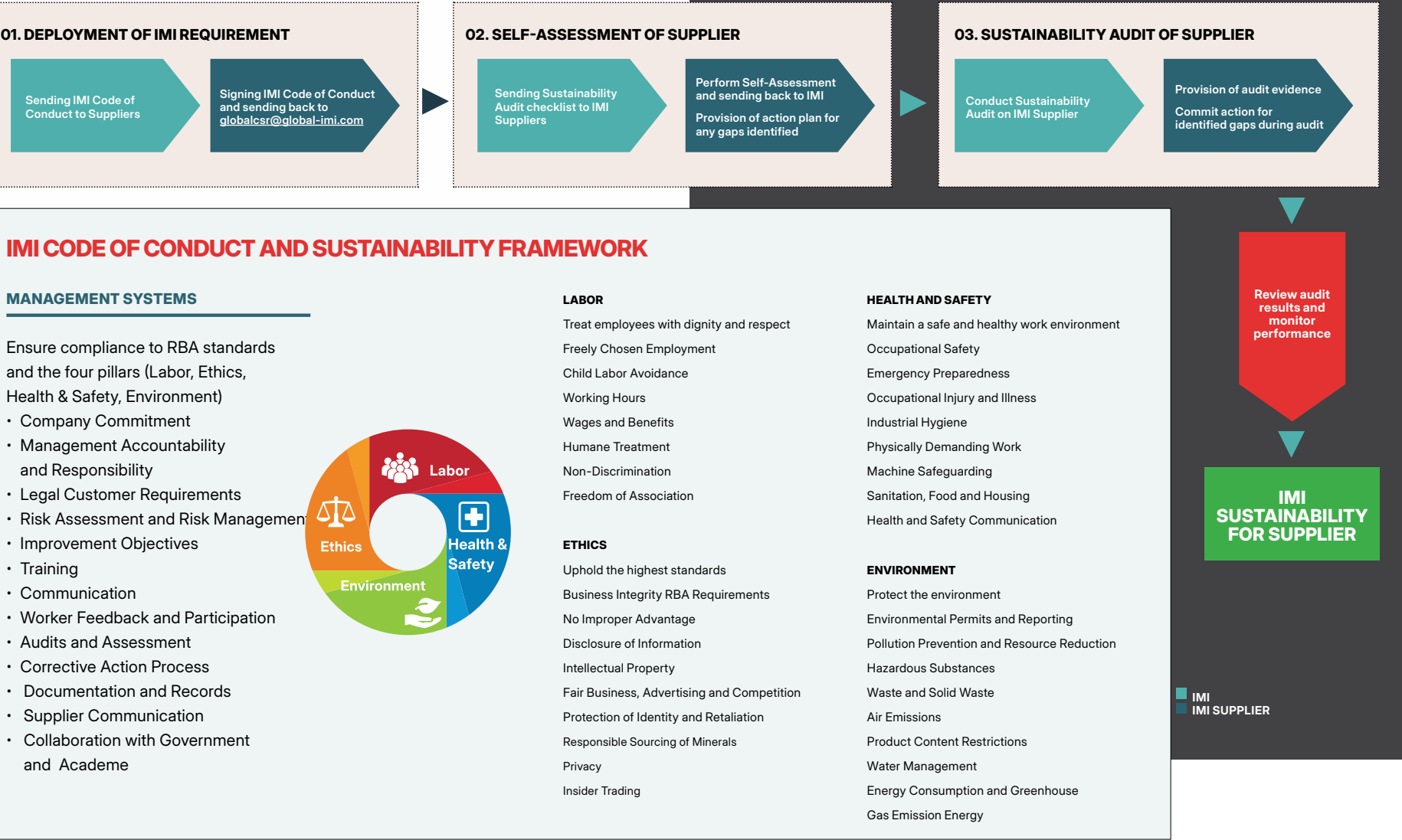
IMI operates across a diverse range of services and markets globally. Recognizing this reach, we pursue ESG initiatives throughout our sourcing network and supply chain.

Collaboration for Sustainability:

- Customer Focus: Through close collaboration, IMI actively integrates customer sustainability expectations into its practices. IMI works alongside customers to identify and implement best practices, and extends this collaborative approach to suppliers, ensuring compliance with global standards.
- Supplier Engagement: The company fosters transparent and proactive supplier engagement by clearly articulating comprehensive sustainability expectations. IMI requires 100% of suppliers to acknowledgment and adherence to the IMI Supplier Code of Conduct (SCoC) before contract approval, ensuring all partners meet the company’s stringent standards.
- Supplier Audits and Performance Monitoring: IMI utilizes a hybrid audit model, strategically blending online and onsite sustainability assessments to ensure comprehensive and effective evaluation of sustainability practices. In 2024 IMI sustainability team completed 100% of supplier sustainability audits as planned via onsite or online audit.
- Risk Management: The company drives strategic alignment and value creation by enabling suppliers to adopt a risk-based approach, as outlined in IMI’s SCoC. This empowers partners to recognize their essential role in achieving IMI’s and IMI customers’ long-term strategic ambitions.

This comprehensive approach reduces operational and reputational risks and ensures a sustainable and responsible supply chain that aligns with IMI's values.

IMI CODE OF CONDUCT FOR SUPPLIERS



Policy on Conflict Materials

IMI upholds a strict conflict-free sourcing policy, ensuring that all minerals and metals used in production comply with internationally recognized ethical sourcing standards. In 2024, 100% of IMI's mineral suppliers were required to adhere to the RBA Code of Conduct and Responsible Minerals Initiative (RMI) standards, reinforcing our commitment to human rights and supply chain transparency.

Sourcing from responsible suppliers:

IMI exclusively procures minerals and metals from RBA-compliant smelters, ensuring a demonstrably 100% conflict-

free supply chain from high-risk regions like the Democratic Republic of Congo (DRC) and its surrounding countries.

Transparency: IMI annually conducts full traceability assessments of all minerals and metals suppliers using RMI Conflict Minerals Reporting Template (CMRT) to disclose sourcing origins. This data is shared with customers, regulators, and other stakeholders through a dedicated customer support team.

Verification and accountability: IMI actively verifies responsible sourcing practices of its suppliers against RMI's publicly

available list of compliant smelters. IMI works with suppliers to address any issues and ensure responsible sourcing.

Supplier engagement: IMI enforces responsible sourcing practices through contractual agreements and the IMI Supplier Code of Conduct. All suppliers must comply with conflict-free mineral sourcing policies. Non-compliance triggers corrective action plans or potential termination to uphold supply chain integrity.

COMPREHENSIVE GHG ACCOUNTING

IMI has strengthened its commitment to environmental sustainability by launching a comprehensive GHG emissions accounting initiative in 2024, in collaboration with South Pole, a leading climate science consulting firm. This three-phase initiative ensures a science-based, data-driven approach to decarbonization and regulatory compliance in line with global investor expectations for climate risk management.

A key component of this project was to revise IMI's greenhouse gas (GHG) emissions baseline year from 2018 to 2021. Adhering to Science Based Targets initiative (SBTi) standards, a thorough data collection and accounting process for 2021 was completed, resulting in a more comprehensive assessment of GHG emissions, particularly within Scope 3. For the 2025 reporting cycle previous GHD data reported for 2022, 2023, 2024 will be updated using methodology used in this project.

Stage 1: GHG accounting and validation

- Define Scope and review or set boundaries for Scope 1, 2, & 3 greenhouse gas inventory across IMI
- Collect data for selected emission sources
- Review and calculate emissions according to the GHG Protocol
- Report results of Scope 1 and 2 validation and complete Scope 1, 2, and 3 inventory, including recommendations to improve data quality

Deliverable:

- GHG Inventory Report for Scopes 1, 2, & 3 in line with GHG Protocol and SBTi requirements

The major contributors to total GHG emissions under Scope 3, representing approximately 89.67% are purchased goods and services, use of sold products, and purchased electricity, highlighting their significant impact.

IMI's total emissions inventory

For the calendar year (CY) 2021 reporting period, IMI's total emissions were approximately 1.07 MtCO₂e with an emissions intensity of 81.01 tCO₂e / employee.

Scope 3 emissions accounted for 91.62% of IMI's total emissions, while Scope 1 and 2 accounted for the remaining 8.38%.

SCOPE	Emissions (in MtCO ₂ e)	% OF TOTAL
Scope 1	6,357	0.6%
Scope 2 (market-based)*	83,734	7.8%
Scope 3	984,865	91.6%
Grand total	1,074,956	100.0%
Out of Scope: biogenic CO ₂ emissions**	19,677	
Out of Scope: HCFC refrigerants (non-Kyoto Protocol GHG)***	219	

* Market-based emissions are presented for Scope 2 and Scope 3.3 as they reflect emissions associated with the choices a consumer makes regarding its electricity supplier or product. Other electricity-related Scope 3 emissions are reported using location-based approach.

** Biogenic CO₂ emissions are reported separately out of the three Scopes to align with guidance from the GHG Protocol.

*** HCFC refrigerants are not covered by Kyoto Protocol, hence not recognized under the GHG Protocol's three Scopes; emissions should be reported and addressed separately.

Stage 2 - Science-based target (SBT) setting

- Conduct SBT introduction workshop in IMI
- Set SBTs by defining base year, business as usual (BAU) scenario, and target setting ambition
- Calculate the potential near- and long-term targets for IMI at the parent level, including SBT 1.5C aligned targets for Scopes 1, 2, and 3

Deliverables:

- Workshop for target setting
- Modeled target options and recommendations
- Target setting report

How the targets look based on choice of target setting

This table below contains how IMI's GHG reduction targets should be articulated in the disclosure, adhering with SBTi guidelines.

The numerical targets are also outlined below, accompanied by details of the approach taken to define the targets.

TARGET	NEAR-TERM TARGET WORDING	LONG-TERM TARGET WORDING
Scope 1 and 2	IMI commits to reducing 50% of Scope 1 and Scope 2 emissions by 2030 from a 2021 base year	IMI commits to reducing 90% of Scope 1 and Scope 2 emissions by 2050 from a 2021 base year
Scope 3	IMI commits to reducing 25% of Scope 3 emissions by 2030 from a 2021 base year	IMI commits to reducing 90% of Scope 3 emissions by 2050 from a 2021 base year

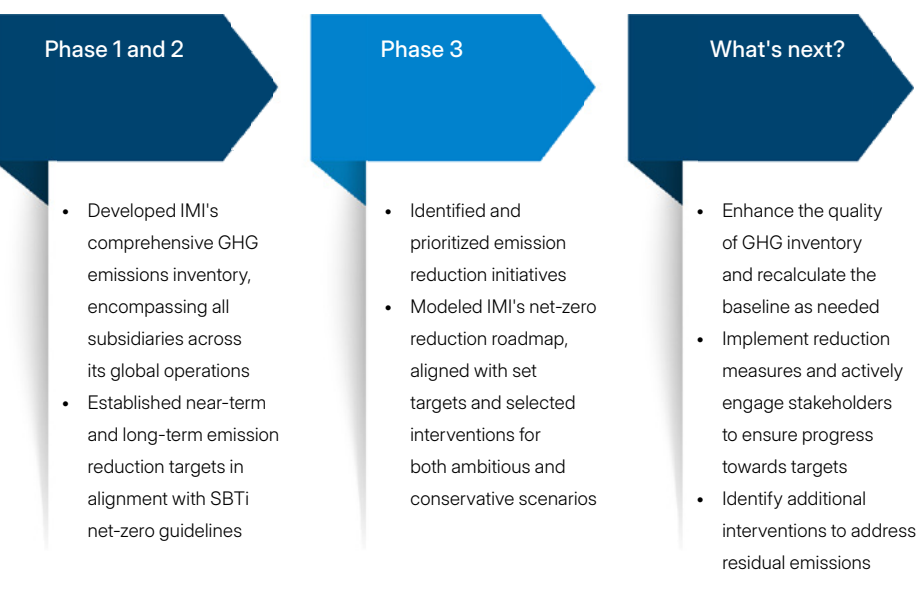
Stage 3 - Emission reduction roadmap development

- Identify options to reduce emissions, while identifying the level of unavoidable emissions
- Align interventions based on emission hotspots, and current and planned initiatives.
- Refine, assess and prioritize these interventions
- Develop a roadmap for implementing interventions over time, demonstrating estimated reduction impact (range) aggregated over time
- Visualize key contributors to reaching the company's goals, including high-level cost estimations to support IMI's decision-making process
- Finalize and present a tailored emission reduction roadmap.

Deliverables:

- Prioritized intervention recommendations
- Emission reduction roadmap report

IMI'S CLIMATE JOURNEY TOWARDS NET ZERO IN 2050



IMI's climate journey will have to be more aggressive and ambitious in implementing identified priority interventions.

The following are priority interventions that IMI will implement to achieve near-term and long-term goals.

AFFECTED SCOPE	PRIMARY AFFECTED EMISSIONS SOURCE(S)	INTERVENTION	EMISSION REDUCTION POTENTIAL (%)	ABSOLUTE EMISSION REDUCTION (2050)	EASE OF IMPLEMENTATION	ADDITIONAL BENEFITS SDG
Scope 2 and 3	Purchased electricity and fuel- and energy-related activities	Install on-site solar panels	100%	21,214.66	Medium	SDG 7, SDG12
Scope 3	Use of sold products	Engage with customers to develop energy-efficient products	30%	214,209.97	Difficult	SDG 17, SDG 9
Scope 3	Purchased goods and services	Decarbonize purchased goods and services—suppliers having a 2030-2035 near-term WB2C SBT and a long-term net-zero target for 2040-2050	90%	355,271.73	Difficult	SDG 17, SDG 12
Scope 2 and 3	Purchased electricity and fuel- and energy-related activities	Optimize office space usage per FTE-effect on electricity consumption	18.92%	5,491.7	Easy	SDG 7, SDG 12
Scope 2 and 3	Purchased electricity and fuel- and energy-related activities	Replace traditional light bulbs with LED light bulbs	9.32%	11,532	Easy	SDG 7, SDG 12
Scope 1	Fugitive emissions	Control refrigerant leakage	75%	1,174.4	Easy	SDG9
Scope 2	Purchased electricity and fuel- and energy-related activities	Switch to renewable electricity	100%	5,730.01	Medium	SDG 7, SDG 12
Scope 3	Employee commuting	Introduce ride sharing policy	47.37%	2,090.82	Easy	SDG 9
Scope 1	Mobile combustion and fuel- and energy-related activities	Switch to electric vehicles and trucks	100%	2,494.90	Medium	SDG 7, SDG 12

RISK MANAGEMENT

ENTERPRISE RISK MANAGEMENT POLICY AND FRAMEWORK

IMI implements a comprehensive Enterprise Risk Management (ERM) framework to foster a culture of risk awareness and strategic advantage based on robust ISO 31000-based standards. This comprehensive data-driven approach enables us to proactively identify, analyze, and mitigate potential ESG-related risks, transforming them into opportunities for sustainable growth and ensure operational resilience, financial strength, and long-term value creation for investors.

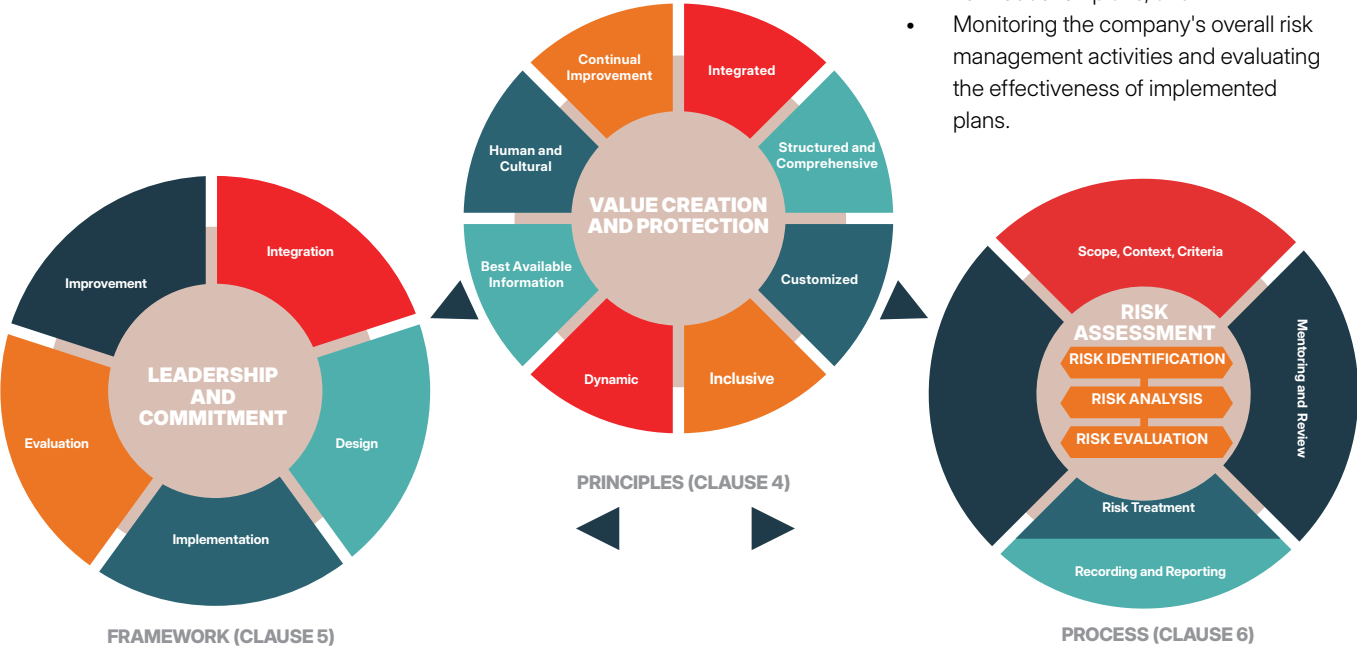
RISK REPORTING

IMI maintains a structured and transparent risk reporting framework, establishing ownership and accountability across all operations. Quality and risk-based thinking are encouraged at all levels to identify and manage top risks.

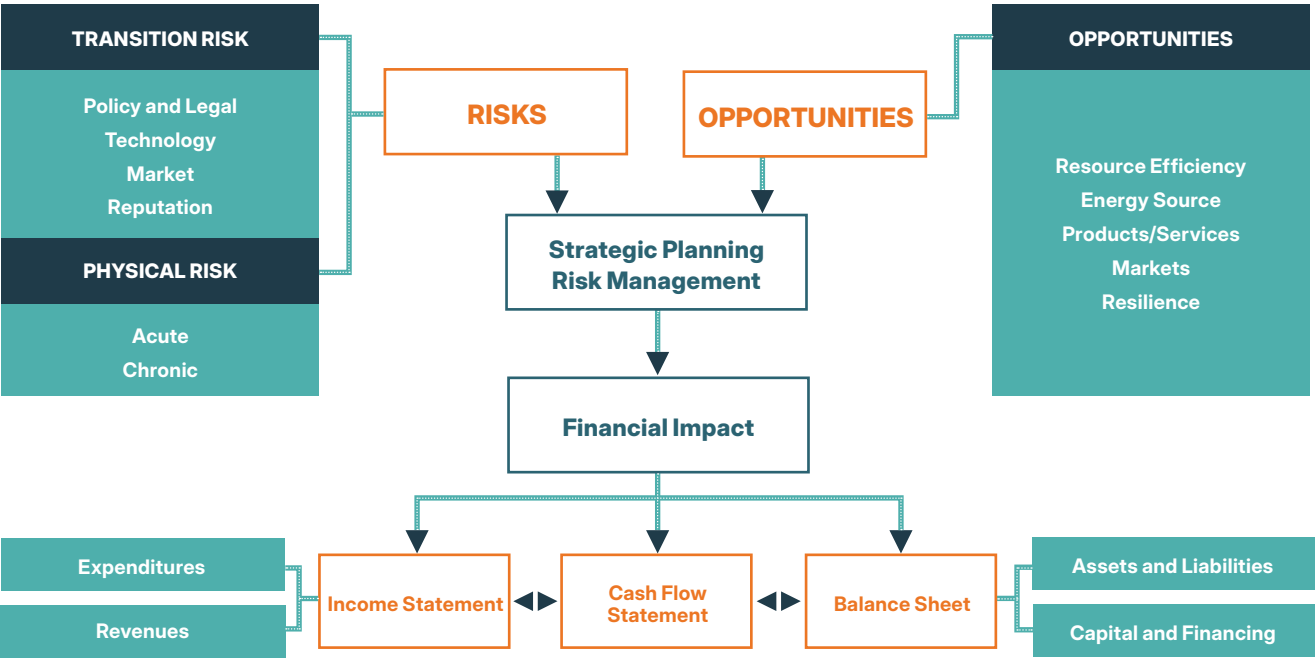
The Audit and Risk Committee (ARC), supported by the Chief Risk Officer (CRO) and Enterprise Risk Management (ERM) leader, oversees the internal controls and risk management framework, including assessing the company's exposure to climate-related risks in compliance with global risk management standards outlined by the Taskforce on Climate-Related Financial Disclosures (TCFD).

The ARC's role involves:

- Analyzing and providing guidance on significant financial and non-financial risks, along with mitigation strategies, including climate related risk;
- Assessing climate-related hazards, their likelihood and potential impact, and reviewing corresponding risk-reduction plans; and
- Monitoring the company's overall risk management activities and evaluating the effectiveness of implemented plans.



CLIMATE-RELATED RISKS, OPPORTUNITIES, AND FINANCIAL IMPACT



The Chief Risk Officer (CRO) ensures regular internal reporting on the effectiveness and outcomes of the risk management framework. The ERM leader and the CRO:

- Collaborate with all site risk owners and designated risk leads on initiatives to strengthen the framework, including managing climate-related risks.
- Report progress to the ARC on a quarterly basis.

Integrating Climate Risk into Risk Management

IMI leverages several resources alongside its updated ISO 31000-based processes to ensure a comprehensive assessment of climate-related risks and opportunities in line with Task Force on Climate-Related Financial Disclosures (TCFD) Recommendations.

Globally Recognized Reporting Frameworks: IMI applies standardized methods to ensure the tracking climate action projects and interventions, enhancing transparency and accountability under TCFD, SBTi, and CDP-aligned reporting.

Customer ESG and Climate Initiatives: In 2024, IMI integrated customer ESG priorities and climate action goals to align with customer-driven ESG practices and strengthen supplier engagement on climate resilience.

Industry-Specific Climate Information: We utilize publicly available publications that address climate change impacts specific to our industry sector.

Internal Assessments: IMI conducted internal climate risk assessments (all IMI geographies), integrated reports, opportunity profiles to support risk mitigation strategies and decarbonization roadmaps.

Benchmarking with Peers: IMI incorporated sector-specific climate impact analyses from leading publications, Carbon Disclosure Project (CDP) reports, and benchmarking from peer manufacturers to ensure competitive positioning and recognize industry trends.

By embedding these diverse resources into financial and operational decision-making, IMI strengthens its risk business continuity, investor trust, and long-term value creation to address the evolving landscape of climate-related risks, regulatory shifts, and supply chain disruptions.

TOP RISKS 2024

IMI is proactively managing the top risks of 2024, including geopolitical volatility, global inflation, and fluctuating consumer demand to safeguard financial stability and operational resilience. These risks will remain critical in 2025, with the US election outcomes and evolving trade policies potentially impacting global trade and economic stability, requiring our constant vigilance and adaptation. By maintaining vigilant risk monitoring, supply chain diversification, and cost control measures, IMI ensures continued resilience against macroeconomic uncertainties, strengthening investor confidence in long-term financial performance.

	SALES AND MARKETING – DEMAND SHIFT	OPERATIONS – INVENTORY MANAGEMENT	SALES & MARKETING – PRICE COMPETITIVENESS	OPERATIONS – STRATEGIC PLANNING & EXECUTION / CHANGE MANAGEMENT	INFORMATION & CYBERSECURITY	CLIMATE CHANGE RISK
CHALLENGE	The electronics manufacturing services (EMS) sector faces ongoing demand fluctuations, with lower consumer spending, canceled orders, and intensified industry competition impacting revenue growth. IMI is proactively addressing these risks through market intelligence, portfolio diversification, and strategic cost adjustments to enhance revenue stability and margin resilience.	Excess and obsolete (E&O) materials in manufacturing strain financial health and operational efficiency. Leading to capital lock-up, increased holding costs, and supply chain inefficiencies. Demand volatility further exacerbates inventory buildup, impacting cash flow and working capital management.	The global EMS industry is experiencing intense price competition, with aggressive price reductions placing downward pressure on profit margins for all players in the market. If unaddressed, this may lead to a race to the bottom, where profitability and value propositions are severely compromised.	In 2024, IMI embarked on a strategic organizational restructuring initiative to optimize efficiency, agility, and long-term competitiveness. While this transition presented temporary operational and workforce challenges, the company is committed to managing change through structured engagement, leadership alignment, and transparent communication to ensure business continuity and sustained performance improvements. IMI management is confident that this restructuring will strengthen the organization and position it for continued success.	The cybersecurity landscape is constantly evolving, with threat actors deploying advanced persistent threats, polymorphic malware, and ransomware attacks that pose significant operational, financial, and reputational risks to businesses of all sizes. Failure to implement robust cybersecurity measures could result in data breaches, regulatory non-compliance, and financial losses.	IMI is navigating the accelerated sustainability demands of EU-based customers, who require Net Zero commitments and 100% green energy adoption ahead of IMI's current decarbonization timelines. Delayed alignment with these expectations poses risks to customer retention, regulatory compliance, and long-term competitiveness in global markets.
CONTRIBUTING FACTORS	<ul style="list-style-type: none">• <u>Low consumer demand</u>: Declining order volumes from key IMI Customers due to macroeconomic uncertainty.• <u>Difficulty in attracting new customers</u>: Already highly competitive, the EMS sector includes both established players and emerging rivals vying for potential clients with aggressive pricing structures and advanced manufacturing capabilities.	<ul style="list-style-type: none">• <u>Demand volatility</u>: Lower-than-expected volume of orders from customers disrupts material planning leading to inventory accumulation and reduced inventory turnover.• <u>Cash flow constraints</u>: E&O materials tie up large amounts of capital, affecting liquidity, profitability, and cost optimization.	<u>Pricing wars</u> : Competitor-driven low-cost pricing strategies challenge IMI's ability to maintain competitive yet profitable quotations. Margin compression: Declining price points risk squeezing margins, impacting EBITDA and Return on Capital.	<ul style="list-style-type: none">• <u>Workforce Engagement & Change Management</u>: The company is aligning business unit teams to IMI's new strategic direction, while ensuring morale and productivity remain strong.• <u>Leadership Effectiveness</u>: The company is taking care to ensure new leaders integrate these changes successfully, foster collaboration, trust, and high performance.	<ul style="list-style-type: none">• <u>Increased Sophistication of Cyber Threats</u>: Threat actors are leveraging stealth infiltration tactics, AI-driven attacks, and supply chain vulnerabilities to target organizations.• <u>Regulatory & Compliance Risks</u>: Global data protection regulations, including ISO 27001, NIST, and GDPR, require companies to maintain proactive risk management strategies or face significant financial penalties.	<ul style="list-style-type: none">• <u>Customer-Driven Net Zero Targets</u>: EU-based clients are mandating full decarbonization and renewable energy sourcing, impacting supplier qualification and contract renewals.• <u>Regulatory & Compliance Pressures</u>: Upcoming EU Carbon Border Adjustment Mechanism (CBAM) policies may increase operational costs for companies that fail to meet strict carbon reduction requirements.
IMI'S STRATEGIC RESPONSE AND MITIGATION MEASURES	<ul style="list-style-type: none">• <u>Advanced Demand Forecasting & Market Intelligence</u>: IMI implemented improvements in demand forecasting, ensuring better production planning and resource allocation.• <u>Product Portfolio Diversification</u>: IMI is dedicated to enhancing its capabilities, particularly in non-automotive sectors, to diversify its revenue streams and expand its presence in the industrial, medical, and energy markets.• <u>Revenue & Market Expansion</u>: Enhance revenue generation through market expansion and product innovation, while simultaneously building the capacity to adjust costs rapidly in response to changing market conditions.	<ul style="list-style-type: none">• <u>Advanced Inventory Forecasting & Production Optimization</u>: IMI implemented machine utilization using data-driven production planning and proactive maintenance improving inventory turnover; meanwhile, strategies to accelerate cash flow and strengthen the company's financial position were implemented.• <u>Bill of Materials (BOM) Optimization & On-Time Delivery</u>: Enhancement of BOM planning leverage advanced planning and scheduling tools to optimize production flow, minimize delays, and enhance on-time delivery performance.• <u>Supply Chain Resilience & Dual-Sourcing Strategy</u>: Implement a dual-sourcing strategy for critical components while negotiating with existing suppliers to improve lead times, ensuring greater supply chain resilience and flexibility.	<ul style="list-style-type: none">• <u>Project Selection & Resource Optimization</u>: IMI established a profitability-based project selection framework that balances customer needs, project suitability, and product alignment with IMI's capabilities and profitability goals.• <u>BOM Cost Optimization & Risk Mitigation</u>: IMI enhanced its BOM assessment accuracy through cross-functional collaboration and technology utilization, while also conducting a risk assessment to mitigate single-source component risks.• <u>Focus on direct material cost improvement</u> through identification of alternative components and increasing share of IMI; reduce logistics costs.• <u>Reduce factory overhead</u> to align with revenue levels. <p>By prioritizing high-margin projects, cost-efficient material sourcing, and operational cost reductions, IMI safeguards long-term profitability and financial resilience, ensuring stronger investor returns despite competitive pricing pressures.</p>	<ul style="list-style-type: none">• <u>Employee Engagement & Communication</u>: IMI has prioritized internal engagement activities to foster a cohesive and well-informed workforce. This includes feedback surveys, workshops, internal communication channels, regular town hall meetings and feedback sessions, to align employees with IMI's strategic vision.• <u>Leadership Development & Team Alignment</u>: New leaders actively with their teams through various initiatives, fostering a culture of collaboration, open communication, and trust. These included regular team meetings, one-on-one sessions, and seeking feedback proactively to understand team dynamics and concerns.	<ul style="list-style-type: none">• <u>ISO 27001:2022 Certification & Global Security Framework</u>: In response to the ever-evolving landscape of cybersecurity threats, IMI obtained ISO 27001:2022 certification for IMI Philippines HQ and IMI Bulgaria, reinforcing compliance with international information security standards.• <u>Cybersecurity Maturity & Risk Assessment</u>: IMI conducted a third-party cybersecurity and maturity assessment aligned with the NIST Framework, identifying and mitigating 108 critical vulnerabilities. Real-time threat monitoring and response protocols were implemented, reducing the mean time to detect (MTTD) and mitigate threats.	<ul style="list-style-type: none">• <u>Customer Collaboration & Strategic Alignment</u>: The company proactively engaged 100% of EU-based customers in sustainability working groups, aligning IMI's transition plan with their climate expectations, meeting halfway on how we can both achieve common climate action goals and aspiration. This included establishing new renewable energy partnerships, increasing green energy procurement by 25% in 2025.• <u>Decarbonization Roadmap & Third-Party Climate Risk Assessment</u>: Partnered with third-party consultancy firm, conduct an in-depth analysis Net Zero analysis and develop a robust Decarbonization Roadmap with 50% targeted emissions reduction in Scope 1 & 2 and 25% in Scope 3 by 2030 to enable IMI to navigate and achieve its ambitious GHG reduction milestones for Scope 1, 2, and 3 emissions.• <u>Embedding Climate Action in Business Strategy</u>: IMI integrated Climate Action, ESG, and Sustainability as core pillars within IMI's overarching business strategy, ensuring full Board oversight and alignment with financial materiality principles.

METRICS AND TARGETS

IMI tracks and reports measurable progress towards its sustainability goals and strategic objectives through rigorous ESG performance indicators, ensuring transparency and accountability.

According to the Greenhouse Gas (GHG) Protocol, representing the most commonly used international accounting tool, GHG emissions are categorized into three scopes / groups.

Scope 1 Emissions
Represent direct GHG emissions emanating from sources owned or controlled by IMI (e.g., emissions associated with fuel combustion in boilers, furnaces, vehicles).

Scope 2 Emissions
Characterized by indirect GHG emissions resulting from IMI's energy usage generated at the company's facilities. Scope 2 emissions are associated with the buying of various forms of energy (e.g., electricity, heat, steam, etc.).

Scope 3 Emissions
Represent all other indirect emissions that occur within the value chain of a company.

Summary of GHG Emissions
(tons CO₂ equivalent)

	Scope 1	Scope 2	Scope 3
2024	1,389	56,990	1,668
2023	3,601	62,811	4,310
2022	1,837	72,771	6,293

Scope 1
(tons CO₂ equivalent)

	Asia	Europe	USA	TOTAL
2024	1,192	143	55	1,389
2023	2,274	174	1,153	3,601
2022	1,195	210	432	1,837

Scope 2
(tons CO₂ equivalent)

	Asia	Europe	USA	TOTAL
2024	41,632	8,962	6,396	56,990
2023	46,938	7,817	8,056	62,811
2022	56,200	8,757	7,814	72,771

Scope 3*
(tons CO₂ equivalent)

	Asia	Europe	USA	TOTAL
2024	826	56	786	1,668
2023	1,124	160	3,026	4,310
2022	1,464	290	4,539	6,293

* Scope 3 data is based on the total emissions of methane and nitrous oxide, as well as fuel consumption from outsourced vehicles only.

ENERGY MANAGEMENT

ENERGY CONSUMPTION – Electricity from the Grid (million kWh)

	ASIA	EUROPE	USA	TOTAL
2024	62	19	16	97
2023	74	20	19	113
2022	88	23	18	128

2024 Energy from renewable sources (million kWh)

IMI Site	PHILIPPINES	CHINA	BULGARIA	SERBIA	CZECH REPUBLIC	MEXICO	TOTAL
Non-renewable	36.5	25.2	16.4	0	3.0	15.7	97.0
Renewable	3.9	0	0	3.9	0.18	0	8.0
Total Electricity Consumption	40.5	25.2	16.4	3.9	3.2	15.7	105
Renewable % share*	10%	0%	0%	100%	6%	0%	13%

* Percentage share of electricity derived from renewable sources.

WASTE MANAGEMENT

Hazardous
(‘000kg)

	ASIA	EUROPE	USA	TOTAL
2024	243	158	38	439
2023	299	208	49	556
2022	439	314	98	851

Non-Hazardous RECYCLED
(‘000kg)

	ASIA	EUROPE	USA	TOTAL
2024	640	807	524	1,971
2023	820	676	751	2,247
2022	791	624	806	2,220

Non-Hazardous RESIDUAL
(‘000kg)

	ASIA	EUROPE	USA	TOTAL
2024	203	0	137	340
2023	265	1.9	146	413
2022	356	73	194	623

Water Withdrawn
(in ‘000 m3)

	ASIA	EUROPE	USA	TOTAL
2024	796	62	19	877
2023	1,013	61	18	1,092
2022	1,184	87	19	1,290

HUMAN CAPITAL

Headcount

	Asia	Europe	USA	TOTAL
2024	61%	26%	12%	10,368
2023	63%	23%	14%	12,659
2022	60%	27%	13%	14,076

Overall headcount including VIA Optronics

Gender Diversity in Core Management

	Male	Female	TOTAL
2024	7	3	10
2023	5	4	9
2022	5	4	9

Age Diversity

	Below 30	30-50	Over 50
2024*	20%	64%	16%
2023	24%	63%	13%
2022	26%	62%	12%

*Global employees 10,010 excluding VIA Optronics

Gender Diversity

	Male	Female
2024*	36%	64%
2023	37%	63%
2022	38%	62%

*Global employees 10,010 excluding VIA Optronics

The company conducts employee engagement survey every two years to help understand employee sentiment, identify areas for improvement, and take action to enhance workplace culture and productivity. The last survey was conducted in 2023.

IMI EMPLOYEE ENGAGEMENT SCORE

89%

STRENGTHS



90% Ayala Norm
92% PH Norm
84% Global High Tech
Manufacturing and Global
Manufacturing High Tech:
Semiconductor Norm

- Customer Focus
 - Company Image and Competitive Position
 - Sustainable Engagement
- Top 3 highest scores among the categories



Training Hours

	Asia	Europe	USA	TOTAL
2024	86%	10%	4%	603K
2023	85%	11%	4%	629K
2022	89%	6%	5%	853K



Non-disabling injuries

	Asia	Europe	USA	TOTAL
2024	9	9	4	22
2023	13	4	3	20
2022	15	11	4	30

Safe Manhours (in Million)

	Asia	Europe	USA	TOTAL
2024	14.7	16.5	0.84	21.72
2023	18.26	6.02	5.43	29.72
2022	20.89	16.5	7.64	45.04

Fatalities

	Asia	Europe	USA	TOTAL
2024	0	0	0	0
2023	1	0	0	1
2022	0	0	0	0

Disabling injuries

	Asia	Europe	USA	TOTAL
2024	3	2	3	8
2023	2	1	3	6
2022	1	0	1	2

MATERIALITY

Industry-Specific Sustainability Accounting Standards

IMI aligns its sustainability reporting with the Sustainability Accounting Standards Board (SASB) framework, ensuring focused and investor-relevant disclosures on the most material ESG factors impacting the electronics manufacturing sector.

These standards recognize that companies within the same sector typically share similar business models and resource dependencies, which result in common sustainability challenges and opportunities.

What SASB Standards Offer

Focus on Financially Material Issues: SASB standards target a specific set of ESG issues that can significantly impact a company's financial performance within a particular industry. As part of the EMS industry, IMI addresses resource efficiency, supply chain sustainability, and climate risk management as core materiality factors.

Investor-Friendly: These standards provide investors with consistent and comparable data on these financially important sustainability factors, allowing them to compare companies within the same industry more effectively. IMI's 2024 sustainability disclosures include quantitative ESG performance data in alignment with SASB's industry-specific standards, enhancing comparability, transparency, and investor decision-making.

Cost-Effective and Streamlined: By focusing on industry-specific issues, SASB reduces unnecessary reporting and highlights the most relevant sustainability information for each company.

How IMI Uses SASB

IMI, an electronics manufacturer, utilizes SASB standards specifically for the Electronic Manufacturing Services & Original Design Manufacturing industry (SICS™ #TC0101). This helps the company

report on the most relevant sustainability factors for the EMS industry. IMI addresses resource efficiency, supply chain sustainability, and climate risk management as core materiality factors.

In 2024, IMI conducted multiple stakeholder engagement sessions, ensuring the company's sustainability reporting reflects key ESG priorities for investors, regulators, and customers.

Compatibility with Other Frameworks

SASB standards can be used alongside other sustainability reporting frameworks, such as GRI Standards. They can also be a helpful tool for implementing broader sustainability principles outlined by organizations like the Task Force on Climate-Related Financial Disclosures (TCFD) and the International Integrated Reporting Council (IIRC).



Carbon Disclosure Project
In 2024, IMI filed separate disclosure in CDP for the first time and was given a rating of C. IMI will strive to improve to a B rating for the next disclosure period in 2025.

UN Sustainable Development Goals

IMI Focused SDGs

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation

- Saving Lives
- Improving Lives
- Saving Energy

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Ensure sustainable consumption and production patterns

- Reduce
- Reuse
- Recycle

IMI Supported SDGs

3 GOOD HEALTH AND WELL-BEING

4 QUALITY EDUCATION

5 GENDER EQUALITY

7 AFFORDABLE AND CLEAN ENERGY

8 DECENT WORK AND ECONOMIC GROWTH

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

10 REDUCED INEQUALITIES

11 SUSTAINABLE CITIES AND COMMUNITIES

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

13 CLIMATE ACTION

17 PARTNERSHIPS FOR THE GOALS

SASB Index — Sustainability Issues and Topics For EMS Manufacturing

MATERIAL TOPICS	ACCOUNTING METRICS	GRI	SDGs	PAGE NUMBER (S)
ENVIRONMENT	<ul style="list-style-type: none">GHG EmissionsAir QualityEnergy ManagementWater ManagementWaste & Hazardous MaterialsEcological Impact	302, 303, 305, 306	<div><div></div><div></div><div></div><div></div><div></div><div></div></div>	64-65
HUMAN CAPITAL	<ul style="list-style-type: none">Labor PracticesEmployee Health & SafetyEmployee Engagement, Diversity & Inclusion	401, 402, 403, 404, 405, 406, 407, 408, 409	<div><div></div><div></div><div></div><div></div><div></div><div></div></div>	66-67
BUSINESS MODEL AND INNOVATION	<ul style="list-style-type: none">Product Design & Life Cycle ManagementBusiness Model ResilienceSupply Chain ManagementMaterials & Resource EfficiencyPhysical Impact of Climate Change	301, 307, 308, 414	<div><div></div><div></div><div></div><div></div><div></div></div>	52-59
LEADERSHIP AND GOVERNANCE	<ul style="list-style-type: none">Business EthicsCompetitive BehaviorManagement of Legal & Regulatory RequirementsCritical Incident Risk ManagementSystemic Risk Management	202, 203, 204, 205, 206, 207, 307, 308	<div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div>	6-27, 34-47, 62-63

ENVIRONMENT	LABOR	HEALTH AND SAFETY	ETHICS	MANAGEMENT SYSTEMS
Protect the environment	Treat employees with dignity and respect	Maintain a safe and healthy work environment	Uphold the highest standards	Ensure compliance to RBA standards and the four pillars
<ul style="list-style-type: none">Environmental Permits and ReportingPollution Prevention and Resource ReductionHazardous SubstancesWaste and Solid WasteAir EmissionsProduct Content RestrictionsWater ManagementEnergy Consumption and Greenhouse Gas Emission Energy	<ul style="list-style-type: none">Freely Chosen EmploymentChild Labor AvoidanceWorking HoursWages and BenefitsHumane TreatmentNon-DiscriminationFreedom of Association	<ul style="list-style-type: none">Occupational SafetyEmergency PreparednessOccupational Injury and IllnessIndustrial HygienePhysically Demanding WorkMachine SafeguardingSanitation, Food and HousingHealth and Safety Communication	<ul style="list-style-type: none">Business Integrity RBA RequirementsNo Improper AdvantageDisclosure of InformationIntellectual PropertyFair Business, Advertising and CompetitionProtection of Identity and RetaliationResponsible Sourcing of MineralsPrivacyInsider Trading	<ul style="list-style-type: none">Company CommitmentManagement Accountability and ResponsibilityLegal Customer RequirementsRisk Assessment and Risk ManagementImprovement ObjectivesTrainingCommunicationWorker Feedback and ParticipationAudits and AssessmentCorrective Action ProcessDocumentation and RecordsSupplier CommunicationCollaboration with Government & Academe



IMI CODE OF CONDUCT & SUSTAINABILITY FRAMEWORK

The IMI Code of Conduct and Sustainability Framework serves as cornerstone of our commitment to Environmental, Social, and Governance (ESG) principles for our stakeholders. We leverage the Responsible Business Alliance (RBA) Code of Conduct as a guiding force, focusing on its four core pillars: Labor, Ethics, Health and Safety, and Environment all under one Management System. By adhering to these principles, we ensure responsible and sustainable business practices throughout our operations and supply chain.

CORPORATE SOCIAL RESPONSIBILITY

Our corporate social responsibility (CSR) efforts and programs align with our business practices with the UN's Sustainable Development Goals, promoting environmental stewardship, social equity, and good governance. By integrating CSR into our sustainability strategy, we reduce our environmental impact, foster community development, and ensure ethical operations, ultimately contributing to long-term business resilience and global sustainability.

PHILIPPINES



▲IMIP Philippines donated groceries to newly adopted communities in Canlalay, Biñan, Laguna.
▲IMIP Philippines participated in the DSWD's relief operations for Typhoon Carina.

SERBIA



▲IMIP Serbia participated in a community job fair.



▲IMIP Serbia's fourth year of internship program was successfully completed.

CHINA



▲IMIP Pingshan employees joined efforts to clean Wetland Park and protect public welfare.



▲IMIP Jiaxing visited the Qinqin Nursing Home.



▲IMIP Pingshan's blood donation drive



▲IMIP Jiaxing hosted a charity fundraising event for employees to support those in urgent need.



▲IMIP Kuichong, through Union Insurance Company, educated its employees on health awareness.



▲IMIP Kuichong joined a collaborative workshop organized by the Sanxi community, focusing on potted plants.

MEXICO



▲IMIP Mexico celebrated Children's Day 2024 by collecting and donating toys for the "C.O.R.A.S.O.N." orphanage in Guadalajara.

BULGARIA



▲IMIP Bulgaria joined the Edenred RUN 2024 and raised 29,500 BGN for the children's ward at University Hospital Burgas.



INDEPENDENT ASSURANCE STATEMENT

Introduction

DNV AS Philippine Branch (‘DNV’), has been commissioned by Integrated Micro-Electronics, Inc (Securities and Exchange Commission Identification Number: 94419, hereafter referred to as ‘IMI’ or ‘the Company’) to undertake an independent assurance of the Company’s sustainability/non-financial disclosures in its Integrated Report covering the calendar year 2024 (hereafter referred as ‘Report’).

The disclosures have been prepared by IMI:

- in reference to requirements of Global Reporting Initiative (GRI) sustainability reporting standards 2021
- Integrated Reporting (<IR>) framework of the International Integrated Reporting Council (IIRC) and the
- Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard.

DNV has carried out assurance engagement in accordance with DNV’s VeriSustain™ protocol, V6.0, which is based on our professional experience and international assurance practice, and the international standard in Assurance Engagements, ISAE 3000 (revised) - Assurance Engagements other than Audits or Reviews of Historical Financial Information. DNV’s Verisustain™ Protocol has been developed in accordance with the most widely accepted reporting and assurance standards. Apart from DNV’s Verisustain™ protocol, DNV team has also followed ISO 14064-3 - Specification with guidance for the verification and validation of greenhouse gas statements; to evaluate indicators wrt Greenhouse gases.

The intended user of this assurance statement is the Management of Integrated Micro-Electronics, Inc.

We have not performed any work, and do not express any conclusion, on any other information that may be published outside of the Report and/or on Company’s website for the current reporting period.

Responsibilities of the Management of IMI and of the Assurance Provider

The Management of IMI has the sole responsibility for the preparation of the Report and is responsible for all information disclosed in the Report. The company is responsible for maintaining processes and procedures for collecting, analyzing and reporting the information and also, ensuring the quality and consistency of the information presented in the Report. IMI is also responsible for ensuring the maintenance and integrity of its website and any referenced disclosures on their website. In performing this assurance work, DNV’s responsibility is to the Management of the Company; however, this statement represents our independent opinion and is intended to inform the outcome of the assurance to the stakeholders of the Company.

Scope, Boundary and Limitations

The agreed scope of work included a limited level of assurance of the information on non- financial performance which were disclosed in the Report prepared by IMI based on GRI Topic-specific Standards for the identified material topics for the activities undertaken by the Company during the reporting period 01/01/2024 to 31/12/2024. The reported topic boundaries of non-financial performance are based on the internal and external materiality assessment covering Company’s operations as brought out in the sections ‘About the Report’ section of the report.

Boundary of the assessment covers the performance of IMI operations globally that fall under the direct operational control of the Company’s Legal structure. Based on the agreed scope with the Company, the boundary of assurance covers IMI’s manufacturing sites in the Philippines (2 sites), China (4 sites), Bulgaria (1 site), Czech Republic (1 site), Serbia (1site) and Mexico (2 sites).

Inherent Limitation(s):

DNV’s assurance engagements are based on the assumption that the data and information provided by the Company to us as part of our review have been provided in good faith, are true, and is free from material mis-statements.

The assurance scope has the following limitations:

- The assurance engagement considers an uncertainty of ±5% based on materiality threshold for estimation/measurement errors and omissions.
- DNV has not been involved in evaluation or assessment of any financial data/performance of the company. DNV does not take any responsibility of the financial data reported in the Integrated report of the Company.
- The assessment is limited to data and information within the defined Reporting Period. Any data outside this period is not considered within the scope of assurance.
- Data outside the operations specified in the assurance boundary is excluded from the assurance, unless explicitly mentioned otherwise in this statement.
- The assurance does not cover the Company’s statements that express opinions, claims, beliefs, aspirations, expectations, aims, or future intentions. Additionally, assertions related to Intellectual Property Rights and other competitive issues are beyond the scope of this assurance.
- The assessment does not include a review of the Company’s strategy or other related linkages expressed in the Report. These aspects are not within the scope of the assurance engagement.



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- The assurance does not extend to mapping the Report with reporting frameworks other than those specifically mentioned. Any assessments or comparisons with frameworks beyond the specified ones are not considered in this engagement.
- Aspects of the Report that fall outside the mentioned scope and boundary are not subject to assurance. The assessment is limited to the defined parameters.
- The assurance engagement does not include a review of legal compliances. Compliance with legal requirements is not within the scope of this assurance, and the Company is responsible for ensuring adherence to relevant laws.

DNV expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Independent Assurance Statement.

Assurance process

As part of the assurance process, a multi-disciplinary team of assurance specialists performed assurance work for selected sites of IMI. We adopted a risk-based approach, that is, we concentrated our assurance efforts on the issues of high material relevance to the Company’s business and its key stakeholders. We carried out the following activities:

Limited Level of Assurance
Reviewed the disclosures in the report. Our focus included general disclosures, management processes, principle wise performance (essential indicators, and leadership indicators) and any other key metrics specified under the reporting framework.
Understanding the key systems, processes and controls for collecting, managing and reporting the non-financial disclosures in report.
Walk-through of key data sets. Understand and test, on a sample basis, the processes used to adhere to and evaluate adherence to the reporting principles.
Collect and evaluate documentary evidence and management representations supporting adherence to the reporting principles.
Interviews with the senior managers responsible for management of disclosures. We were free to choose interviewees and interviewed those with overall responsibility of monitoring, data collation and reporting the selected indicators.
DNV audit team conducted on-site audits for corporate offices and sites. Sample based assessment of site-specific data disclosures was carried out. We were free to choose sites for conducting our assessment.
Reviewed the process of reporting as defined in the assessment criteria.

Conclusion

On the basis of the Limited level of assessment undertaken, nothing has come to our attention to suggest that the disclosures are not fairly stated and are not prepared, in all material aspects, in accordance with the reporting criteria. Without affecting our assurance opinion, we provide the following observations against the principles of VeriSustain™:

Materiality

The process of determining the issues that are most relevant to an organization and its stakeholders.

The Report explains out the materiality assessment process carried out by the Company which has considered concerns of internal and external stakeholders, and inputs from peers and the industry, as well as issues of relevance in terms of impact for IMI’s business. The list of topics has been prioritized, reviewed and validated by the company.

Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Materiality.

Stakeholder inclusiveness

The participation of stakeholders in developing and achieving an accountable and strategic response to Sustainability.

The Report brings out the stakeholders who have been identified as significant to IMI, as well as the modes of engagement established by the Company to interact with these stakeholder groups. The key topics of concern and needs of each stakeholder group which have been identified through these channels of engagement are further brought out in the Report. Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Stakeholder Inclusiveness.

Responsiveness

The extent to which an organization responds to stakeholder issues.

The Report adequately brings out the Company’s policies, strategies, management systems and governance mechanisms in place to respond to topics identified as material and significant concerns of key stakeholder groups.

Nothing has come to our attention to believe that the Report does not meet the requirements related to the Principle of Responsiveness.

Reliability

The accuracy and comparability of information presented in the report, as well as the quality of underlying data management systems.

The Report brings out the systems and processes that the Company has set in place to capture and report its performance related to identified material topics across its reporting boundary. The majority of information mapped with data verified through our assessments with IMI’s management teams and process owners at the sampled site within the boundary of the



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Report were found to be fairly accurate and reliable. Some of the data inaccuracies identified in the report during the verification process were found to be attributable to transcription, interpretation, and aggregation errors. These data inaccuracies have been communicated for correction and the related disclosures were reviewed post correction.

Nothing has come to our attention to believe that the Report does not meet the principle of Reliability.

Completeness

How much of all the information that has been identified as material to the organization and its stakeholders is reported?

The Report brings out the Company's performance, strategies and approaches related to the environmental, social and governance issues that it has identified as material for its operational locations coming under the boundary of the report, for the chosen reporting period while applying and considering the requirements of Principle of Completeness.

Nothing has come to our attention to suggest that the Report does not meet the Principle of Completeness with respect to scope, boundary and time.

Neutrality

The extent to which a report provides a balanced account of an organization's performance, delivered in a neutral tone.

The Report brings out the disclosures related to IMI's performance during the reporting period in a neutral tone in terms of content and presentation, while considering the overall macroeconomic and industry environment.

Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Neutrality.

Statement of Competence and Independence

DNV applies its own management standards and compliance policies for quality control, which are based on the principles enclosed within ISO IEC 17029:2019 - *Conformity assessment - General principles are requirements for validation and verification bodies* and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

We have complied with the DNV Code of Conduct¹ during the assurance engagement. DNV's established policies and procedures are designed to ensure that DNV, its personnel and, where applicable, others are subject to independence requirements (including personnel of other entities of DNV) and maintain independence where required by relevant ethical requirements. This engagement work was carried out by an independent team of sustainability assurance professionals. DNV was not involved in the preparation of any statements or data included in the Report except for this Assurance Statement for internal use of IMI.

Purpose and Restriction on Distribution and Use

This assurance statement, including our conclusion has been prepared solely for the Company in accordance with the agreement between us. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Management of the Company for our work or this report.

For DNV AS Philippine Branch,

<p>Gangwar, Vishal</p> <p>Digitally signed by Gangwar, Vishal Date: 2025.04.07 18:02:00 +08'00'</p>	<p>Kakaraparthi Venkata Raman</p> <p>Digitally signed by Kakaraparthi Venkata Raman Date: 2025.04.07 16:33:12 +05'30'</p>
<p>Vishal Gangwar Lead Verifier, Sustainability Services</p>	<p>Venkata Raman Kakaraparthi Assurance Reviewer, Sustainability Services</p>
<p>Justine Rapalam (Verifier) Nizam Richard (Verifier)</p>	

07/04/2025

DNV AS Philippine Branch is part of DNV, a global provider of certification, verification, assessment and training services, helping customers to build sustainable business performance. www.dnv.com

¹ DNV Corporate Governance & Code of Conduct - <https://www.dnv.com/about/in-brief/corporate-governance.html>



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Annex I

Verified disclosures

- GRI 2-7 Employees
- GRI 302: Energy 2016 – 302-1; 302-2
- GRI 303: Water and Effluents 2018 – 303-5
- GRI 305: Emissions 2016 – 305-1; 305-2; 305-3
- GRI 306: Waste 2020 – 306-4; 306-5
- GRI 401: Employment 2016 – 401-1; 401-2; 401-3
- GRI 403: Occupational Health and Safety 2018 – 403-1; 403-2; 403-3; 403-4; 403-5; 403-6; 403-7; 403-8; 403-9
- GRI 404: Training and Education 2016 – 404-1
- GRI 405: Diversity and Equal Opportunity 2016 – 405-1

Annex II

Sites selected for On-site audits

S.no	Site	Location
1.	IMI Philippines - Site 1	103 Trade Avenue corner Technology Avenue, Laguna Technopark, Special Export Processing Zone, Biñan 4024 Laguna

Sites selected for Off-site audits

S.no	Site	Location
1.	Integrated Micro-Electronics México, S.A.P.I. de C. V	Calle 4 Poniente No. 10560 Parque Industrial El Salto C.P.45680 El Salto, Jalisco, México
2.	Integrated Micro-Electronics México, S.A.P.I. de C. V	Calle A 239 Parque Industrial El Salto C.P.45680, El Salto, Jalisco, México
3.	Integrated Micro-Electronics Bulgaria EQOD	Industrial Zone "Microelektronika" P.O 66 2140 Botevgrad Sofia District. Bulgaria