

FORWARD

WHERE THE FUTURE TAKES US





FORWARD

SUSTAINABILITY REPORT



BEYOND SUSTAINABILITY: HOPE ON THE ROAD AHEAD

“For businesses, the conversation on climate change has definitely shifted from mere sustainability to survival. IMI is among the companies that have galvanized around this challenge, as it moves toward an integrated external engagement.” – Arthur R. Tan

In 2014, Integrated Micro-Electronics Inc. (IMI) formed an extended cross-functional Sustainability team to bring the sustainability programs a notch higher.

We have formulated the following sustainability policy: “We strive to provide innovative ‘EMS plus’ solutions as we pursue sustainable growth, empower our people, and protect the planet.”

We are moving beyond the term “sustainability,” as we come to understand that the health of our planet—and humanity’s future—is fundamental in everything we do, and everything we are. This new era of sustainability has seen us partnering with our customers to create responsive and innovative technology that meets both their needs and those of the planet.

Arthur Tan, IMI president and chief executive officer, described the path ahead. “We provide not only the profitability and the growth on a financial basis,” he said. “More important, the people involved, the communities we serve, and the products we build are intertwined in making the world a better place.”

In 2015, we fully implemented our sustainability programs. These cover the following: strategic planning and innovation; good governance; business excellence; risk management; people development; corporate social responsibility (CSR); environment, health, and safety (EHS); and green manufacturing and supply chain.



SHARED VALUE INITIATIVES

Increasingly, IMI sees challenges as opportunities for business improvement and significance. Ultimately, we believe that the ability to profit and sustain growth drives innovations that improve the public good, make progress on climate change, and enhance lives and livelihoods.

We manufacture safety electronics and pollution reduction systems in cars, such as automotive camera and airbag control, anti-lock brake sensor, and selective catalytic reduction (SCR). We also produce LED lighting, theft prevention systems (security control systems for houses and buildings), medical diagnostic devices (for wireless monitoring of vital signs), and dosimeters (for measuring exposure to ionizing radiation). We assemble power modules for energy management (for automotive, industrial, consumer, and renewable energy applications), and telecom infrastructure that enable the Internet of Things (IoT).

IMI Philippines, in particular, manufactures automotive cameras that help prevent road accidents. These sensing cameras are used for parking, lane departure warning, road signage recognition, and collision avoidance. We do image flexible printed circuit board assembly and complete product assembly and test.

We have also co-developed cameras with our customers. Further, we have designed and developed product test systems.

For industrial electronics, IMI Philippines does complete product assembly of security and access control devices for houses, offices, and enterprises to prevent theft.

Now more than ever, we are in the best position to raise our game from one of mere global success to one of great significance.

Tan said: “Our vision is to be part of a global structure of products and services that will actually enhance and future-proof people’s lives.”

To explore new terrain, IMI Philippines started an innovation summit in October 2015, aimed at identifying shared value businesses—those that could significantly impact IMI’s top and bottom lines and at the same time address social and environmental issues. These could be new businesses in the realm of EMS or its outfield and new business models.

Technical and engineering experts from the country’s top universities and government and private institutions shared the latest trends and research with our managers and engineers.

Teams were formed according to their focus areas—medical, automotive, public transportation, aquaculture, and agriculture. The teams are now working on the business plans, and are validating their technical solutions and market data through interviews with experts and potential users.





GOOD GOVERNANCE

We remain committed to good governance in the conduct of our global business. Our Board of Directors comprises 11 members, all of whom are elected by the stockholders. Three of the directors are independent. There are five committees ensuring good governance: Executive, Compensation, Audit and Risk, Finance, and Nomination.

Our management committee is primarily accountable to the board for the operations of IMI. They concretize the company's targets and formulate and execute the strategies to achieve these.

The Audit and Risk Committee oversees the performance of external and internal auditors. Sycip Gorres Velayo & Co. (SGV) is the external auditor of IMI, who ensures the integrity of financial statements.

The Internal Audit (IA) team helps monitor the risks, controls, and financial reporting issues through continuous review of the effectiveness of the organization's risk management controls and corporate governance processes. IA is independent of management and reports to the Board through the Audit and Risk Committee.

The compliance officer ensures adherence to the provisions and requirements of IMI's Corporate Governance Manual.

We adhere to a Code of Conduct in line with the electronics industry's Code of Conduct. We operate in full compliance with the laws, rules, and regulations of the countries in which we operate, and recognize international standards to advance social and environmental responsibility.

BUSINESS EXCELLENCE

Driving excellence. The IMI Business Excellence Program (IBEX) is a holistic and comprehensive program that drives sustainable excellent organizational performance.

Launched in 2012 by Corporate Quality and Reliability (CQR) division, IBEX believes "process improvement must result in customer satisfaction." Marites Gonzales, continuous improvement manager, said, "The IMI Business Excellence Model is not only the structure for strategy development and business reporting, but also for yearly assessment of all organizational units at all levels—leadership effectiveness, process management, customer satisfaction, team effectiveness, and, ultimately, improved competitive positioning and business results."

The IBEX Award is the highest level of internal recognition given to a Customer-Focused Team (CFT) for its exemplary organizational performance. Given yearly to the outstanding CFT, the award focuses on results, including customer satisfaction. It is not an award for product or service quality, but for a quality management system driven by continuous improvement in the delivery of products or services, and thus satisfy customers' needs and requirements. The levels of recognition for the IBEX Award are: Bronze Award for Commitment Level, Silver Award for Proficiency Level, and Gold Award for Mastery Level.

The program has been running for three years in IMI Philippines, with the bronze award being the best record thus far. Gonzales said, their unit is looking to educate and orient the CFTs toward the silver and gold awards. "The good thing about the IBEX Award is that the CFTs are competing with a model, rather than with one another," she noted. "The other good thing is that it enjoys the full support of the CFTs—also possibly because the award itself comes in the form of incentives. And when you look at it, IBEX covers practically everything vital in a business—people engagement, business results, and sustainability."

Leadership awards. IMI won the 2015 Agora Award for Outstanding Achievement in Export Marketing for its admirable qualities of versatility, innovativeness, and ingenuity in export marketing. Given by the Philippine Marketing Association, the Agora Award is regarded as the standard-bearer for marketing excellence in the Philippines. We also received three trophies as a finalist in three Asia CEO Award categories—the Global Filipino Executive of the Year for Arthur R. Tan, Executive Leadership Team of the Year for IMI Management Committee, and ASEAN Company of the Year. The Asia CEO Award recognizes extraordinary leaders or companies operating in the country or region.

IMI Bulgaria had been honored with the True Leaders Award for the year 2014 by ICAP Bulgaria, a regional business information provider in south Eastern Europe. ICAP Bulgaria granted the awards on December 8, 2015 in Sofia to companies that are among the 300 most profitable companies for 2014, that had an increase in their personnel (2014 vs. 2013), with high creditworthiness (ICAP Credit Score from B2 to A1), and are leaders in their sector.



RISK MANAGEMENT

We believe that risk management does not only mean responding effectively to negative uncertainties or threats, but also recognizing their opportunities. This means we must always improve on how we deal with risks, and create value for the organization in dealing with risks.

Our Enterprise Risk Management (ERM) structure ensures that each one of us plays a key role regardless of where he/she is at.

- Our Board of Directors is responsible for reviewing and approving IMI's risk management policies and strategies. It sets clear directions on the management of critical risks, and reviews and evaluates the overall effectiveness of IMI's risk management process.
- The Audit and Risk Committee provides oversight of risk management activities in credit, market, liquidity, operational, legal, and other risks.
- The Risk Management Executive Committee, comprising the president and CEO and Management Committee members, has the ultimate responsibility for ERM priorities, including strategies, risk appetite and tolerances, policies, and resource allocation.
- The Chief Risk Officer (CRO) is the ultimate champion of risk management at IMI.
- Internal Audit monitors compliance with IMI's Risk Management policies as approved by the Board, and provides reasonable assurance on compliance with such policies.

In 2015, we adopted a generic approach described in ISO 31000 to ensure that we are guided by risk management principles based on international standards. Regular reporting on the identified significant risks was conducted in the same year.



PEOPLE DEVELOPMENT

Our Human Resources (HR) division has strengthened its approach in engaging the workforce. While attracting and retaining top talents, HR also sees that as a global company, IMI must enhance its initiatives toward culture-building and assimilation, competency development, and talent sharing to achieve meaningful employee engagement.

Culture Journey. We take our Culture Journey seriously to pursue programs that would instill our core values of integrity, customer focus, concern for others, and excellence in all employees across IMI sites.

Culture Journey includes the Values Integration Program, which was conducted in 2014 and 2015 to make employees better understand what the values mean and how these can be lived.

Last year, too, we rolled out “Yan ang Pinoy version 2.0”, where employees from IMI Philippines’ diverse departments share



their stories of how employees exemplify the company's core values. This sharing takes place every Monday at the flag ceremony.

The IMI Customer Service Plus Program (ICS+) and Talk IMI Campaign were cascaded in the Philippines and Singapore. Both were aimed at standardizing business communication practices as part of branding.

IMI University. Since 2012, the IMI University (IMI U) has been providing employees technical, leadership training, and development programs based on assessed gaps or business needs. These are carried out through the assistance from internal subject matter experts (SMEs) and external partners such as schools and training institutions in the Philippines and overseas.

The number of certified SMEs has risen to 79, representing a wide range of expertise. In 2015, the university ran 161 training programs

that engaged 49 percent (or 2,441) of the total Philippine workforce. Some 47 employees completed courses on Supply Management Chain in partnership with the Malayan Colleges of Laguna, while four new behavioral leadership and technical training programs, including technical forums with suppliers, were offered during the year.

In partnership with the University of Batangas, IMI U also granted scholarships to four qualified employees who started attending classes in October 2015 and expect to graduate in October 2016.

In cooperation with Semiconductor & Electronics Industries in the Philippines Inc. (SEIPI), of which IMI is a member, and the government's Technical Education and Skills Development Authority (TESDA), IMI prepared the training regulations and assessment tools for electronics production front-of-line and back-end for use in the National Certification Program (NC II) for electronics.

IMI Perks. IMI realizes that a happy workforce makes for an inspired team working toward common goals. Last year, in a bid to introduce both fun and practicality, IMI Perks was launched. The program entitles all IMI employees to discounts and promotional packages in selected restaurants, hotels, and entertainment facilities. HR is looking to partner with more family-oriented establishments in 2016 to expand the coverage of IMI Perks, which is also being implemented in IMI Bulgaria as an IMI Privilege.

Employee engagement. In 2015, Towers Watson, a leading global advisory, broking, and solutions company, conducted an Employee Engagement Survey for the Ayala group. IMI's overall engagement score was 93 percent—besting not only the Ayala group and the Philippine National Norms but also the Global High Performance Norms.

The Culture Journey contributed to the high favorability score of 91 percent on values, which is significantly above compared to Philippine and global norms. As a result of the

talent management and development programs, Learning and Development was also rated positively in the survey, with a favorability score of 85 percent—again, above Philippine and global norms.

Finally, as a tangible measure of the work-life balance IMI tries to create, the company received a favorability score of 91 percent and 82 percent in terms of working relationships and stress, and balance and work load, respectively. Both numbers are higher than comparable Philippine and global norms.

CORPORATE SOCIAL RESPONSIBILITY

We have always sought to strengthen our relationships with internal and external communities by helping them build sustainable strategies for dealing with social concerns.

Livelihood workshops. Employees are having difficulty living on salaries alone, especially when hard times or emergencies





hit. We regularly sponsor livelihood workshops to teach our employees alternative skills that can put food on the table—or, in this case, be the food on the table. In July last year, we held a livelihood program on food processing conducted by Marcela Alonza, a TESDA-accredited trainer. In this session, 28 participants learned how to make *empanada*, *siopao*, *tocino*, and *embotido*. These skills are for keeps, which can even possibly spark the entrepreneurial spirit in some participants.

1,210 smiles at De la Paz. More than 1,000 residents of Barangay De la Paz in Biñan, Laguna, availed of free medical, dental and optical consultations, and diagnostic laboratory tests in July. Free haircuts were also given, as were interactive learning sessions on waste management and segregation and emergency preparedness. *Barangay* children were also treated to a free breakfast and given school supplies by the Ayala Cooperative. The 167 volunteers organized by HR for this annual community outreach activity were from the Ayala Cooperative, Asian Hospital, Pascual Dental, Abezamis Optical, and Justine Barbara Salon.

San Pablo enterprise. In early 2015, IMI partnered with ChildFund Foundation, an international organization, and Yakap sa Kaunlaran ng Bata Inc. (YKBI), a

nongovernment organization of parents' associations in Southern Luzon, to gather women of the San Pablo Parents' Association who would form a group of sewers. The collaboration aimed to provide the women with a sustainable livelihood. Besides giving them sewing machines, IMI also secured the participation of Krizia ladies wear, one of the country's popular ladies' fashion brands, to ensure the project's sustainability as mentor and quality coach. Training and learning sessions on quality and basic finance management were held. After the brand's quality standards were met, the community started as subcontractor of Krizia—contract sewing ready-to-wear items. "When a team shares the same vision, that is the start of something good," says Queen Alandy Dy, part-owner of Krizia. "But when we collaborate with the best teams, dreams become a reality. Not only did we teach the community to fish, we assisted them in marketing the fish."

Tsaa Laya for financial freedom. IMI is also helping Tsaa Laya—a social enterprise that produces a uniquely Filipino premium tea collection sourced from local and organic herbs, fruits, and spices. Some IMI departments had sourced their Christmas 2015 giveaways from Tsaa Laya, which operates out of Calauan, Laguna. It is a resettlement site for victims of Ondoy, which, before Tsaa Laya came in, was practically a ghost town with the bleakest



livelihood prospects. In 2014, Jamir Ocampo, founder of Tsaa Laya and the company that produces it, Kapwa Greens, teamed up with the community’s caretakers, the Don Bosco Fathers and the Ayala Foundation, after securing funding from the British Council, and transformed three housing units into a tea plant. Tsaa Laya has since not just been producing first-rate teas; it is also brewing hope and innovation as it transforms a housing project into fertile ground where people could thrive. IMI is currently helping Tsaa Laya market its teas in select hotels and restaurants. A boot camp on social entrepreneurship for Laguna communities in partnership with relevant institutions is also on the drawing board for 2016.

ENVIRONMENT, HEALTH, AND SAFETY

To minimize the negative impact of its operations on its people and the environment, we have been enforcing an integrated Environment, Health, and Safety (EHS) program. It focuses on energy management, water conservation, health and safety management, and chemical and waste management.

Energy management. In 2015, IMI Laguna’s energy management program obtained energy savings of 466,984.3 kWh by:

- Efficiency improvement of compress dry air (CDA) through high pressure element replacement and air intake temperature reduction
- Optimization of cooling tower usage by setting the frequency of cooling tower pumps motor from 50 Hz to 40 Hz during nighttime
- Reduced operation of chiller 2G from 24 hours to 12 hours serving process cooling water
- Stop operation of 1-10TR PACU at floor C during C-shift operation
- Adjustment of chilled water set point of chiller 2K from 48°F to 50°F during C-shift operation
- Interlinking of exhaust blower 4K to 6K and demand versus capacity management for chiller and PACU

We continue to use energy-efficient lighting system. Last year, more than 370 LED tube lights replaced mercurial fluorescent lighting, cutting back power consumption by 50 percent—or energy savings of 6,670 kWh from lighting power consumption.

Water management. Our water management program in IMI Laguna generated savings of 2.44 percent, or 17,383.48 m³, in 2015 through:

- Optimization of the deionized (DI) water system by decreasing the frequency of regeneration and increasing the life cycle of dissipation factor (DF) resin
- Reuse of treated water for gardening and domestic applications
- Rain water capture

Training. We conducted health and safety-awareness training seminars, such as those for basic first aid, life support, chemical handling, material handling, electro-mechanical safety, radiation safety for X-ray operators, forklift safety training, emergency preparedness and response training, and fire and earthquake drills. “These activities are anchored on IMI University’s initiatives,” said EHS manager, Jerry Jaquilmo.

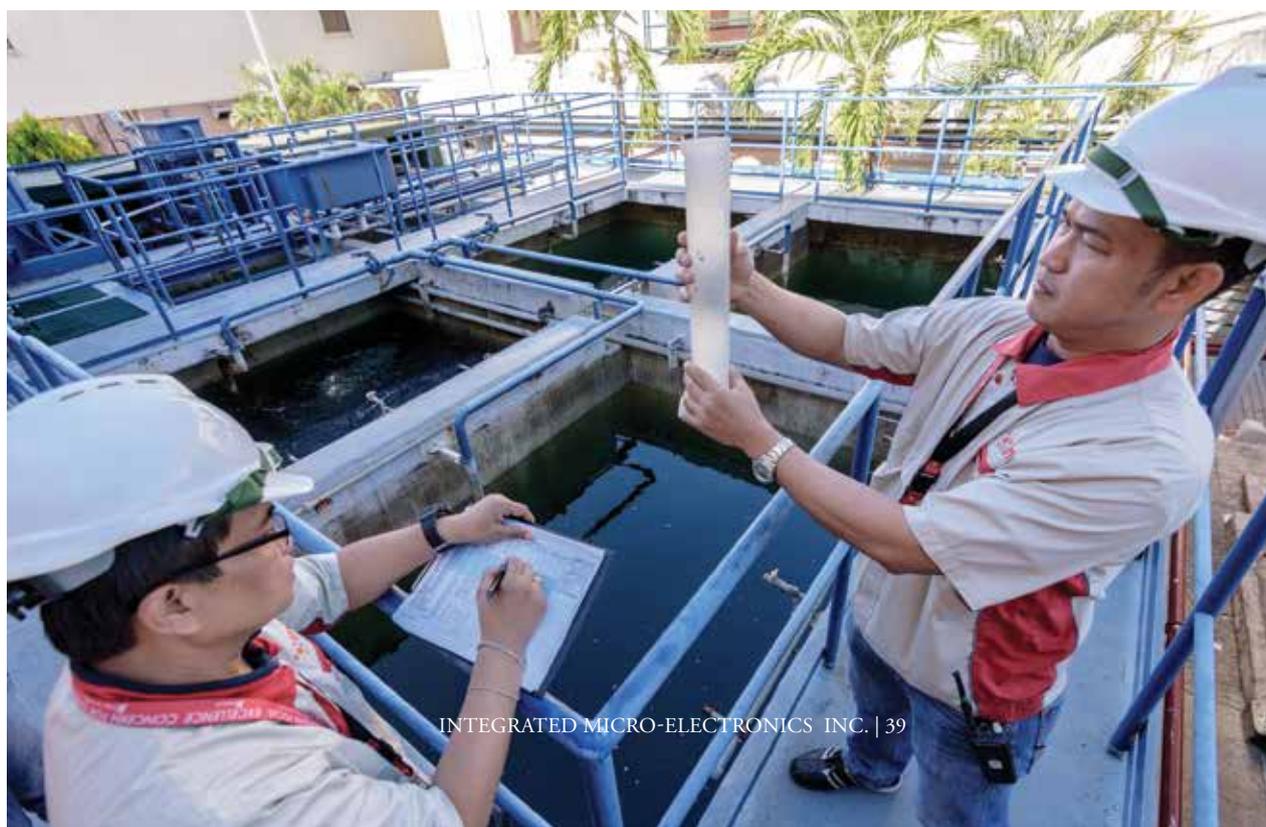
Safety. In 2015, IMI Laguna Site 1 achieved 3,674,112 safe man-hours; IMI Laguna Sites 2 and 3 recorded 9,654,528 safe man-hours; and IMI Cavite, 279,552 safe man-hours. Three sites also attained a zero disabling-accident record.

Compliance. We conduct periodic conformance audits and safety inspections to check compliance to procedures, standards, and legal requirements. A regular management review assesses our overall EHS performance against EHS objectives and targets.

We are fully compliant with the Philippine government’s Department of Environment and Natural Resources (DENR) Toxic Substances, Hazardous and Nuclear

Wastes Control Act 6969 and the Ecological Solid Waste Management Act 9003. We judiciously enforce the 3R (Reduce-Reuse-Recycle) program in the disposition of its chemicals for manufacturing processes, waste segregation, and on-site and off-site waste composting. In 2015, IMI Laguna attained 98 percent recycling recovery in diverting recoverable waste from the municipal landfill.

In the same year, IMI Laguna turned over its hazardous recyclable wastes (e.g., used oil, solvent chemical, and used lead battery)—a total of 34,560 KG—to the ABS-CBN Foundation’s Bantay Kalikasan. The proceeds (₱99,224) were donated to Tahanang Walang Hagdanan Inc.





Tree Planting and Growing. It is always a good thing when even the simplest of actions evolves and acquires greater consequence. Since 2011, the HR and Plant Engineering-EHS divisions, in cooperation with the provincial and community natural resources offices, have been conducting regular tree-planting activities. In 2015, they undertook tree planting with the intent to monitor and develop an inventory of the 800 trees they planted in Barangay Canlalay, Biñan, Laguna. “We have intensified our gardening and composting activities in our Laguna site,” said Jaquimo. “In 2013, we started using canteen waste, and by 2015 we were also using fallen leaves. From 2014 to 2015 we generated 6.1 tons of composted waste.”

GREEN MANUFACTURING

Our green manufacturing initiatives are fully aligned with sustainability. We are committed to reduce or avoid the use of chemicals and other materials that pose hazards to the environment and our people. These chemicals are identified in order to manage safe handling, storage, use, recycling, reuse and disposal. No violation has been reported for 2015.

“Managing greenhouse gases in manufacturing has also become an important issue for companies due to the growing concerns over climate change,” said Israel Lualhati, manager and global chemist and CSR audit head. On the heels of the historic Paris climate conference (COP21) in December 2015, in which 195 countries adopted the first-ever universal, legally binding global climate deal, we acknowledge the need to take action against climate change and we are actively working to implement initiatives with the goal of reducing greenhouse gases.

Our commitment to protect the environment has been awarded with the ISO 14001 recertification. Moreover, the revisions in the ISO 14001 introduced major changes to better address current and future environmental risks. We are reviewing our management system in order to align with the new versions across all manufacturing sites.

We also fully adhere to all applicable laws, regulations, and other customer requirements on the prohibition or restriction of specific substances in products and in manufacturing. In 2015, compliance request

increased by 10 percent, material declaration by 7 percent, and conflict minerals reporting by 5 percent versus 2014.

Also in 2015, the Supplier Code of Conduct was approved and fully executed to strengthen communication, promote understanding, and implement IMI sustainability requirements across its supply chain in support of manufacturing needs.

“We at IMI are setting the bar higher for manufacturing,” Lualhati said with pride.

GREEN SUPPLY CHAIN

In support of our green manufacturing initiatives, the Material Management Group (MMG) has required suppliers to do their own checking of raw material composition for them to be compliant with RoHS (Restriction of Hazardous Substances) and material declaration. Suppliers are required to submit material declaration and certificate of compliance (COC) to IMI’s chemist.

To further support these initiatives, the enterprise-wide computer system—SAP enterprise resource planning—has been customized to specifically identify the materials that are supposed to be RoHS compliant. Materials marked with a code starting with “R” are RoHS compliant. “This is known to manufacturing people, inspectors, and suppliers,” said Cecille Puertollano, senior supplier quality engineer. “This means those that are RoHS compliant should not be mixed with those that are not.”

In 2015, IMI became more aggressive in requiring all material suppliers to do due diligence when they buy 3TG metals (tin, tantalum, tungsten, and gold). We encourage our suppliers to source 3TG metals from Conflict-free Smelter Initiative (CFSI) and Compliant Smelter lists developed by Electronic Industry Citizenship Coalition (EICC) and the Global e-Sustainability Initiative

(GeSI). Suppliers are required to submit their corresponding CMRT (Conflict Minerals Reporting Template) to the IMI chemist.

Sustainability also means minimizing waste down the supply chain. A high percentage of rejections in the manufacturing line translates to higher energy usage and higher material scrappage. In line with this, MMG is developing a database of suppliers who contribute to this kind of waste.

Since 2013, the Supplier Quality Engineering (SQE) group under MMG has been conducting supplier trainings. “Suppliers who have been attending IMI trainings have reported an improvement in quality,” Puertollano noted. “Previously their defective parts per million (DPPM) was as high as five to six digits. Last year, some suppliers reported three- or two-digit DPPMs.”

The Sustainability program is supported by an information infrastructure, a global shared folder, maintained by the SQE group that helps save time, money, and effort. This shared folder is where all records pertaining to supplier qualification are shared across the enterprise. Once qualified, suppliers in one site can be tapped by other sites.

In November, IMI’s SQE and Sustainability team conducted a sustainability assessment orientation seminar among key local and foreign suppliers on the IMI’s Supplier Code of Conduct. After the seminar, five local suppliers were audited by IMI’s Sustainability audit team.

Clearly, the global discussion on sustainability is no longer about the direction and the ultimate destination. Instead, it is now all about the best way to achieve the goals and the best pace at which it can be done.

GRI INDICATORS

The coverage for this set of indicators is IMI Laguna, comprising IMI's main manufacturing site at North Science Avenue and its manufacturing facility located on the corner of Trade Avenue and Technology Avenue, both located in Laguna Technopark.

INDICATOR	2015	2014	REMARKS
ENVIRONMENT			
EN 3: Direct energy consumption by primary energy source	154.5 MT	426.2 MT	Fuel consumption of all shuttle buses, generator set, included in 2014 data, in 3 sites
EN 4: Indirect - - Scope 2. energy consumption by primary source (CO ₂ emission)	30,400.6 MT	33,051.5 MT	Meralco-sourced energy
EN 4: Indirect - - Scope 3. energy consumption by primary source (CO ₂ emission)	2,068 MT	1,719.8 MT	Diesel consumption of shuttle buses/ company cars
EN 4: Indirect - - Scope 2. energy consumption by primary source	50,398,915 kWh	54,793,566.4 kWh	Decrease due to lower facility utilization
EN 5: Energy saved due to conservation and efficiency improvements	473,644.3 kWh	1,805,012.8 kWh	
EN 10: Percentage and total volume of water recycled and reused	2.4% reduction or 17,383.5 m ³	1.39% reduction or 10,473.2 m ³	Increase in percentage and total volume due to reuse of treated waste water and rainwater capture
EN 16 : Total indirect greenhouse gas emissions by weight	30,400.6 MT	33,051.5 MT	Decrease due to low facility utilization and decline in indirect power consumption
EN 22: Total weight of waste by type and disposal method	Total Generated Waste: 1,111.15 MT 1. Common residual waste: 22.6 MT 2. Hazardous waste: 170.9 MT 3. Recyclable waste: 940.6 MT	Total Generated Waste: 1,226 MT 1. Common residual waste: 25.6 MT 2. Hazardous waste: 111.7 MT 3. Recyclable waste: 1,089 MT	Increase in recycling and recovery of waste by 98%, thus reducing the volume of waste in municipal landfill. This is attributable to site composting
EN 28: Monetary value of significant fines and total number of nonmonetary sanctions for noncompliance with environmental laws and regulations	None	None	No fine
Initiatives to mitigate environmental impacts of products and services	Energy Management, Water Management, Waste Management, Chemical and Hazardous Substance Process Management	Energy Management, Water Management, Waste Management, Chemical and Hazardous Substance Process Management	
HUMAN RIGHTS			
HR 4: Total number of incidents of discrimination and actions taken	None	None	No case
HR 6: Operations identified as having significant risk for incidents of child labor, and measures taken to contribute the elimination of child labor	None	None	
HR 7: Operations identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of forced or compulsory labor	Nones	None	

INDICATOR	2015	2014	REMARKS
LABOR			
LA 1: Total workforce by employment type, gender, and age	Total Workforce: 4,953 Employment Type: Permanent (proby/perma): 4,872 Contractual: 81 Gender: Male: 1,059 Female: 3,894 Age: over 50 to 82 31 to 50: 3,252 under 30: 1,619	Total Workforce: 5,452 Employment Type: Permanent (proby/perma): 4,453 Contractual: 999 Gender: Male: 1,095 Female: 4,357 Age: over 50 to 72 31 to 50: 3,157 under 30: 2,223	
LA 2: Total number and rate of employee turnover by age group and gender	Employee Turnover: 422 Turnover by age group: over 50: 1 (0%) 31 to 50: 271 (5%) 30 below: 150 (3%) Gender: Male: 74 (1%) Female: 348 (7%)	Employee Turnover: 560 Turnover by age group: over 50: 4 (0%) 31 to 50: 244 (5%) 30 below: 312 (6%) Gender: Male: 140 (3%) Female: 420 (8%)	
LA 3: Benefits provided to full-time employees that are not provided to temporary or part-time employees by major operations	1. Life Insurance – 24x Monthly Basic Salary; double indemnity for Accidental Death & Dismemberment	1. Life Insurance – 24x Monthly Basic Salary; double indemnity for Accidental Death & Dismemberment	
	2. Medical Insurance – group hospitalization with inner limits (depending on rank) per illness per confinement	2. Medical Insurance – group hospitalization with inner limits (depending on rank) per illness per confinement	
	3. Outpatient Benefit – consultation and laboratory exams within annual benefit limits (depending on rank)	3. Outpatient Benefit – consultation and laboratory exams within annual benefit limits (depending on rank)	
	4. Annual Physical Exam – routine medical examination every year	4. Annual Physical Exam – routine medical examination every year	
	5. Vacation Leave – 12 days per year; paid leave starts after 1 year of continuous service. Unused VL with max of 4 (varies by tenure) shall be converted to cash for supervisors and up.	5. Vacation Leave – 12 days per year; paid leave starts after 1 year of continuous service. Unused VL with max of 4 (varies by tenure) shall be converted to cash for supervisors and up.	
	6. Sick Leave – 12 days per year; paid leave starts after 6 months of continuous service. All unused sick leave credits will be converted at the end of each year.	6. Sick Leave – 12 days per year; paid leave starts after 6 months of continuous service. All unused sick leave credits will be converted at the end of each year.	
	7. Emergency Leave – 3 days per year; paid leave starts after 1 year of continuous service	7. Emergency Leave – 3 days per year; paid leave starts after 1 year of continuous service	
	8. Computer Loan – up to max of ₱50,000 at zero interest for supervisors & up	8. Computer Loan – up to max of ₱50,000 at zero interest for supervisors & up	
	9. Emergency Loan – up to max of ₱5,000 at zero interest	9. Emergency Loan – up to max of ₱5,000 at zero interest	
	10. Multipurpose Loan – eligibility starts after 5 years of continuous service for supervisors and engineers	10. Multipurpose Loan – eligibility starts after 5 years of continuous service for supervisors and engineers	

INDICATOR	2015	2014	REMARKS
<p>LA 8: Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases</p>	<ul style="list-style-type: none"> • Goiter Awareness Week - Intensive awareness program through posters, e-mail blasts, and lecture • Expanded Immunization Program for employees and dependents: - Expanded Immunization Program for employees' pediatric dependents to cover for vaccinations not given by the Department of Health (DOH) - Influenza vaccines for seasonal flu - Cervical cancer vaccine extended to women above 45 years old • Heart Month/Hypertension Program - Weekly e-mail blasts to relay information to all IMI employees about taking care of their heart and ways to avoid heart diseases • Blood Donation 3-part Series - Employees donated blood (1st part - Feb 20, July 10, and Dec. 4); donated some of the blood packs to St. Luke's • Special Health Bulletins on MERS CoV - Information dissemination through e-mail and posters • Random Drug Testing (2 were conducted for the year) - Employees were randomly tested • Summer Health Bulletin - Employees were informed through a series of bulletin posts and e-mail blasts on safety during the summer season • Medical Outreach Program - Volunteers from IMI, in cooperation with clinic nurses and doctors, offered help to a community by giving free hair cuts, seminars, and medicines • Pneumonia Vaccination - Employees and dependents were given large discounts if they availed themselves of the vaccination • Breast Cancer Awareness Month - Breast cancer awareness through e-mail blasts and posters • Annual Physical Exam - Conducted last December, employees were physically examined on site • Ayala Fun Run - Employees who participated in this event were treated to Zumba, fitness advise, dietary plans, and dancing 	<ul style="list-style-type: none"> • Immunization Program for employees and dependents: - Expanded Immunization Program for employees' pediatric dependents to cover for vaccinations not given by the DOH - Influenza vaccines for seasonal flu - Cervical cancer vaccine extended to women above 45 years old • Breast Cancer Month - Intensive awareness program through posters, e-mail blasts, and lecture • Blood Donation - 25% higher turnout of donors during the rainy season in preparation for dengue outbreak with demands exceeding availability of blood (>30% of donated blood) at St. Luke's Blood Bank • Leptospirosis Program - Special Health Bulletin on Leptospirosis during Typhoon Maring/Habagat (Sept. 23, 2013) - Prophylactic medicines (Doxycycline capsules) given to employees exposed to flood waters. • Outreach Program - Free medical, dental, and optical consultation, and treatment and medicines in Barangay Timbao in July 2013 - Family Health Day with free consultations, ECG and medicines, with lectures on adult and pediatric immunization. • Fitness Program - Program that offers Aerobics, Zumba, and Basic Belly Dancing to all employees who want to be physically fit and healthy. There are about 133 employees who actively joined the program that lasted for 3 months 	
<p>LA 10 : Average hours of training per year per employee by employee category</p>	<p>Training Man-hours Per Position: Managers: 2,666 hours Engineers & Supervisors: 8,902 hours Rank & File: 3,010 hours Operators: 3,428 hours Others: 1,512 hours</p>	<p>Training Man-hours Per Position: Managers: 2,454 hours Engineers & Supervisors: 14,030 hours Rank & File: 4,080.5 hours Operators: 3,921 hours Others: 3,909 hours</p>	<p>IMI University started to promote career enhancement in 2014. Employees who already attended the training were not required to attend similar trainings, hence the drop in man-hours training</p>
<p>LA 13: Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity</p>	<p>BOD Total Number of Members: 11 Gender: Male, 10; Female, 1 Age Group: over 50, 9; 30 to 50, 2</p>	<p>BOD Total Number of Members: 11 Gender: Male, 10; Female, 1 Age Group: over 50, 9; 30 to 50, 2</p>	

INDICATOR	2015	2014	REMARKS																				
ECONOMIC																							
EC 1: Economic value generated and distributed, included revenues, operating costs, employee compensation, donations and other community investments, and payments to capital providers and government	<ul style="list-style-type: none"> • Economic Value (in million pesos): Revenues: 10,243 Net Income: 537 • Distribution: Suppliers/contractors: 9,198 Employees (salaries and benefits): 1,424 Government (taxes): 87 Stockholders (dividends): 337 Charitable contributions: 0.5 Total Distribution: 11,046 • Investments: Equity Investment: 5,911 Capex: 424 Total Investments: 6,335 	<ul style="list-style-type: none"> • Economic Value (in million pesos): Revenues: 9,100 Net Loss: (590) • Distribution: Suppliers/contractors: 8,575 Employees (salaries and benefits): 1,401 Government (taxes): 67 Stockholders (dividends): 141 Charitable contributions: 1.6 Total Distribution: 10,186 • Investments Equity Investment: 5,552 Capex: 208 Total Investments: 5,760 	Revenues increased due to strong demand from automotive and industrial sectors, compensating the decline in the storage device business																				
EC 3: Coverage of the organization's defined benefit plan obligations	<table border="1"> <thead> <tr> <th>Tenure</th> <th>Separation Benefit</th> </tr> </thead> <tbody> <tr> <td>5<10</td> <td>25% of monthly basic pay per yr of service</td> </tr> <tr> <td>10<15</td> <td>50% of monthly basic pay per yr of service</td> </tr> <tr> <td>15<20</td> <td>75% of monthly basic pay per yr of service</td> </tr> <tr> <td>20 yrs and above</td> <td>100% of monthly basic pay per yr of service</td> </tr> </tbody> </table>	Tenure	Separation Benefit	5<10	25% of monthly basic pay per yr of service	10<15	50% of monthly basic pay per yr of service	15<20	75% of monthly basic pay per yr of service	20 yrs and above	100% of monthly basic pay per yr of service	<table border="1"> <thead> <tr> <th>Tenure</th> <th>Separation Benefit</th> </tr> </thead> <tbody> <tr> <td>5<10</td> <td>25% of monthly basic pay per yr of service</td> </tr> <tr> <td>10<15</td> <td>50% of monthly basic pay per yr of service</td> </tr> <tr> <td>15<20</td> <td>75% of monthly basic pay per yr of service</td> </tr> <tr> <td>20 yrs and above</td> <td>100% of monthly basic pay per yr of service</td> </tr> </tbody> </table>	Tenure	Separation Benefit	5<10	25% of monthly basic pay per yr of service	10<15	50% of monthly basic pay per yr of service	15<20	75% of monthly basic pay per yr of service	20 yrs and above	100% of monthly basic pay per yr of service	
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SOCIAL																							
SO 8: Monetary value of significant fines and total number of nonmonetary sanctions for noncompliance with laws and regulations	None	None	No fine																				
PRODUCT RESPONSIBILITY																							
PR 5 - Practices related to customer satisfaction, including results of surveys measuring customer satisfaction	Overall CSAT Rating: Key Accounts: 4.12 Non-Key Accounts: 4.59	Overall CSAT Rating Key Accounts: 4.04 Non-Key Accounts: 4.30																					
PR 6 – Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship	Adherence to EICC Code of Conduct - which is fair advertising	Our policy on advertising or production of marketing collaterals states that IMI adheres to truth in advertising and production of marketing collaterals, and that it does not engage in any unethical practices.																					
PR 7: Total number of incidents of noncompliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes	None	None																					

