

COVER SHEET

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I N T E G R A T E D M I C R O - E L E C T R O N I C S ,
I N C .

(Company's Full Name)

N O R T H S C I E N C E A V E . , L A G U N A
T E C H N O P A R K , B I N A N , L A G U N A

(Business Address: No. Street City / Town / Province)

JEROME S. TAN

Contact Person

7756-6840

Company Telephone Number

1 2 3 1

Month

Day

Fiscal Year

Integrated Annual Corporate Governance Report (I-ACGR)

FORM TYPE

Month Day

Month

Day

Annual Meeting

Secondary License Type, if Applicable

Secondary License Type, if Applicable

C F D

Dept. Requiring this Doc.

Amended Articles Number/Section

Amended Articles Number/Section

Total No. Of Stockholders

Total No. Of Stockholders

Total Amount of Borrowings

Domestic

Domestic

Foreign

Foreign

To be accomplished by SEC Personnel concerned

File Number

File Number

LCU

LCU

Document I.D.

Document I.D.

Cashier

Cashier

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Remarks = pls. Use black ink for scanning purposes



Integrated Micro-Electronics, Inc.
North Science Avenue,
Special Export Processing Zone
Laguna Technopark
Binan Laguna 4024
Philippines

Tel +63 2 7756 6840; +63 2 7756 6940
Tel +63 49 544 0312
www.global-imi.com

30 June 2021

Securities and Exchange Commission
Secretariat Building, PICC Complex
Pasay City

Attention: **Atty. Rachel Esther J. Gumtang-Remalante**
Director, Corporate Governance and Finance Department

Philippine Stock Exchange
6/F PSE Tower
5th Avenue corner 28th Street
Bonifacio Global City, Taguig City

Attention: **Ms. Janet A. Encarnacion**
Head, Disclosure Department

Gentlemen:

In compliance with the Securities and Exchange Commission (SEC) Memorandum Circular No. 15, series of 2017 and PSE Memorandum Circular No. 2017-0079, we are submitting herewith the attached Integrated Annual Corporate Governance Report (I-ACGR) of our Company for the year 2020.

SEC Memorandum Circular No. 15, series of 2017 requires the I-ACGR to bear original and manual signatures of the Chairman of the Board and all Independent Directors. However, as requested in our letter to the SEC on 05 May 2021 and as approved by the SEC in its letter similarly dated, we shall be submitting the I-ACGR with the digital signatures of our Chairman, Mr. Jaime Augusto Zobel de Ayala and our independent director, Mr. Hiroshi Nishimura¹ and undertake to submit a duly executed and notarized written explanation by Messrs. Zobel de Ayala and Nishimura within ten (10) days from the date of their arrival in the country. These will be submitted together with the wet signed and notarized amended I-ACGR.

We trust that you find the foregoing in order.

Thank you.

Very truly yours,


Laurice S. Bela Cruz
Compliance Officer

¹ Mr. Diosdado P. Banatao, the other independent director included in our letter dated 05 May 2021, has resigned from the Board of Directors effective 28 June 2021.



SEC FORM – I-ACGR

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT

1. For the fiscal year ended: **December 31, 2020**
2. SEC Identification Number: 94419 3. BIR Tax Identification No. **000-409-747-000**
3. Exact name of issuer as specified in its charter: **Integrated Micro-Electronics, Inc.**
4. **Philippines**
Province, Country or other jurisdiction of
incorporation or organization
5. (SEC Use Only)
Industry Classification Code:
6. **North Science Avenue, Laguna Technopark-Special
Processing Zone, Binan, Laguna**
Address of principal office
- 4024
Postal Code
7. **(632) 7756-6840**
Issuer's telephone number, including area code
8. **Not Applicable**
Former name, former address, and former fiscal year, if changed since last report.

INTEGRATED ANNUAL CORPORATE GOVERNANCE REPORT			
	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
Principle 1: The company should be headed by a competent, working board to foster the long- term success of the corporation, and to sustain its competitiveness and profitability in a manner consistent with its corporate objectives and the long- term best interests of its shareholders and other stakeholders.			
Recommendation 1.1			
1. Board is composed of directors with collective working knowledge, experience or expertise that is relevant to the company's industry/sector.	Compliant	<p><i>Provide information or link/reference to a document containing information on the following:</i></p> <ol style="list-style-type: none"> 1. <i>Academic qualifications, industry knowledge, professional experience, expertise and relevant trainings of directors</i> 2. <i>Qualification standards for directors to facilitate the selection of potential nominees and to serve as benchmark for the evaluation of its performance</i> 	
2. Board has an appropriate mix of competence and expertise.	Compliant	<p>2021 Definitive Information Statement, Annex B Directors and Officers, pages 24-29 https://www.global-imi.com/sites/default/files/IMI%20%202021%20Definitive%20Infomation%20State%20ment%200.pdf</p>	
3. Directors remain qualified for their positions individually and collectively to enable them to fulfill their roles and responsibilities and respond to the needs of the organization.	Compliant	<p>2020 Annual Report – The Board of Directors, page 38 https://www.global-imi.com/investors/annual-reports</p> <p>2020 Board of Directors and Key Officers https://www.global-imi.com/sites/default/files/IMI%2020%20Board%20of%20Directors%20and%20Key%20Officers%201.pdf</p> <p>Board Charter, Section 2.2. Board Competencies and Diversity, page 1</p> <p>Board Competencies and Diversity – The Board shall be composed of members who possess the necessary knowledge, skills and experience required to properly perform the duties of the Board.</p>	

		<p>The Board shall encourage the selection of a mix of competent Directors, each of whom can add value and independent judgment in the formulation of sound corporate strategies and policies. Careful attention must be given to ensure that there is independence and diversity, and appropriate representation of women in the Board to the greatest extent possible.</p> <p>https://www.global-imi.com/sites/default/files/IMI_Board_Charter_approved.pdf</p> <p>Revised CG Manual, Article II, 1.1 Composition of the Board, page 5 https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018_Nov%202018_0.pdf</p> <p>Amended By-Laws, Article IV of the Board of Directors, page 4 https://www.global-imi.com/sites/default/files/SEC-PSE-SEC%27s%20Approval%20of%20the%20Amended%20By-Laws_4.13.21_0.pdf</p>	
Recommendation 1.2			
<p>1. Board is composed of a majority of non-executive directors.</p>	<p>Compliant</p>	<p><i>Identify or provide link/reference to a document identifying the directors and the type of their directorships</i></p> <p>The Company has 10 non-executive directors out of 11 board members.</p> <p>Revised CG Manual, Article II, 1.1 Composition of the Board, page 5</p> <p>1.1 Composition: ... The Board should be composed of a majority of non-executive directors who possess the necessary qualifications to effectively participate and help secure objective, independent judgment on corporate affairs and to substantiate proper checks and balances...</p> <p>https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018_Nov%202018_0.pdf</p> <p>Board of Directors Members</p> <p>https://www.global-imi.com/sites/default/files/IMI_2020%20Board%20of%20Directors%20and%20Key</p>	

		<p>%20Officers_1.pdf</p> <p>2020 Results of Annual Stockholders’ Meeting and Organizational Board Meeting https://www.global-imi.com/sites/default/files/SEC-PSE-Result%20of%20ASM%20and%20Org%20BOD_4.15.20.pdf</p> <p>2021 Results of Annual Stockholders’ Meeting and Organizational Board Meeting https://www.global-imi.com/sites/default/files/SEC-PSE-Result%20of%20ASM%20and%20Org%20BOD_4.15.21%20%281%29.pdf</p> <p>2021 Definitive Information Statement, Annex B Directors and Officers, pages 24-29 https://www.global-imi.com/sites/default/files/IMI%20%202021%20Definitive%20Infomation%20State ment_0.pdf</p>	
Recommendation 1.3			
<p>1. Company provides in its Board Charter and Manual of Corporate Governance a policy on training of directors.</p>	<p>Compliant</p>	<p><i>Provide link or reference to the company’s Board Charter and Manual on Corporate Governance relating to its policy on training of directors.</i></p> <p>Revised CG Manual, Article II, 1.13 j) Orientation and Continuing Education Programs for Directors, page 14</p> <p>j) Orientation and Continuing Education Programs for Directors. Prior to assuming office, all new Directors shall undergo at the minimum an eight-hour orientation program on the Corporation’s business and corporate structure, its vision, mission and corporate strategy, the By-laws, this Manual, the Charters, the SEC-mandated topics on corporate governance and other relevant matters essential for the effective performance of their duties and responsibilities. Directors shall likewise attend at least once a year, a four-hour annual continuing training program involving courses on corporate governance.</p> <p>https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018_Nov%202018_0.pdf</p> <p>Board Charter, Section 11. Orientation and Continuing Education Programs for</p>	

		<p>Directors, page 7</p> <p>Section 11. Orientation and Continuing Education Programs for Directors Prior to assuming office, all new Directors shall undergo orientation program on the Corporation’s business and corporate structure, its vision, mission and corporate strategy, the By-Laws and Manual of Corporate Governance, and other relevant matters essential for the effective performance of their duties and responsibilities.</p> <p>Directors shall likewise be required to undergo training and continuing education programs to further their knowledge and assist in their development as Directors.</p> <p>https://www.global-imi.com/sites/default/files/IMI Board Charter approved.pdf</p>	
<p>2. Company has an orientation program for first time directors.</p>	<p>Compliant</p>	<p><i>Provide information or link/reference to a document containing information on the orientation program and trainings of directors for the previous year, including the number of hours attended and topics covered.</i></p> <p>Orientation and Continuing Education Programs for Directors. Prior to assuming office, all new Directors shall undergo an eight-hour orientation program on the Corporation’s business and corporate structure, its vision, mission and corporate strategy, the By-laws and Manual of Corporate Governance, the SEC-mandated topics on corporate governance and other relevant matters essential for the effective performance of their duties and responsibilities. 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. If necessary, funds shall be allocated by the Corporation for this purpose.</p> <p>Revised CG Manual, Article II, 1.13 j), page 14; Board Charter, Section 11, page 7 https://www.global-imi.com/sites/default/files/IMI Board Charter approved.pdf</p>	
<p>3. Company has relevant annual continuing training for all directors.</p>	<p>Compliant</p>	<p>https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018 Nov%202018 0.pdf</p> <p>2020 Annual Report – Corporate Governance Programs Attended in 2020, page 57 https://www.global-imi.com/investors/annual-reports</p>	

		<p>Refer to attendance posted in the website: https://www.global-imi.com/sites/default/files/IMI%202020%20Seminars%20Attended.pdf</p>	
Recommendation 1.4			
<p>1. Board has a policy on board diversity.</p>	<p>Compliant</p>	<p><i>Provide information on or link/reference to a document containing information on the company's board diversity policy.</i></p> <p>Revised CG Manual, Article II, 1.1 Composition and 1.2 Diversity, page 6</p> <p>The Corporation is committed to having our Board comprised of qualified and dedicated Directors with a diverse mix of expertise, experience, skills and backgrounds. Diversity includes business experience, age, gender and ethnicity. Nominees shall be selected based on merit. In furtherance of this policy, the Corporate Governance and Nomination Committee will encourage the selection of a mix of competent Directors ensuring that female candidates are included for consideration, each of whom can add value and independent judgment in the formulation of sound corporate strategies and policies.</p> <p><i>Indicate gender composition of the board.</i></p> <p>IMI has one female Independent Director, Ms. Sherisa P. Nuesa.</p> <p>Board of Directors Members https://www.global-imi.com/sites/default/files/IMI Board%20Charter approved.pdf</p> <p>https://www.global-imi.com/sites/default/files/IMI 2020%20Board%20of%20Directors%20and%20Key%20Officers 1.pdf</p> <p>https://www.global-imi.com/sites/default/files/SEC-PSE-Result%20of%20ASM%20and%20Org%20BOD 4.15.20.pdf</p> <p>2020 Results of Annual Stockholders' Meeting and Organizational Board Meeting https://www.global-imi.com/sites/default/files/SEC-PSE-Result%20of%20ASM%20and%20Org%20BOD 4.15.20.pdf</p>	

		<p>2021 Results of Annual Stockholders’ Meeting and Organizational Board Meeting https://www.global-imi.com/sites/default/files/SEC-PSE-Result%20of%20ASM%20and%20Org%20BOD_4.15.21%20%281%29.pdf</p>	
Optional: Recommendation 1.4			
<p>1. Company has a policy on and discloses measurable objectives for implementing its board diversity and reports on progress in achieving its objectives.</p>	Compliant	<p>Provide information on or link/reference to a document containing the company’s policy and measurable objectives for implementing board diversity.</p> <p>Provide link or reference to a progress report in achieving its objectives.</p> <p>2020 Annual Report – Corporate Governance, Board Diversity, page 52 https://www.global-imi.com/investors/annual-reports</p> <p>Board Diversity Policy</p> <p>The Board shall adopt a policy on diversity that 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 adopts the following policy:</p> <p>The Board shall be comprised of at least 20% female directors, or at least 2 female directors, whichever is lower, by 2023.</p> <p>The Board shall be comprised of at least 30% female directors, or at least 3 female directors, whichever is lower, by 2025.</p>	
Recommendation 1.5			
<p>1. Board is assisted by a Corporate Secretary.</p>	Compliant	<p><i>Provide information on or link/reference to a document containing information on the Corporate Secretary, including his/her name, qualifications, duties and functions.</i></p> <p>Please refer to Board of Directors Members and Key Officers for the Corporate Secretary’s profile.</p> <p>Corporate Secretary – Solomon M. Hermosura</p>	
<p>2. Corporate Secretary is a separate individual from the Compliance Officer.</p>	Compliant		
<p>3. Corporate Secretary is not a member of the Board of Directors.</p>	Compliant		

		<p>Compliance Officer – Laurice S. Dela Cruz</p> <p>Atty. Solomon M. Hermosura is not a member of the Board of Directors.</p> <p>Revised CG Manual, Article III, G) The Corporate Secretary, page 25 https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018_Nov%202018_0.pdf</p> <p>Board Charter, Section 8. Corporate Secretary, page 6 https://www.global-imi.com/sites/default/files/IMI_Board_Charter_approved.pdf</p> <p>2020 Results of Annual Stockholders’ Meeting and Organizational Board Meeting https://www.global-imi.com/sites/default/files/SEC-PSE-Result%20of%20ASM%20and%20Org%20BOD_4.15.20.pdf</p> <p>2021 Results of Annual Stockholders’ Meeting and Organizational Board Meeting https://www.global-imi.com/sites/default/files/SEC-PSE-Result%20of%20ASM%20and%20Org%20BOD_4.15.21%20%281%29.pdf</p>	
4. Corporate Secretary attends training/s on corporate governance.	Compliant	<p><i>Provide information or link/reference to a document containing information on the corporate governance training attended, including number of hours and topics covered</i></p> <p>IMI’s Corporate Secretary and Assistant Corporate Secretary attended The Board Agenda 2020: The Business of Building Back Better (Ayala Integrated Corporate Governance, Risk Management and Sustainability Summit) on November 10, 2020 through a Zoom webinar.</p> <p>Refer to attendance posted on the website: https://www.global-imi.com/sites/default/files/IMI%202020%20Seminars%20Attended.pdf</p>	
Optional: Recommendation 1.5			
1. Corporate Secretary distributes materials for board meetings at least five business days before scheduled meeting.	Compliant	<p>Provide proof that corporate secretary distributed board meeting materials at least five business days before scheduled meeting</p> <p>Revised CG Manual, Article III, G) The Corporate Secretary, page 25</p>	

		<p>Responsibilities of the Corporate Secretary vi. Informs members of the Board, in accordance with the by-laws, of the agenda of their meetings at least five working days in advance, and ensures that the members have before them accurate information that will enable them to arrive at intelligent decisions on matters that require their approval;</p> <p>https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018_Nov%202018_0.pdf</p>	
Recommendation 1.6			
1. Board is assisted by a Compliance Officer.	Compliant	<p>Provide information on or link/reference to a document containing information on the Compliance Officer, including his/her name, position, qualifications, duties and functions.</p> <p>The Compliance Officer, Ms. Laurice S. Dela Cruz, is the Global Head, Financial Planning and Analysis and Compliance Officer of IMI. Although she does not hold a rank of Senior Vice President, she has adequate stature and authority in the corporation to undertake the compliance functions.</p> <p>Board of Directors Members and Key Officers for the Compliance Officers' profile https://www.global-imi.com/sites/default/files/IMI_2021%20Board%20of%20Directors%20and%20Key%20Officers.pdf</p> <p>2020 Results of Annual Stockholders' Meeting and Organizational Board Meeting https://www.global-imi.com/sites/default/files/SEC-PSE-Result%20of%20ASM%20and%20Org%20BOD_4.15.20.pdf</p> <p>2021 Results of Annual Stockholders' Meeting and Organizational Board Meeting https://www.global-imi.com/sites/default/files/SEC-PSE-Result%20of%20ASM%20and%20Org%20BOD_4.15.21%20%281%29.pdf</p> <p>Compliance Officer – Laurice S. Dela Cruz (Global Head, Financial Planning and Analysis and Compliance Officer)</p> <p>Ms. Dela Cruz is not a member of the Board of Directors.</p>	
2. Compliance Officer has a rank of Senior Vice President or an equivalent position with adequate stature and authority in the corporation.	Compliant		
3. Compliance Officer is not a member of the board.	Compliant		

		<p>Revised CG Manual, Article V, 3 Duties of the Compliance Officer, page 30 https://www.global-imi.com/sites/default/files/IMI_Board%20Charter_approved.pdf</p> <p>https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018_Nov%202018_0.pdf</p> <p>2021 Definitive Information Statement, Annex B Directors and Officers, pages 24-29 https://www.global-imi.com/sites/default/files/IMI%20%202021%20Definitive%20Infomation%20State ment_0.pdf</p>	
4. Compliance Officer attends training/s on corporate governance.	Compliant	<p>Provide information on or link/reference to a document containing information on the corporate governance training attended, including number of hours and topics covered</p> <p>IMI's Compliance Officer (Laurice S. Dela Cruz) attended The Board Agenda 2020: The Business of Building Back Better (Ayala Integrated Corporate Governance, Risk Management and Sustainability Summit) on November 10, 2020 through a Zoom webinar.</p> <p>Refer to attendance posted on the website: https://www.global-imi.com/sites/default/files/IMI%202020%20Seminars%20Attended.pdf</p>	
<p>Principle 2: The fiduciary roles, responsibilities and accountabilities of the Board as provided under the law, the company's articles and by-laws, and other legal pronouncements and guidelines should be clearly made known to all directors as well as to stockholders and other stakeholders.</p>			
<p>Recommendation 2.1</p>			
1. Directors act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the company.	Compliant	<p><i>Provide information or reference to a document containing information on how the directors performed their duties (can include board resolutions, minutes of meeting)</i></p> <p>Revised CG Manual, Article II, 1.13 Specific Duties and Responsibilities of each Director, page 14</p>	

		<p>e) Act judiciously on a fully informed basis, in good faith and with due diligence and care. Before deciding on any matter brought before the Board of Directors, every director should evaluate the issues, ask questions and seek clarifications as appropriate.</p> <p>https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018_Nov%202018_0.pdf</p> <p>Company Disclosure – Results of Meeting of the Board of Directors</p> <p>2020 Results of Annual or Special Stockholders' Meeting https://edge.pse.com.ph/openDiscViewer.do?edge_no=091b8450414651860de8473cebbd6407</p> <p>2020 Results of Organizational Meeting of Board of Directors https://edge.pse.com.ph/openDiscViewer.do?edge_no=713f626bd76baf330de8473cebbd6407</p> <p>2021 Results of Annual or Special Stockholders' Meeting https://edge.pse.com.ph/openDiscViewer.do?edge_no=4b083f17a385f7965d542af6f1e997b9</p> <p>2021 Results of Organizational Meeting of Board of Directors https://edge.pse.com.ph/openDiscViewer.do?edge_no=96075be1068fe3405d542af6f1e997b9</p> <p>2021 ASM Minutes of Meeting https://www.global-imi.com/sites/default/files/IMI-2021%20ASM%20Minutes%20%2815April2021%29_0.pdf</p>	
Recommendation 2.2			
1. Board oversees the development, review and approval of the company's business objectives and strategy.	Compliant	<i>Provide information or link/reference to a document containing information on how the directors performed this function (can include board resolutions, minutes of meeting)</i>	
2. Board oversees and monitors the	Compliant	<i>Indicate frequency of review of business objectives and strategy</i>	

<p>implementation of the company's business objectives and strategy.</p>	<p>Revised CG Manual, Article II, 1.12 Responsibility of the Board for Good Governance, page 10</p> <p>b) To ensure good governance of the Corporation, the Board shall formulate and continuously review the Corporation's vision, mission, strategic objectives, policies and procedures that shall guide its activities, including the means to effectively monitor Management's performance. The Board shall review the vision and mission statement of the Corporation ever year and shall oversee the implementation of the corporate strategy.</p> <p>https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018_Nov%202018_0.pdf</p> <p>Company Disclosure – Results of Meeting of the Board of Directors</p> <p>2020 Results of Annual or Special Stockholders' Meeting https://edge.pse.com.ph/openDiscViewer.do?edge_no=091b8450414651860de8473cebbd6407</p> <p>2020 Results of Organizational Meeting of Board of Directors https://edge.pse.com.ph/openDiscViewer.do?edge_no=713f626bd76baf330de8473cebbd6407</p> <p>2021 Results of Annual or Special Stockholders' Meeting https://edge.pse.com.ph/openDiscViewer.do?edge_no=4b083f17a385f7965d542af6f1e997b9</p> <p>2021 Results of Organizational Meeting of Board of Directors https://edge.pse.com.ph/openDiscViewer.do?edge_no=96075be1068fe3405d542af6f1e997b9</p> <p>Notice of Annual or Special Stockholders' Meeting https://edge.pse.com.ph/openDiscViewer.do?edge_no=4aca11fadcd3f4370de8473cebbd6407</p>	
<p>Supplement to Recommendation 2.2</p>		

2020 Integrated Annual Corporate Governance Report
Integrated Micro-Electronics, Inc.

<p>1. Board has a clearly defined and updated vision, mission and core values.</p>	<p>Compliant</p>	<p><i>Indicate or provide link/reference to a document containing the company’s vision, mission and core values.</i></p> <p><i>Indicate frequency of review of the vision, mission and core values.</i></p> <p>2020 Annual Report, Our Vision, Our Mission, Our Core Values, page 6 and Board Structure and Processes, page 50 https://www.global-imi.com/investors/annual-reports</p> <p>IMI Website – About IMI https://www.global-imi.com/about</p> <p>Revised CG Manual, Article II, 1.12 Responsibility of the Board for Good Governance, page 10 https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018_Nov%202018_0.pdf</p> <p>Board Charter, Section 6. Responsibilities of the Board 1.C. Review vision and mission statement of the Corporation every year. https://www.global-imi.com/sites/default/files/IMI_Board_Charter_approved.pdf</p>	
<p>2. Board has a strategy execution process that facilitates effective management performance and is attuned to the company’s business environment, and culture.</p>	<p>Compliant</p>	<p><i>Provide information on or link/reference to a document containing information on the strategy execution process.</i></p> <p>Board Charter, Section 6. Responsibilities of the Board https://www.global-imi.com/sites/default/files/IMI_Board_Charter_approved.pdf</p> <p>Revised CG Manual, Article II, 1.12 Responsibility of the Board for Good Governance, page 11</p> <p>c) Oversee the development of and approve the Corporation’s business objectives and strategy, and monitor their implementation to sustain its long-term viability and strength.</p> <p>https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018_Nov%202018_0.pdf</p>	

Recommendation 2.3			
<p>1. Board is headed by a competent and qualified Chairperson.</p>	<p>Compliant</p>	<p><i>Provide information or reference to a document containing information on the Chairperson, including his/her name and qualifications</i></p> <p>IMI's BOD Chairman is Mr. Jaime Augusto Zobel de Ayala</p> <p>2021 Definitive Information Statement, Annex B Directors and Officers, pages 24-29 https://www.global-imi.com/sites/default/files/IMI%20%202021%20Definitive%20Infomation%20State%20ment_0.pdf</p> <p>2020 Results of Annual Stockholders' Meeting and Organizational Board Meeting https://www.global-imi.com/sites/default/files/SEC-PSE-Result%20of%20ASM%20and%20Org%20BOD_4.15.20.pdf</p> <p>2021 Results of Annual Stockholders' Meeting and Organizational Board Meeting https://www.global-imi.com/sites/default/files/SEC-PSE-Result%20of%20ASM%20and%20Org%20BOD_4.15.21%20%281%29.pdf</p> <p>2020 Annual Report – Directors' Profiles, page 38 https://www.global-imi.com/investors/annual-reports</p>	
Recommendation 2.4			
<p>1. Board ensures and adopts an effective succession planning program for directors, key officers and management.</p>	<p>Compliant</p>	<p><i>Disclose and provide information or link/reference to a document containing information on the company's succession planning policies and programs and its implementation.</i></p> <p>Revised CG Manual, Article II, 2.2 Corporate Governance and Nomination Committee, page 16</p>	
<p>2. Board adopts a policy on the retirement for directors and key officers.</p>	<p>Compliant</p>	<p>Revised CG Manual, Article II, 1.3 Retirement age of Directors, page 5</p> <p>The Board should be responsible for ensuring and adopting an effective succession planning program for Directors, key officers and management to ensure growth and a continued increase in the shareholders' value.</p>	

		<p>No person eighty (80) years of age or older shall be eligible for election, re-election, appointment or re-appointments as a member of the Board.</p> <p>https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018_Nov%202018_0.pdf</p>	
Recommendation 2.5			
1. Board aligns the remuneration of key officers and board members with long-term interests of the company.	Compliant	<p><i>Provide information on or link/reference to a document containing information on the company's remuneration policy and its implementation, including the relationship between remuneration and performance.</i></p>	
2. Board adopts a policy specifying the relationship between remuneration and performance.	Compliant	<p>Personnel and Compensation Committee Charter https://www.global-imi.com/sites/default/files/IMI_Charter%20of%20Personnel%20and%20Compensation%20Committee_October%202020_0.pdf</p>	
3. Directors do not participate in discussions or deliberations involving his/her own remuneration.	Compliant	<p>The Board through its Personnel and Compensation Committee shall:</p> <ol style="list-style-type: none"> 1. establish 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; 2. Oversees the annual performance review of each members of the Management appointment by the Board other than the Chief Executive Officer (CEO), Chief Operating Officer (COO) and President and measure such performance against each of his key performance areas and objectives pursuant to the Corporation's plans and determine his or her compensation for the approval of the Board; 3. Review the structure and competitiveness of the Corporation's executive officer compensation programs considering the following factors: (i) the attraction and retention of executive officers; (ii) the motivation of executive officers to achieve the Corporation's business objectives; and (iii) the alignment of the interests of executive officers with the long-term interests of the Corporation's shareholders and other stakeholders; 	

		<p>4. Develop a form on Full Business Interest Disclosure as part of the pre-employment requirements for all incoming officers, which among things, compel all officers to declare under the penalty of perjury all their existing business interests or shareholdings that may directly or indirectly conflict in their performance of duties once hired;</p> <p>5. Disallow any director to decide his own remuneration during his incumbent term;</p> <p>Revised CG Manual, Article II, 2.3 Compensation Committee, page 17 https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018 Nov%202018 0.pdf</p> <p>2020 Annual Report – Board remuneration, page 53 https://www.global-imi.com/investors/annual-reports</p> <p>Amended By-Laws, Article IV, Section 9, page 7 https://www.global-imi.com/sites/default/files/SEC-PSE-SEC%27s%20Approval%20of%20the%20Amended%20By-Laws 4.13.21 0.pdf</p>	
Optional: Recommendation 2.5			
<p>1. Board approves the remuneration of senior executives.</p>	<p>Compliant</p>	<p><i>Provide proof of board approval</i></p> <p>The Board through its Personnel and Compensation Committee establish a formal and transparent procedure for developing a policy on 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;</p> <p>Revised Manual of Corporate Governance, Article II Board Governance, 2.3 Compensation Committee, page 17 https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018 Nov%202018 0.pdf</p> <p>Personnel and Compensation Committee Charter</p>	

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		https://www.global-imi.com/sites/default/files/IMI_Charter%20of%20Personnel%20and%20Compensation%20Committee_October%202020_0.pdf	
2. Company has measurable standards to align the performance-based remuneration of the executive directors and senior executives with long-term interest, such as claw back provision and deferred bonuses.		<p><i>Provide information on or link/reference to a document containing measurable standards to align performance-based remuneration with the long-term interest of the company.</i></p> <p>2020 Annual Report – Corporate Governance, Board Remuneration, page 53 https://www.global-imi.com/investors/annual-reports</p> <p>Personnel and Compensation Committee Charter https://www.global-imi.com/sites/default/files/IMI_Charter%20of%20Personnel%20and%20Compensation%20Committee_October%202020_0.pdf</p>	
Recommendation 2.6			
1. Board has a formal and transparent board nomination and election policy.	Compliant	<i>Provide information or reference to a document containing information on the company's nomination and election policy and process and its implementation, including the criteria used in selecting new directors, how the shortlisted candidates and how it encourages nominations from shareholders.</i>	
2. Board nomination and election policy is disclosed in the company's Manual on Corporate Governance.	Compliant	<i>Provide proof if minority shareholders have a right to nominate candidates to the board</i>	
3. Board nomination and election policy includes how the company accepted nominations from minority shareholders.	Compliant	<i>Provide information if there was an assessment of the effectiveness of the Board's processes in the nomination, election or replacement of a director.</i>	
4. Board nomination and election policy includes how the board shortlists candidates.	Compliant	Revised CG Manual, Article II, 2.2 Corporate Governance and Nomination Committee, page 16	
5. Board nomination and election policy includes an assessment of the effectiveness of the Board's processes in the nomination, election or replacement of a director.	Compliant	<p>Revised CG Manual, Article VIII. Stockholders' Rights and Protection of Minority Stockholders' Interests, a) Voting right, page 33 https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018_Nov%202018_0.pdf</p> <p>All stockholders, including minority shareholders, have the right to nominate, elect,</p>	

		<p>remove and replace directors and vote on certain corporate acts in accordance with the Corporation Code.</p> <p>A shareholder may submit written nominations to the Corporate Governance and Nomination Committee at least thirty (30) business days before the next annual meeting of the stockholders. Nominees will be evaluated by the Corporate Governance and Nomination Committee which shall determine whether the nominees have all the qualifications and none of the disqualifications to serve as member of the Board before submitting the nominees for election by the stockholders. The profiles of the nominees to the Board will be provided in the Information Statement and in the Corporation’s website for examination by the stockholders.</p> <p>The Corporation shall allow voting in absentia by sending out to each stockholder ballot with a proxy form, which should be submitted within the prescribed period. The votes in the ballot would be counted even if the stockholder does not attend personally or by proxy. Cumulative voting shall be used in the election of directors. Directors may be removed with or without cause, but directors shall not be removed without cause if it will deny minority shareholders representation in the Board. Removal of directors requires an affirmative vote of two-thirds (2/3) of the outstanding capital of the Corporation.</p> <p>IMI’s Board Charter, Section 4. Election of Directors, page 2 https://www.global-imi.com/sites/default/files/IMI Board Charter approved.pdf</p> <p>IMI’s Corporate Governance and Nomination Committee Charter https://www.global-imi.com/sites/default/files/IMI Charter%20of%20Corporate%20Governance%20and%20Nomination%20Committee October%202020 0.pdf</p> <p>Amended By-Laws, Article IV, Section 4, page 5 https://www.global-imi.com/sites/default/files/SEC-PSE-SEC%27s%20Approval%20of%20the%20Amended%20By-Laws 4.13.21 0.pdf</p>	
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Optional: Recommendation to 2.6			
1. Company uses professional search firms or other external sources of candidates (such as director databases set up by director or shareholder bodies) when searching for candidates to the board of directors.	Compliant	<p><i>Identify the professional search firm used or other external sources of candidates</i></p> <p>The Corporate Governance and Nomination Committee may make use of professional search firms or other external sources of candidates to search for qualified candidates to the Board.</p> <p>Charter of the Corporate Governance and Nomination Committee, Section 3, page 4 https://www.global-imi.com/sites/default/files/IMI_Charter%20of%20Corporate%20Governance%20and%20Nomination%20Committee_October%202020_0.pdf</p>	
Recommendation 2.7			
1. Board has overall responsibility in ensuring that there is a group-wide policy and system governing related party transactions (RPTs) and other unusual or infrequently occurring transactions.	Compliant	<p><i>Provide information on or reference to a document containing the company's policy on related party transaction, including policy on review and approval of significant RPTs</i></p> <p><i>Identify transactions that were approved pursuant to the policy.</i></p>	
2. RPT policy includes appropriate review and approval of material RPTs, which guarantee fairness and transparency of the transactions.	Compliant	<p>A Related Party Transaction (RPT) Committee was assigned by the Board to review all material related party transactions (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.</p> <p>Related Party Transactions Policy https://www.global-imi.com/sites/default/files/IMI%20RPT%20POLICY_2019_Signed.pdf</p> <p>2020 Annual Report – Note 31. Related Party Transactions, page 153 https://www.global-imi.com/investors/annual-reports</p>	
3. RPT policy encompasses all entities within the group, taking into account their size, structure, risk profile and complexity of operations.	Compliant		

		<p>Charter of Related Party Transactions Committee https://www.global-imi.com/sites/default/files/IMI_Charter%20of%20Related%20Party%20Transaction%20Committee_0.pdf</p>	
Supplement to Recommendations 2.7			
<p>1. Board clearly defines the threshold for disclosure and approval of RPTs and categorizes such transactions according to those that are considered <i>de minimis</i> or transactions that need not be reported or announced, those that need to be disclosed, and those that need prior shareholder approval. The aggregate amount of RPTs within any twelve (12) month period should be considered for purposes of applying the thresholds for disclosure and approval.</p>	Compliant	<p><i>Provide information on a materiality threshold for RPT disclosure and approval, if any.</i></p> <p><i>Provide information on RPT categories</i></p> <p>3.4 SEC-Defined Material Related Party Transactions (SEC-Defined Material RPTs) – any related party transaction/s, either individually, or in aggregate over a twelve (12)-month period with the same related party, amounting to ten percent (10%) or higher of the Company’s consolidated assets based on its latest audited financial statements.</p> <p>3.7 Company Materiality Threshold – US\$1,000,000 or five percent (5%) of the Company’s consolidated assets based on its latest audited financial statements, whichever is lower.</p> <p>Related Party Transactions Policy https://www.global-imi.com/sites/default/files/IMI%20RPT%20POLICY_2019_Signed.pdf</p> <p>2020 Annual Report – Note to FS no. 31. Related Party Transactions, page 153 https://www.global-imi.com/investors/annual-reports</p> <p>Charter of Related Party Transactions Committee https://www.global-imi.com/sites/default/files/IMI_Charter%20of%20Related%20Party%20Transaction%20Committee_0.pdf</p>	
<p>2. Board establishes a voting system whereby a majority of non-related party shareholders approve specific types of related party transactions during</p>	Non-compliant	<p><i>Provide information on voting system, if any.</i></p> <p>Refer to Related Party Transactions Policy, Section 5.3, page 4 https://www.global-imi.com/sites/default/files/IMI_Charter%20of%20Related%20Party%20Transaction%20Committee_0.pdf</p>	<p>The Corporation has a well-established Related Party Transactions Policy in place and has a Related</p>

<p>shareholders' meetings.</p>		<p>imi.com/sites/default/files/IMI%20RPT%20POLICY_2019_Signed.pdf</p>	<p>Party Transactions Committee composed of at least two independent directors, one of whom chairs the Committee. Said committee exercises oversight over the related party transactions of the Corporation. The Corporation's management also ensures that transactions within the group are carried out on arms-length terms, engaging the services of an external auditor to do a transfer pricing review.</p> <p>For SEC Defined Material RPTs, the approval shall be by at least two-thirds (2/3) vote of the board of directors, with at least a majority vote of the independent directors. In case that a majority of the independent directors' vote is not secured, the Material RPT may be ratified by the vote of the stockholders representing at least two-thirds (2/3) of the outstanding capital stock. (Refer to Related Party Transactions Policy, Section 5.3, page 4)</p>
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Recommendation 2.8			
<p>1. Board is primarily responsible for approving the selection of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive).</p>	<p>Compliant</p>	<p><i>Provide information on or reference to a document containing the Board’s policy and responsibility for approving the selection of management.</i></p> <p><i>Identify the Management team appointed.</i></p> <p>Corporate Governance and Nomination Committee Charter, Section 4 - Chief Executive Officer, Chief Operating Officer and President Positions https://www.global-imi.com/sites/default/files/IMI_Charter%20of%20Corporate%20Governance%20and%20Nomination%20Committee_October%202020_0.pdf</p> <p>Revised CG Manual, 1.12 Responsibility of the Board for Good Governance, page 10 https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018_Nov%202018_0.pdf</p> <p>e. Select, appoint and assess the performance of the President, CEO, Chief Operating Officer (COO), and other senior officers including the Chief Finance Officer, Chief Risk Officer, Compliance Officer and Chief Audit Executive in accordance with the process and criteria set in the Board Charter;</p> <p>2020 Results of Annual Stockholders’ Meeting and Organizational Board Meeting https://www.global-imi.com/sites/default/files/SEC-PSE-Result%20of%20ASM%20and%20Org%20BOD_4.15.20.pdf</p> <p>2021 Results of Annual Stockholders’ Meeting and Organizational Board Meeting https://www.global-imi.com/sites/default/files/SEC-PSE-Result%20of%20ASM%20and%20Org%20BOD_4.15.21%20%281%29.pdf</p> <p>2021 Definitive Information Statement, Annex B Directors and Officers, pages 24-29 https://www.global-imi.com/sites/default/files/IMI%20202021%20Definitive%20Information%20Statement_0.pdf</p>	

<p>2. Board is primarily responsible for assessing the performance of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive).</p>	<p>Compliant</p>	<p><i>Provide information on or reference to a document containing the Board’s policy and responsibility for assessing the performance of management.</i></p> <p><i>Provide information on the assessment process and indicate frequency of assessment of performance.</i></p> <p>Revised CG Manual, 1.12 Responsibility of the Board for Good Governance, page 10 https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018_Nov%202018_0.pdf</p> <p>e. Select, appoint and assess the performance of the President, CEO, Chief Operating Officer (COO), and other senior officers including the Chief Finance Officer, Chief Risk Officer, Compliance Officer and Chief Audit Executive in accordance with the process and criteria set in the Board Charter;</p> <p>Board Charter, Section 6. Responsibilities of the Board, s) (page 5) and “Annex B” IV.), page 11 https://www.global-imi.com/sites/default/files/IMI_Board_Charter_approved.pdf</p> <p>Section 6. Responsibilities of the Board s. Conduct an annual performance assessment of the Board, the individual Directors, the board committees, the President and CEO, and other key management officials.</p> <p>Personnel and Compensation Committee Charter, Section 2 – Item 2. https://www.global-imi.com/sites/default/files/IMI_Charter%20of%20Personnel%20and%20Compensation%20Committee_October%202020_0.pdf</p>	
Recommendation 2.9			
<p>1. Board establishes an effective performance management framework that ensures that Management’s</p>	<p>Compliant</p>	<p><i>Provide information on or link/reference to a document containing the Board’s performance management framework for management and personnel.</i></p>	

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performance is at par with the standards set by the Board and Senior Management.		Board Charter, Section 6. Responsibilities of the Board, s) (page 5) and “Annex B” IV.), page 11	
2. Board establishes an effective performance management framework that ensures that personnel’s performance is at par with the standards set by the Board and Senior Management.	Compliant	Section 6. Responsibilities of the Board S. Conduct an annual performance assessment of the Board, the individual Directors, the Board Committees, the President and CEO, and other key management officials; https://www.global-imi.com/sites/default/files/IMI_Board_Charter_approved.pdf	
Recommendation 2.10			
1. Board oversees that an appropriate internal control system is in place.	Compliant	<i>Provide information on or link/reference to a document showing the Board’s responsibility for overseeing that an appropriate internal control system is in place and what is included in the internal control system</i>	
2. The internal control system includes a mechanism for monitoring and managing potential conflict of interest of the Management, members and shareholders.	Compliant	Revised CG Manual, Article II, 1.12 General Responsibility of the Board for Good Governance, I), page 12 1.12 Responsibility of the Board for Good Governance I) The Board shall ensure the presence and adequacy of Internal Control mechanisms for good governance. The minimum internal control mechanisms for the Board’s oversight responsibility include, but shall not be limited to: i. Ensuring the presence of organizational and procedural controls, supported by an effective management information system and risk management reporting system; ii. Reviewing conflict of interest situations and providing appropriate remedial measures for these situations; iii. Appointing a Chief Executive Officer (CEO) with the appropriate ability, integrity, and experience to fill the role; and defining the duties and responsibilities of the CEO; iv. Reviewing proposed senior management appointments; v. Ensuring the selection, appointment and retention of qualified and competent management; reviewing the Corporation’s personnel and human resources policies, compensation plan and the management succession plan; vi. Institutionalizing the internal audit function and approves the Internal Audit	

		<p>Charter;</p> <p>vii. Ensuring the presence of, and regularly reviewing, the performance and quality of external audit.</p> <p>Article IV. Governance Policy on Conflict of Interest, page 26</p> <p>https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018 Nov%202018 0.pdf</p> <p>Company website – Corporate Governance, Internal Control System and Risk Management</p> <p>https://www.global-imi.com/governance/internal-control-system-and-risk-management</p>	
3. Board approves the Internal Audit Charter.	Compliant	<p><i>Provide reference or link to the company’s Internal Audit Charter</i></p> <p>Internal Audit Charter</p> <p>https://www.global-imi.com/sites/default/files/IMI%20Internal%20Audit%20Charter%20Nov%202017.pdf</p> <p>Revised CG Manual, Article II, 1.12 General Responsibility of the Board for Good Governance, I), page 12</p> <p>(vi) Institutionalizing the internal audit function and approves the Internal Audit Charter;</p> <p>https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018 Nov%202018 0.pdf</p>	
Recommendation 2.11			
1. Board oversees that the company has in place a sound enterprise risk management (ERM) framework to effectively identify, monitor, assess and manage key business risks.	Compliant	<p><i>Provide information on or link/reference to a document showing the Board’s oversight responsibility on the establishment of a sound enterprise risk management framework and how the board was guided by the framework.</i></p> <p><i>Provide proof of effectiveness of risk management strategies, if any.</i></p>	
2. The risk management framework guides	Compliant	Revised CG Manual, Article II, 1.8 General Responsibility of the Board for Good	

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<p>the board in identifying units/business lines and enterprise-level risk exposures, as well as the effectiveness of risk management strategies.</p>		<p>Governance, d), (i), page 16</p> <p>(i) Ensuring the presence of organizational and procedural controls, supported by an effective management information system and risk management reporting system;</p> <p>Revised CG Manual, 1.9 Specific Duties of the Board of Directors, i), page 17</p> <p>i) Identify and monitor key risks and key performance areas, and endeavor to provide appropriate technology and systems for the proper identification and monitoring thereof;</p> <p>https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018_Nov%202018_0.pdf</p> <p>IMI's Audit and Risk Committee Charter https://www.global-imi.com/sites/default/files/IMI%20Audit%20and%20Risk%20Committee%20Charter%20Oct%202020%20-%20Final.pdf</p> <p>Enterprise Risk Management Policies and Procedures published in the IMI website. https://www.global-imi.com/governance/enterprise-risk-management</p> <p>2020 Annual Report – Enterprise Risk Management, page 62 https://www.global-imi.com/investors/annual-reports</p>	
Recommendation 2.12			
<p>1. Board has a Board Charter that formalizes and clearly states its roles, responsibilities and accountabilities in carrying out its fiduciary role.</p>	<p>Compliant</p>	<p><i>Provide link to the company's website where the Board Charter is disclosed.</i></p> <p>Board Charter published on the website. https://www.global-imi.com/sites/default/files/IMI_Board_Charter_approved.pdf</p>	
<p>2. Board Charter serves as a guide to the directors in the performance of their functions.</p>	<p>Compliant</p>		
<p>3. Board Charter is publicly available and</p>	<p>Compliant</p>		

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posted on the company's website.			
Additional Recommendation to Principle 2			
1. Board has a clear insider trading policy.	Compliant	<p><i>Provide information on or link/reference to a document showing company's insider trading policy.</i></p> <p>Insider Trading Policy published on the website. https://www.global-imi.com/sites/default/files/IMI%20Policy%20on%20Insider%20Trading_Aug%202019_0.pdf</p>	
Optional: Principle 2			
1. Company has a policy on granting loans to directors, either forbidding the practice or ensuring that the transaction is conducted at arm's length basis and at market rates.		<p><i>Provide information on or link/reference to a document showing company's policy on granting loans to directors, if any.</i></p> <p>The Related Party Transactions Policy include guidelines on ensuring arm's length terms on transactions with related parties, including directors. Refer to Section 8.0 and 9.0 of the RPT Policy https://www.global-imi.com/sites/default/files/IMI%20RPT%20POLICY_2019_Signed.pdf</p>	
2. Company discloses the types of decision requiring board of directors' approval.	Compliant	<p><i>Indicate the types of decision requiring board of directors' approval and where there are disclosed.</i></p> <p>Revised CG Manual, Article II, 1.12 Responsibility of the Board for Good Governance, pages 10-13 https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018_Nov%202018_0.pdf</p>	
<p>Principle 3: Board committees should be set up to the extent possible to support the effective performance of the Board's functions, particularly with respect to audit, risk management, related party transactions, and other key corporate governance concerns, such as nomination and remuneration. The composition, functions and responsibilities of all committees established should be contained in a publicly available Committee Charter.</p>			
Recommendation 3.1			
1. Board establishes board committees that focus on specific board functions to aid in	Compliant	<p><i>Provide information or link/reference to a document containing information on all the board committees established by the company.</i></p>	

<p>the optimal performance of its roles and responsibilities.</p>		<p>Revised CG Manual, 2. Board Committees, page 15</p> <p>The Board of Directors may create such committees as it may deem necessary to support it in the performance of its functions and in accordance with the By-Laws of the Corporation and to aid in good governance. As a minimum, however, the Board shall be supported by the following committees:</p> <ol style="list-style-type: none"> 1. Executive Committee 2. Corporate Governance and Nomination Committee 3. Personnel and Compensation Committee 4. Audit and Risk Committee 5. Finance Committee 6. Proxy Validation Committee 7. Related Party Transaction Committee <p>https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018 Nov%202018 0.pdf</p> <p>2020 Results of Annual Stockholders’ Meeting and Organizational Board Meeting https://www.global-imi.com/sites/default/files/SEC-PSE-Result%20of%20ASM%20and%20Org%20BOD 4.15.20.pdf</p> <p>2021 Results of Annual Stockholders’ Meeting and Organizational Board Meeting https://www.global-imi.com/sites/default/files/SEC-PSE-Result%20of%20ASM%20and%20Org%20BOD 4.15.21%20%281%29.pdf</p> <p>2020 Annual Report – Board Committees, page 54 https://www.global-imi.com/investors/annual-reports</p>	
Recommendation 3.2			
<p>1. Board establishes an Audit Committee to enhance its oversight capability over the company’s financial reporting, internal control system, internal and external audit processes, and compliance with applicable laws and regulations.</p>	<p>Compliant</p>	<p><i>Provide information or link/reference to a document containing information on the Audit Committee, including its functions.</i></p> <p>Audit and Risk Committee Charter</p> <p>https://www.global-</p>	

		<p>imi.com/sites/default/files/IMI%20Audit%20and%20Risk%20Committee%20Charter%20Oct%202020%20-%20Final.pdf</p> <p>Indicate if it is the Audit Committee’s responsibility to recommend the appointment and removal of the company’s external auditor.</p> <p>Yes. Refer to IMI’s Audit and Risk Committee Charter, D.3.3.1. External Auditor, page 7.</p> <p>3.1 Review the performance and recommend the appointment, retention or discharge and fees of the external auditor, duly accredited by SEC. In case of resignation or cessation from service of an external auditor, ensure that there is a process for reporting in the annual and current reports the reason for cessation from service, and the date thereof, of an external auditor.</p> <p>A preliminary copy of the said report shall be given by the Company to the external auditor before submission.</p>	
<p>2. Audit Committee is composed of at least three appropriately qualified non-executive directors, the majority of whom, including the Chairman is independent.</p>	<p>Compliant</p>	<p><i>Provide information or link/reference to a document containing information on the members of the Audit Committee, including their qualifications and type of directorship.</i></p> <p>Audit and Risk Committee Edgar O. Chua (ID) – Chairman Hiroshi Nishimura (ID) – Member Rafael Ma. C. Romualdez (NED) – Member</p> <p>2020 Annual Report, Board of Directors, Profiles of the Directors, page 38-45, Board and Board Committee Membership, page 55, and Report of the Audit and Risk Committee to the Board of Directors, page 82 https://www.global-imi.com/investors/annual-reports</p> <p>Revised CG Manual, 2.4 Audit and Risk Committee, page 18 https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018%20Nov%202018%200.pdf</p>	

		<p>Audit and Risk Committee Charter, E. Committee Membership, page 11 https://www.global-imi.com/sites/default/files/IMI%20Audit%20and%20Risk%20Committee%20Charter%20Oct%202020%20-%20Final.pdf</p>	
<p>3. All the members of the committee have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance.</p>	<p>Compliant</p>	<p><i>Provide information or link/reference to a document containing information on the background, knowledge, skills, and/or experience of the members of the Audit Committee.</i></p> <p>Audit and Risk Committee Edgar O. Chua (ID) – Chairman Hiroshi Nishimura (ID) – Member Rafael Ma. C. Romualdez (NED) – Member</p> <p>Audit and Risk Committee Charter, E. Committee Membership https://www.global-imi.com/sites/default/files/IMI%20Audit%20and%20Risk%20Committee%20Charter%20Oct%202020%20-%20Final.pdf</p> <p>2020 Annual Report – The Board of Directors, page 38 and Corporate Governance Programs Attended in 2020, page 57 https://www.global-imi.com/investors/annual-reports</p> <p>2021 Definitive Information Statement, Annex B Directors and Officers, pages 24-29 https://www.global-imi.com/sites/default/files/IMI%20%202021%20Definitive%20Information%20Statement_0.pdf</p> <p>Refer to attendance posted on the website: https://www.global-imi.com/sites/default/files/IMI%202020%20Seminars%20Attended.pdf</p> <p>All members of the Audit and Risk Committee have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and</p>	

		finance and regularly attends relevant trainings as part of the Committee's continuous learning program.	
4. The Chairman of the Audit Committee is not the Chairman of the Board or of any other committee.	Compliant	<p><i>Provide information or link/reference to a document containing information on the Chairman of the Audit Committee</i></p> <p>IMI's Chairman of the Audit and Risk Committee is not a Chairman of the Board or any other committee.</p> <p>2020 Results of Annual Stockholders' Meeting and Organizational Board Meeting https://www.global-imi.com/sites/default/files/SEC-PSE-Result%20of%20ASM%20and%20Org%20BOD_4.15.20.pdf</p> <p>2021 Results of Annual Stockholders' Meeting and Organizational Board Meeting https://www.global-imi.com/sites/default/files/SEC-PSE-Result%20of%20ASM%20and%20Org%20BOD_4.15.21%20%281%29.pdf</p> <p>2020 Board Committee Members https://www.global-imi.com/sites/default/files/IMI_2020%20Board%20Committee%20Members_June%202020.pdf</p>	
Supplement to Recommendation 3.2			
1. Audit Committee approves all non-audit services conducted by the external auditor.	Compliant	<p><i>Provide proof that the Audit Committee approved all non-audit services conducted by the external auditor.</i></p> <p>Audit and Risk Committee Charter, 3. External Audit, 3.7, page 8</p> <p>3.7 Review and approve of the proportion of audit versus non-audit work both in relation to their significance to the auditor and in relation to the Company's year-end financial statements, and total expenditure on consultancy, to ensure that non-audit work will not be in conflict with the audit functions of the external auditor. The amount of both audit and non-audit work of external auditors shall be disclosed in the annual report.</p> <p>https://www.global-imi.com/sites/default/files/IMI%20Audit%20and%20Risk%20Committee%20Charte</p>	

		<p>r%20Oct%202020%20-%20Final.pdf</p> <p>2020 Annual Report – Corporate Governance – Accountability and Audit, page 58 https://www.global-imi.com/investors/annual-reports</p> <p>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.</p>	
<p>2. Audit Committee conducts regular meetings and dialogues with the external audit team without anyone from management present.</p>	Compliant	<p><i>Provide proof that the Audit Committee conducted regular meetings and dialogues with the external audit team without anyone from management present.</i></p> <p>Audit and Risk Committee Charter, 3. External Audit, 3.6, page 8</p> <p>3.6 Conduct a separate meeting in executive session, with the external auditors to discuss matter that the committee or auditors believe should be discussed privately, including the results of the audit, year-end financial statements, the quality of management, financial and accounting controls.</p> <p>https://www.global-imi.com/sites/default/files/IMI%20Audit%20and%20Risk%20Committee%20Charter%20Oct%202020%20-%20Final.pdf</p> <p>Regular meetings were conducted with the external auditors without the presence of the management team to discuss any issues or concern.</p>	
Optional: Recommendation 3.2			
<p>1. Audit Committee meet at least four times during the year.</p>	Compliant	<p><i>Indicate the number of Audit Committee meetings during the year and provide proof</i></p> <p>In 2020, Audit and Risk Committee had five meetings during the year. https://www.global-</p>	

		imi.com/sites/default/files/IMI_2020%20Board%20Committee%20Meetings%20Attendance.pdf 2020 Annual Report, Board and Board Committee Membership, page 55 https://www.global-imi.com/investors/annual-reports	
2. Audit Committee approves the appointment and removal of the internal auditor.	Compliant	<i>Provide proof that the Audit Committee approved the appointment and removal of the internal auditor.</i> Duties and Responsibilities of the Audit and Risk Committee, page 6. Internal Audit. https://www.global-imi.com/sites/default/files/IMI%20Audit%20and%20Risk%20Committee%20Charter%20Oct%202020%20-%20Final.pdf	
Recommendation 3.3			
1. Board establishes a Corporate Governance Committee tasked to assist the Board in the performance of its corporate governance responsibilities, including the functions that were formerly assigned to a Nomination and Remuneration Committee.	Compliant	<i>Provide information or reference to a document containing information on the Corporate Governance Committee, including its functions</i> <i>Indicate if the Committee undertook the process of identifying the quality of directors aligned with the company's strategic direction, if applicable.</i> Charter of the Corporate Governance and Nomination Committee https://www.global-imi.com/sites/default/files/IMI_Charter%20of%20Corporate%20Governance%20and%20Nomination%20Committee_October%202020_0.pdf Revised CG Manual, Article II, 2.2 Corporate Governance and Nomination Committee, page 16 https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018_Nov%202018_0.pdf	
2. Corporate Governance Committee is composed of at least three members, all of whom should be independent directors.	Compliant	<i>Provide information or link/reference to a document containing information on the members of the Corporate Governance Committee, including their qualifications and type of directorship.</i> Corporate Governance and Nomination Committee Members are all Independent	

		<p>Directors Sherisa P. Nuesa (ID) – Chairman Edgar O. Chua (ID) – Member Hiroshi Nishimura (ID) – Member</p> <p>2020 Annual Report, Board and Board Committee Membership, page 55 https://www.global-imi.com/investors/annual-reports</p> <p>Charter of the Corporate Governance and Nomination Committee https://www.global-imi.com/sites/default/files/IMI_Charter%20of%20Corporate%20Governance%20and%20Nomination%20Committee_October%202020_0.pdf</p> <p>Revised CG Manual, Article II, 2.2 Corporate Governance and Nomination Committee, page 16 https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018_Nov%202018_0.pdf</p> <p>2020 Board Committee Members https://www.global-imi.com/sites/default/files/IMI_2020%20Board%20Committee%20Members_June%202020.pdf</p> <p>2020 Results of Annual Stockholders’ meeting and Organizational Board Meeting https://www.global-imi.com/sites/default/files/SEC-PSE-Result%20of%20ASM%20and%20Org%20BOD_4.15.20.pdf</p> <p>2021 Results of Annual Stockholders’ meeting and Organizational Board Meeting https://www.global-imi.com/sites/default/files/SEC-PSE-Result%20of%20ASM%20and%20Org%20BOD_4.15.21%20%281%29.pdf</p>	
<p>3. Chairman of the Corporate Governance Committee is an independent director.</p>	<p>Compliant</p>	<p><i>Provide information or link/reference to a document containing information on the Chairman of the Corporate Governance Committee.</i></p> <p>The Chairman of the Corporate Governance and Nomination Committee is Sherisa P. Nuesa, who is an Independent Director.</p>	

		<p>2020 Results of Annual Stockholders’ Meeting and Organizational Board Meeting https://www.global-imi.com/sites/default/files/SEC-PSE-Result%20of%20ASM%20and%20Org%20BOD_4.15.20.pdf</p> <p>2021 Results of Annual Stockholders’ Meeting and Organizational Board Meeting https://www.global-imi.com/sites/default/files/SEC-PSE-Result%20of%20ASM%20and%20Org%20BOD_4.15.21%20%281%29.pdf</p> <p>2020 Board Committee Members https://www.global-imi.com/sites/default/files/IMI_2020%20Board%20Committee%20Members_June%202020.pdf</p>	
Optional: Recommendation 3.3.			
<p>1. Corporate Governance Committee meet at least twice during the year.</p>	<p>Compliant</p>	<p>Indicate the number of Corporate Governance Committee meetings held during the year and provide proof thereof.</p> <p>The Corporate Governance Committee met four times in 2020.</p> <p>Refer to Committee Attendance posted on the website: https://www.global-imi.com/sites/default/files/IMI_2020%20Board%20Committee%20Meetings%20Attendance.pdf</p> <p>2020 Annual Report, Board and Board Committee Membership, page 55 https://www.global-imi.com/investors/annual-reports</p>	
Recommendation 3.4			
<p>1. Board establishes a separate Board Risk Oversight Committee (BROC) that should be responsible for the oversight of a company’s Enterprise Risk Management system to ensure its functionality and effectiveness.</p>	<p>Compliant</p>	<p><i>Provide information or link/reference to a document containing information on the Board Risk Oversight Committee (BROC), including its functions</i></p> <p>Audit and Risk Committee Charter</p> <p>https://www.global-imi.com/sites/default/files/IMI%20Audit%20and%20Risk%20Committee%20Charter.pdf</p>	

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		<p>r%20Oct%202020%20-%20Final.pdf</p> <p>The Company's Risk Oversight is covered by the Audit and Risk Committee, which is able to effectively perform the functions of a Board Risk Oversight Committee, particularly oversight of the company's Risk Management system.</p>	
<p>2. BROC is composed of at least three members, the majority of whom should be independent directors, including the Chairman.</p>	Compliant	<p><i>Provide information or link/reference to a document containing information on the members of the BROC, including their qualifications and type of directorship</i></p> <p>Audit and Risk Committee Members:</p> <p>Edgar O. Chua (ID) – Chairman Rafael Ma. C. Romualdez (NED) – Member Hiroshi Nishimura (ID) – Member</p> <p>2020 Annual Report, Board and Board Committee Membership, page 55 https://www.global-imi.com/investors/annual-reports</p> <p>Results of Annual Stockholders' meeting https://www.global-imi.com/sites/default/files/SEC-PSE-Result%20of%20ASM%20and%20Org%20BOD_4.15.20.pdf</p> <p>The Company's Risk Oversight is covered by Audit and Risk Committee which is composed of two independent directors and one non-executive director.</p>	
<p>3. The Chairman of the BROC is not the Chairman of the Board or of any other committee.</p>	Compliant	<p><i>Provide information or link/reference to a document containing information on the Chairman of the BROC</i></p> <p>IMI's Chairman of the Audit and Risk Committee is not a Chairman of the Board or any other committee.</p> <p>2020 Results of Annual Stockholders' Meeting and Organizational Board Meeting https://www.global-imi.com/sites/default/files/SEC-PSE-Result%20of%20ASM%20and%20Org%20BOD_4.15.20.pdf</p> <p>2021 Results of Annual Stockholders' Meeting and Organizational Board Meeting https://www.global-imi.com/sites/default/files/SEC-PSE-</p>	

		<p>Result%20of%20ASM%20and%20Org%20BOD 4.15.21%20%281%29.pdf</p> <p>Board Committee Members: https://www.global-imi.com/sites/default/files/IMI_2020%20Board%20Committee%20Members_June%202020.pdf</p> <p>The Company’s Risk Oversight is covered by Audit and Risk Committee, its Chairman does not hold any chairmanship to any other committees.</p>	
4. At least one member of the BROCC has relevant thorough knowledge and experience on risk and risk management.	Compliant	<p><i>Provide information or link/reference to a document containing information on the background, skills, and/or experience of the members of the BROCC.</i></p> <p>Audit and Risk Committee Charter, E. Committee Membership https://www.global-imi.com/sites/default/files/IMI%20Audit%20and%20Risk%20Committee%20Charter%20Oct%202020%20-%20Final.pdf</p> <p>2020 Annual Report – The Board of Directors, page 38 and Corporate Governance Programs Attended, page 57 https://www.global-imi.com/investors/annual-reports</p> <p>The Company’s Risk Oversight is covered by Audit and Risk Committee.</p> <p>The Audit and Risk Committee Members attended the Future-Ready Boards A Deep Dive on May 28, 2020 and The Board Agenda 2020: The Business of Building Back Better (Ayala Integrated Corporate Governance, Risk Management and Sustainability Summit) on November 10, 2020.</p>	
Recommendation 3.5			
1. Board establishes a Related Party Transactions (RPT) Committee, which is tasked with reviewing all material related party transactions of the company.	Compliant	<p><i>Provide information or link/reference to a document containing information on the Related Party Transactions (RPT) Committee, including its functions.</i></p> <p>Revised CG Manual, 2.7 Related Party Transactions Committee, page 21 https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018_Nov%202018_0.pdf</p>	

		<p>Related Party Transactions Policy https://www.global-imi.com/sites/default/files/IMI%20RPT%20POLICY_2019_Signed.pdf</p> <p>Related Party Transactions Committee Charter https://www.global-imi.com/sites/default/files/IMI_Charter%20of%20Related%20Party%20Transaction%20Committee_0.pdf</p>	
<p>2. RPT Committee is composed of at least three non-executive directors, two of whom should be independent, including the Chairman.</p>	<p>Compliant</p>	<p><i>Provide information or link/reference to a document containing information on the members of the RPT Committee, including their qualifications and type of directorship.</i></p> <p>2.7 Related Party Transactions Committee The Board shall appoint at least three (3) non-executive directors, two of whom should be independent, including the Chairman, which should be tasked with reviewing all material related party transactions of the company.</p> <p>RPT Committee: Hiroshi Nishimura (ID) – Chairman Rafael Romualdez (NED) – Member Edgar O. Chua (ID) – Member Jose Teodoro K. Limcaoco (NED) - Member</p> <p>2020 Annual Report, Board and Board Committee Membership, page 55 https://www.global-imi.com/investors/annual-reports</p> <p>Revised CG Manual, 2.7 Related Party Transactions Committee, page 21 https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018_Nov%202018_0.pdf</p> <p>2020 Results of Annual Stockholders’ Meeting https://www.global-imi.com/sites/default/files/SEC-PSE-Result%20of%20ASM%20and%20Org%20BOD_4.15.20.pdf</p> <p>https://edge.pse.com.ph/openDiscViewer.do?edge_no=010c51567d65d7050de84</p>	

		73cebbd6407 https://www.global-imi.com/sites/default/files/IMI_2020%20Board%20Committee%20Members_June%202020.pdf 2021 Results of Annual Stockholders' Meeting https://www.global-imi.com/sites/default/files/SEC-PSE-Result%20of%20ASM%20and%20Org%20BOD_4.15.21%20%281%29.pdf https://www.global-imi.com/sites/default/files/IMI_2021%20Board%20Committee%20Members.pdf	
Recommendation 3.6			
1. All established committees have a Committee Charter stating in plain terms their respective purposes, memberships, structures, operations, reporting process, resources and other relevant information.	Compliant	<i>Provide information on or link/reference to the company's committee charters, containing all the required information, particularly the functions of the Committee that is necessary for performance evaluation purposes.</i> Committee Charters published in the IMI website. https://www.global-imi.com/governance/board-matters	
2. Committee Charters provide standards for evaluating the performance of the Committees.	Compliant		
3. Committee Charters were fully disclosed on the company's website.	Compliant	<i>Provide link to company's website where the Committee Charters are disclosed.</i> Committee Charters https://www.global-imi.com/governance/board-matters	
Principle 4: To show full commitment to the company, the directors should devote the time and attention necessary to properly and effectively perform their duties and responsibilities, including sufficient time to be familiar with the corporation's business.			
Recommendation 4.1			
1. The Directors attend and actively participate in all meetings of the Board, Committees and shareholders in person	Compliant	<i>Provide information or link/reference to a document containing information on the process and procedure for tele/videoconferencing board and/or committee meetings.</i>	

<p>or through tele-/videoconferencing conducted in accordance with the rules and regulations of the Commission.</p>		<p><i>Provide information or link/reference to a document containing information on the attendance and participation of directors to Board, Committee and shareholders' meetings.</i></p> <p>Revised CG Manual, Article II, 1.11 Board Meetings and Quorum Requirements, page 10 https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018_Nov%202018_0.pdf</p> <p>1.11 Board Meetings and Quorum Requirements a) All the members of the Board, including Independent Directors, should attend and actively participate in all meeting of the Board, Committees, and Shareholders in person or through tele-/videoconferencing conducted in accordance with the rules and regulations of the Commission, except when justifiable causes, such as, illness, death in the immediate family and serious accidents, prevent them from doing so. In Board and Committee meetings, the director should review meeting materials and if called for, ask the necessary questions or seek clarifications and explanations.</p> <p>BOD meetings and Committee meetings attendance for the full year 2020 https://www.global-imi.com/sites/default/files/SEC-PSE-Attendance%20of%20Directors%20in%202020_2%20Feb%202021.pdf</p> <p>https://www.global-imi.com/sites/default/files/IMI_2020%20Board%20Committee%20Meetings%20Attendance.pdf</p> <p>2020 Annual Report, Board and Board Committee Membership, page 55 https://www.global-imi.com/investors/annual-reports</p>	
<p>2. The directors review meeting materials for all Board and Committee meetings.</p>	<p>Compliant</p>	<p>Revised CG Manual, 1.11 Board Meetings and Quorum Requirements, page 10</p> <p>a) All the members of the Board, including Independent Directors, should attend and actively participate in all meeting of the Board, Committees, and Shareholders in person or through tele-/videoconferencing conducted in accordance with the rules and regulations of the Commission, except when</p>	

		<p>justifiable causes, such as, illness, death in the immediate family and serious accidents, prevent them from doing so. In Board and Committee meetings, the director should review meeting materials and if called for, ask the necessary questions or seek clarifications and explanations.</p> <p>https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018_Nov%202018_0.pdf</p>	
3. The directors ask the necessary questions or seek clarifications and explanations during the Board and Committee meetings.	Compliant	<p><i>Provide information or link/reference to a document containing information on any questions raised or clarification/explanation sought by the directors.</i></p> <p>Directors have sought clarifications and necessary questions during the Board and Committee Meetings of the Company.</p>	
Recommendation 4.2			
1. Non-executive directors concurrently serve in a maximum of five publicly-listed companies to ensure that they have sufficient time to fully prepare for minutes, challenge Management’s proposals/views, and oversee the long-term strategy of the company.	Non-compliant	<p><i>Disclose if the company has a policy setting the limit of board seats that a non-executive director can hold simultaneously.</i></p> <p>Revised CG Manual, 1.4 Policy on multiple board seats, page 5</p> <p>Policy on Multiple Board Seats The Corporation shall ensure that adequate time and attention is given to the fulfillment of the Directors of their duties. The Independent Directors and Non-executive Directors shall hold no more than five (5) board seats in publicly-listed companies (PLCs) and Executive Directors shall hold no more than two (2) board seats in listed companies outside the Corporation’s group.⁴ In the implementation of this policy, the Board may consider several directorships in related companies or companies in the same industry as one. The Board may also allow Executive Directors to hold directorships that are necessary or desirable in the pursuit of the Corporation’s business or in furtherance of its corporate social responsibility.</p> <p>https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018_Nov%202018_0.pdf</p> <p>Provide information or reference to a document containing information on the directorships of the company’s directors in both listed and non-listed companies</p>	<p>Mr. Jaime Augusto Zobel de Ayala and Mr. Fernando Zobel de Ayala both hold more than five directorships in publicly-listed companies.</p> <p>As monitored and assessed by the Office of the Compliance Officer, this has not affected their effectivity as director particularly in terms of time and commitment to the Company.</p> <p>Mr. Jaime Augusto and Fernando Zobel de Ayala attended all of the BOD meetings in 2020.</p> <p>https://edge.pse.com.ph/</p>

		<p>2020 Annual Report – The Board of Directors, page 38 https://www.global-imi.com/investors/annual-reports</p>	<p>openDiscViewer.do?edge_no=d30a993b55a91f2d5d542af6f1e997b9</p> <p>https://www.global-imi.com/sites/default/files/SEC-PSE-Attendance%20of%20Directors%20in%202020_2%20Feb%202021.pdf</p>
Recommendation 4.3			
<p>1. The directors notify the company’s board before accepting a directorship in another company.</p>	Compliant	<p><i>Provide copy of written notification to the board or minutes of board meeting wherein the matter was discussed.</i></p> <p>As part of IMI’s Board of Directors qualifications, directorships in other companies are taken into consideration.</p> <p>Revised CG Manual, Article II. 1.13 Specific Duties and Responsibilities of each Director, page 13</p> <p>k) Notify the Board, through the Corporate Secretary, before accepting a directorship in another Corporation.</p> <p>https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018_Nov%202018_0.pdf</p>	
Optional: Principle 4			
<p>1. Company does not have any executive directors who serve in more than two boards of listed companies outside of the group.</p>	Compliant	<p>Mr. Arthur R. Tan (President and CEO) is not member of the board of any listed companies aside from IMI.</p> <p>2020 Annual Report – The Board of Directors, page 38 https://www.global-imi.com/investors/annual-reports</p>	
<p>2. Company schedules board of directors’ meetings before the start of the financial year.</p>	Compliant	<p><i>The Corporate Secretary informs the board of the schedule of meetings for the coming year.</i></p>	

		<p>Revised CG Manual, Article III. Management, G) The Corporate Secretary, 1, page 25</p> <p>1. Assist the Board and the board committees in the conduct of their meetings, including preparing an annual schedule of Board and committee meetings and the annual board calendar, and assisting the chairs of the Board and its committees to set agendas for those meetings;</p> <p>https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018 Nov%202018 0.pdf</p>	
3. Board of directors meet at least six times during the year.	Compliant	<p><i>Indicate the number of board meetings during the year and provide proof</i></p> <p>2020 Annual Report, Board and Board Committee Membership, page 55 https://www.global-imi.com/investors/annual-reports</p> <p>The BOD met six times during the year. https://www.global-imi.com/sites/default/files/SEC-PSE-Attendance%20of%20Directors%20in%202020 2%20Feb%202021.pdf</p>	
4. Company requires as minimum quorum of at least 2/3 for board decisions.	Compliant	<p><i>Indicate the required minimum quorum for board decisions</i></p> <p>Two-thirds (2/3) of the number of Directors as affixed in the Articles of Incorporation shall constitute a quorum for the transaction of corporate business. (Revised Manual of CG 1.11 Board Meetings and Quorum Requirements D. page 10) https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018 Nov%202018 0.pdf</p> <p>Amended By-Laws, Article IV, Section 6, page 6 https://www.global-imi.com/sites/default/files/SEC-PSE-SEC%27s%20Approval%20of%20the%20Amended%20By-Laws 4.13.21 0.pdf</p>	

Principle 5: The board should endeavor to exercise an objective and independent judgment on all corporate affairs

Recommendation 5.1

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<p>1. The Board has at least 3 independent directors or such number as to constitute one-third of the board, whichever is higher.</p>	<p>Compliant</p>	<p><i>Provide information or link/reference to a document containing information on the number of independent directors in the board.</i></p> <p>IMI has 4 independent directors, representing one-third of the Board of Directors.</p> <p>1.1 Composition</p> <p>The Board of Directors shall have eleven (11) members who shall be elected by the Corporation's stockholders entitled to vote at the annual meeting, and shall hold office for one year and until their successors are elected and qualified in accordance with the By-Laws of the Corporation.</p> <p>The Board shall be composed of a majority of non-executive directors and at least three (3) Independent Directors or such number as may be required by law who possess the necessary qualifications to effectively participate and help secure objective, independent judgment on corporate affairs and to substantiate proper checks and balances.</p> <p>The following are IMI's Independent Directors: Edgar O. Chua Hiroshi Nishimura Sherisa P. Nuesa Diosdado P. Banatao</p> <p>2020 Annual Report – The Board of Directors, page 38 https://www.global-imi.com/investors/annual-reports</p> <p>2020 Results of Annual Stockholders' Meeting and Organizational Board Meeting https://www.global-imi.com/sites/default/files/SEC-PSE-Result%20of%20ASM%20and%20Org%20BOD_4.15.20.pdf</p> <p>2021 Results of Annual Stockholders' Meeting and Organizational Board Meeting https://www.global-imi.com/sites/default/files/SEC-PSE-Result%20of%20ASM%20and%20Org%20BOD_4.15.21%20%281%29.pdf</p> <p>Results of Board Meeting on June 17, 2020 https://edge.pse.com.ph/openDiscViewer.do?edge_no=010c51567d65d7050de84</p>	
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Recommendation 5.2			
1. The independent directors possess all the qualifications and none of the disqualifications to hold the positions.	Compliant	<p><i>Provide information or link/reference to a document containing information on the qualifications of the independent directors.</i></p> <p>Revised CG Manual, 1.8 Independent Directors, page 7</p> <p>https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018_Nov%202018_0.pdf</p> <p>Part of the responsibilities of the Corporate Governance and Nomination Committee is to ensure that all Directors to be nominated have the qualifications and none of the disqualifications as stated in the Committee Charter.</p> <p>Corporate Governance and Nomination Committee Charter, Section 2. Powers, Duties and Responsibilities of Committee, b)</p> <p>https://www.global-imi.com/sites/default/files/IMI_Charter%20of%20Corporate%20Governance%20and%20Nomination%20Committee_October%202020_0.pdf</p>	
Supplement to Recommendation 5.2			
1. Company has no shareholder agreements, by-laws provisions, or other arrangements that constrain the directors' ability to vote independently.	Compliant	<p><i>Provide link/reference to a document containing information that directors are not constrained to vote independently.</i></p> <p>Amended By-Laws, Article IV on the Board of Directors.</p> <p>There were no provisions that constrain the directors' ability to vote independently.</p> <p>https://www.global-imi.com/sites/default/files/SEC-PSE-SEC%27s%20Approval%20of%20the%20Amended%20By-Laws_4.13.21_0.pdf</p>	
Recommendation 5.3			
1. The independent directors serve for a cumulative term of nine years (reckoned from 2012).	Compliant	<p><i>Provide information or link/reference to a document showing the years IDs have served as such.</i></p>	

		<p>Revised CG Manual, 1.8 Independent Directors, page 7</p> <p>The Board’s independent directors should serve for a maximum cumulative term of nine years. After which, the independent director should be perpetually barred from re-election as such in the same company, but may continue to qualify for nomination and election as a non-Independent director. In the instance that a company wants to retain an Independent director who has served for nine years, the Board should provide meritorious justification/s and seek shareholders’ approval during the annual shareholders’ meeting.</p> <p>https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018 Nov%202018 0.pdf</p> <p>2020 Annual Report – The Board of Directors, page 38 https://www.global-imi.com/investors/annual-reports</p>	
<p>2. The company bars an independent director from serving in such capacity after the term limit of nine years.</p>	<p>Compliant</p>	<p><i>Provide information or link/reference to a document containing information on the company’s policy on term limits for its independent director</i></p> <p>The Independent Directors have not served for more than nine years reckoned from 2012.</p> <p>Revised CG Manual, 1.8 Independent Directors, page 7</p> <p>The Board’s independent directors should serve for a maximum cumulative term of nine years. After which, the independent director should be perpetually barred from re-election as such in the same company, but may continue to qualify for nomination and election as a non-Independent director. In the instance that a company wants to retain an Independent director who has served for nine years, the Board should provide meritorious justification/s and seek shareholders’ approval during the annual shareholders’ meeting.</p> <p>https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018 Nov%202018 0.pdf</p>	
<p>3. In the instance that the company retains an independent director in the same</p>	<p>Compliant</p>	<p><i>Provide reference to the meritorious justification and proof of shareholders’ approval during the annual shareholders’ meeting.</i></p>	

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<p>capacity after nine years, the board provides meritorious justification and seeks shareholders' approval during the annual shareholders' meeting.</p>		<p>The Independent Directors have not served for more than nine years reckoned from 2012.</p> <p>Revised CG Manual, 1.8 Independent Directors, page 7</p> <p>The Board's independent directors should serve for a maximum cumulative term of nine years. After which, the independent director should be perpetually barred from re-election as such in the same company, but may continue to qualify for nomination and election as a non-Independent director. In the instance that a company wants to retain an Independent director who has served for nine years, the Board should provide meritorious justification/s and seek shareholders' approval during the annual shareholders' meeting.</p> <p>https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018_Nov%202018_0.pdf</p>	
Recommendation 5.4			
<p>1. The positions of Chairman of the Board and Chief Executive Officer are held by separate individuals.</p>	<p>Compliant</p>	<p><i>Identify the company's Chairman of the Board and Chief Executive Officer</i></p> <p>Results of Annual Stockholders' Meeting Jaime Augusto Zobel de Ayala – Chairman of the Board Arthur R. Tan – President and Chief Executive Officer</p> <p>2020 Results of Annual Stockholders' Meeting and Organizational Board Meeting https://www.global-imi.com/sites/default/files/SEC-PSE-Result%20of%20ASM%20and%20Org%20BOD_4.15.20.pdf</p> <p>2021 Results of Annual Stockholders' Meeting and Organizational Board Meeting https://www.global-imi.com/sites/default/files/SEC-PSE-Result%20of%20ASM%20and%20Org%20BOD_4.15.21%20%281%29.pdf</p>	
<p>2. The Chairman of the Board and Chief Executive Officer have clearly defined responsibilities.</p>	<p>Compliant</p>	<p><i>Provide information or link/reference to a document containing information on the roles and responsibilities of the Chairman of the Board and Chief Executive Officer.</i></p> <p><i>Identify the relationship of Chairman and CEO.</i></p>	

		Revised CG Manual, Article III. Management, a) Chairman of the Board and c) CEO, pages 23 to 25 https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018_Nov%202018_0.pdf	
Recommendation 5.5			
1. If the Chairman of the Board is not an independent director, the board designates a lead director among the independent directors.	Compliant	<p><i>Provide information or link/reference to a document containing information on a lead independent director and his roles and responsibilities, if any.</i></p> <p><i>Indicate if Chairman is independent.</i></p> <p>IMI's Chairman of the Board is not an Independent Director.</p> <p>The Board of Directors, at its regular meeting held on August 16, 2017, approved the appointment of Mr. Edgar O. Chua as the lead independent director in accordance with the recommendation provided under the Code of Corporate Governance for Publicly Listed Companies. Mr. Chua has been appointed as lead independent director annually during the organizational meeting of the Board.</p> <p>http://edge.pse.com.ph/openDiscViewer.do?edge_no=1b00817a151daea23318251c9257320d#sthash.QBiE9pQ3.dpbs</p> <p>2020 Results of Annual Stockholders' Meeting and Organizational Board Meeting https://www.global-imi.com/sites/default/files/SEC-PSE-Result%20of%20ASM%20and%20Org%20BOD_4.15.20.pdf</p> <p>2021 Results of Annual Stockholders' Meeting and Organizational Board Meeting https://www.global-imi.com/sites/default/files/SEC-PSE-Result%20of%20ASM%20and%20Org%20BOD_4.15.21%20%281%29.pdf</p> <p>Revised CG Manual, 1.10 Lead Independent Director, page 10 https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018_Nov%202018_0.pdf</p>	
Recommendation 5.6			
1. Directors with material interest in a transaction affecting the corporation	Compliant	<i>Provide proof of abstention, if this was the case</i>	

<p>abstain from taking part in the deliberations on the transaction.</p>		<p>There were no recent transactions of material interest that involved the Company's directors.</p> <p>Revised CG Manual, 1.13 Specific duties and responsibilities of each Director, b). page 14</p> <p>b) Conduct fair business transactions with the Corporation and ensure that personal interest does not bias Board decisions. A director shall not use his position to make profit or to acquire benefit or advantage for himself and/or his related interests. He should avoid situations that may compromise his impartiality. He should observe the conflict of interest policy stated in this Manual.</p> <p>https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018_Nov%202018_0.pdf</p> <p>Related Party Transactions Policy, Section 7.0. https://www.global-imi.com/sites/default/files/IMI%20RPT%20POLICY_2019_Signed.pdf</p>	
Recommendation 5.7			
<p>1. The non-executive directors (NEDs) have separate periodic meetings with the external auditor and heads of the internal audit, compliance and risk functions, without any executive present.</p>	<p>Compliant</p>	<p><i>Provide proof and details of said meeting, if any.</i></p> <p><i>Provide information on the frequency and attendees of meetings.</i></p> <p>The Audit and Risk Committee conducts executive session with the external auditor annually every July to discuss significant audit and control issues.</p>	
<p>2. The meetings are chaired by the lead independent director.</p>	<p>Compliant</p>	<p>The Audit and Risk Committee held an executive session with the Global Internal Audit last October 29, 2020 and discussed the Internal Audit organization and resources.</p> <p>Revised CG Manual, 1.11 Board Meetings and Quorum Requirements, page 10</p> <p>e) Non-executive Directors shall have separate periodic meetings with the external auditor and heads of the internal audit, compliance and risk functions, without any executive directors present to ensure proper checks and balances are in place</p>	

		<p>within the corporation. Meetings shall be chaired by the lead Independent Director.</p> <p>https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018_Nov%202018_0.pdf</p>	
Optional: Principle 5			
<p>1. None of the directors is a former CEO of the company in the past 2 years.</p>	Compliant	<p><i>Provide name/s of company CEO for the past 2 years.</i></p> <p>Mr. Arthur R. Tan has been the CEO of IMI since April 2002 up to present.</p> <p>2020 Annual Report – The Board of Directors, page 38 https://www.global-imi.com/investors/annual-reports</p>	
<p>Principle 6: The best measure of the Board’s effectiveness is through an assessment process. The Board should regularly carry out evaluations to appraise its performance as a body, and assess whether it possesses the right mix of backgrounds and competencies.</p>			
Recommendation 6.1			
<p>1. Board conducts an annual self-assessment of its performance as a whole.</p>	Compliant	<p><i>Provide proof of self-assessments conducted for the whole board, the individual members, the Chairman and the Committees</i></p> <p>Revised CG Manual, 1.13 Specific duties and responsibilities of each Director, I), page 14 https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018_Nov%202018_0.pdf</p> <p>Annual performance assessment of the Board. The board should conduct an annual self-assessment of its performance, including the performance of the Chairman, individual members and committees. Every three years, the assessment should be supported by an external facilitator. Criteria and process to determine the performance of the Board, the individual directors, committees are stated in the Board Charter.</p> <p>2020 Annual Report – Performance Assessment, page 57 https://www.global-imi.com/investors/annual-reports</p>	
<p>2. The Chairman conducts a self-assessment of his performance.</p>	Compliant		
<p>3. The individual members conduct a self-assessment of their performance.</p>	Compliant		
<p>4. Each committee conducts a self-assessment of its performance.</p>	Compliant		

		<p>IMI’s Board Assessment Questionnaire covers the following areas:</p> <ol style="list-style-type: none"> 1. Board Composition; 2. Roles and Functions; 3. Information Management; 4. Representation of shareholders and environment, social and governance (ESG); 5. Managing Company’s performance; 6. Senior executive’s performance management and succession planning; 7. Director development and management; 8. Risk management and internal control; 9. Overall perception. <p>The evaluation report includes highlights on the board, committees and individual performance across these categories and its relative standing against the market.</p> <p>Board Charter, Annex B, Guidelines in Conducting Performance Assessments, page 10 https://www.global-imi.com/sites/default/files/IMI_Board_Charter_approved.pdf</p> <p>Board Performance Assessment Survey Form https://www.global-imi.com/sites/default/files/IMI%20Board%20Performance%20Assessment%20Survey%20Form.pdf</p> <p>The Committees’ self-assessments were covered by the 2019 Board and Committee assessment conducted by an external facilitator.</p> <p>https://www.global-imi.com/sites/default/files/Integrated%20Micro-Electronics%20Inc_AON%20Certification.pdf</p>	
<p>5. Every three years, the assessments are supported by an external facilitator.</p>	<p>Compliant</p>	<p><i>Identify the external facilitator and provide proof of use of an external facilitator.</i></p> <p>Revised CG Manual, 1.13 Specific duties and responsibilities of each Director, I), page 14</p> <p>I) <i>Annual performance assessment of the Board.</i> The board should conduct an</p>	

		<p>annual self-assessment of its performance, including the performance of the Chairman, individual members and committees. Every three years, the assessment should be supported by an external facilitator. Criteria and process to determine the performance of the Board, the individual directors, committees are stated in the Board Charter.</p> <p>https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018 Nov%202018 0.pdf</p> <p>In compliance with the recommendation of SEC and ACGS, the 2019 annual performance assessment of the Company's Board was conducted in 2020 by an external facilitator, Aon Hewitt Singapore Pte Ltd.</p> <p>https://www.global-imi.com/sites/default/files/Integrated%20Micro-Electronics%20Inc_AON%20Certification.pdf</p>	
Recommendation 6.2			
<p>1. Board has in place a system that provides, at the minimum, criteria and process to determine the performance of the Board, individual directors and committees.</p>	<p>Compliant</p>	<p><i>Provide information or link/reference to a document containing information on the system of the company to evaluate the performance of the board, individual directors and committees, including a feedback mechanism from shareholders</i></p> <p>Revised CG Manual, 1.13 Specific duties and responsibilities of each Director, I), page 14 https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018 Nov%202018 0.pdf</p>	
<p>2. The system allows for a feedback mechanism from the shareholders.</p>	<p>Compliant</p>	<p>Board Charter, Annex B, Guidelines in Conducting Performance Assessments, page 10 https://www.global-imi.com/sites/default/files/IMI Board Charter approved.pdf</p> <p>Revised CG Manual, Article VIII. Stockholders' Rights and Protection of Minority Stockholders' Interests, page 33</p> <p>Stockholders of the company has the right to information upon request and for a legitimate purpose.</p> <p>https://www.global-imi.com/sites/default/files/IMI-</p>	

		Revised%20CG%20Manual%202018_Nov%202018_0.pdf Board Performance Assessment Survey Form https://www.global-imi.com/sites/default/files/IMI%20Board%20Performance%20Assessment%20Survey%20Form.pdf	
Principle 7: Members of the Board are duty-bound to apply high ethical standards, taking into account the interests of all stakeholders.			
Recommendation 7.1			
1. Board adopts a Code of Business Conduct and Ethics, which provide standards for professional and ethical behavior, as well as articulate acceptable and unacceptable conduct and practices in internal and external dealings of the company.	Compliant	<i>Provide information on or link/reference to the company's Code of Business Conduct and Ethics.</i> Code of Business Conduct and Ethics https://www.global-imi.com/governance/code-business-conduct-and-ethics	
2. The Code is properly disseminated to the Board, senior management and employees.	Compliant	<i>Provide information on or discuss how the company disseminated the Code to its Board, senior management and employees.</i> Global HR has the task of implementing and monitoring compliance of the Code of Business Conduct and Ethics. Code of Business Conduct and Ethics https://www.global-imi.com/governance/code-business-conduct-and-ethics	
3. The Code is disclosed and made available to the public through the company website.	Compliant	<i>Provide a link to the company's website where the Code of Business Conduct and Ethics is posted/ disclosed.</i> Code of Business Conduct and Ethics https://www.global-imi.com/governance/code-business-conduct-and-ethics	
Supplement to Recommendation 7.1			
1. Company has clear and stringent policies and procedures on curbing and penalizing	Compliant	<i>Provide information on or link/reference to a document containing information on the company's policy and procedure on curbing and penalizing bribery</i>	

<p>company involvement in offering, paying and receiving bribes.</p>		<p>Code of Business Conduct and Ethics, IV. ETHICS, 5. Fair Business, Advertising and Competition, pages 12-13 of pdf file</p> <p>(2) No Improper Advantage Bribes or other means of obtaining undue or improper advantage are not to be promised, offered, authorized, given, or accepted. This prohibition covers promising, offering, authorizing, giving, or accepting anything of value, either directly or indirectly through a third party, in order to obtain or retain business, direct business to any person, or otherwise gain an improper advantage.</p> <p>(5) Fair Business, Advertising, and Competition Each director, officer and employee should endeavor to deal fairly with the Company’s customers, suppliers, competitors, officers, and employees. No one should take unfair advantage of anyone through bribery, manipulation, concealment, misinterpretation of material facts, or any other unfair dealing practices.</p> <p>https://www.global-imi.com/governance/code-business-conduct-and-ethics</p>	
Recommendation 7.2			
<p>1. Board ensures the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics.</p>	<p>Compliant</p>	<p><i>Provide proof of implementation and monitoring of compliance with the Code of Business Conduct and Ethics and internal policies.</i></p> <p><i>Indicate who are required to comply with the Code of Business Conduct and Ethics and any findings on non-compliance.</i></p>	
<p>2. Board ensures the proper and efficient implementation and monitoring of compliance with company internal policies.</p>	<p>Compliant</p>	<p>(2) Adherence to the Code of Conduct and Ethics – The Board shall ensure that all Directors, executives and employees adhere to the Corporation’s Code of Conduct and Ethics. The Board shall adopt measures for the strict implementation and monitoring of compliance with the Code.</p> <p>Board Charter, Section 6. Responsibilities of the Board, page 6 https://www.global-imi.com/sites/default/files/IMI_Board_Charter_approved.pdf https://www.global-imi.com/sites/default/files/2018%20IMI%20Code%20of%20Conduct_BOD_rev%20</p>	

		D.PDF	
Disclosure and Transparency			
Principle 8: The company should establish corporate disclosure policies and procedures that are practical and in accordance with best practices and regulatory expectations.			
Recommendation 8.1			
1. Board establishes corporate disclosure policies and procedures to ensure a comprehensive, accurate, reliable and timely report to shareholders and other stakeholders that gives a fair and complete picture of a company's financial condition, results and business operations.	Compliant	<p><i>Provide information on or link/reference to the company's disclosure policies and procedures including reports distributed/made available to shareholders and other stockholders</i></p> <p>Revised CG Manual, Article VI. Disclosure and Transparency, page 31</p> <p>ARTICLE VI. Disclosure and Transparency</p> <p>The essence of corporate governance is transparency. The more transparent the internal workings of the corporation are, the more difficult it will be for Management and dominant stockholders to mismanage the corporation or misappropriate its assets.</p> <p>It is therefore essential that all material information about the corporation which could adversely affect its viability or the interest of the stockholders and other stakeholders should be publicly and timely disclosed. Such information should include, among others, earnings results, acquisition or disposition of assets, off balance sheet transactions, related party transactions, and direct and indirect remuneration of members of the Board and Management.</p> <p>The directors and officers shall therefore commit at all times to full disclosure of material information dealings and any dealings in the company's shares within three business days. It shall cause the filing all required information through the appropriate Exchange mechanisms for listed companies and submission to the Commission for the interest of its stockholders and other stakeholders.</p> <p>The Corporation shall make a full, fair, accurate and timely disclosure to the public of every material fact or event that occurs, particularly on the acquisition or disposal of significant assets, which could adversely affect the viability or the</p>	

		<p>interest of its shareholders and other stakeholders. Moreover, the Board of the offeree company should appoint an independent party to evaluate the fairness of the transaction price on the acquisition or disposal of assets.</p> <p>The Corporation includes media and analysts' briefing as channels of communication to ensure the timely and accurate dissemination of public, material and relevant information to its shareholders and other investors.</p> <p>https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018_Nov%202018_0.pdf</p> <p>Company website – Investors, Company Disclosures https://www.global-imi.com/</p>	
Supplement to Recommendations 8.1			
<p>1. Company distributes or makes available annual and quarterly consolidated reports, cash flow statements, and special audit revisions. Consolidated financial statements are published within ninety (90) days from the end of the fiscal year, while interim reports are published within forty-five (45) days from the end of the reporting period.</p>	<p>Compliant</p>	<p><i>Indicate the number of days within which the consolidated and interim reports were published, distributed or made available from the end of the fiscal year and end of the reporting period, respectively.</i></p> <p>IMI disclosed its Definitive Information Statement containing the Audited Financial Statements last March 23, 2020. 83 days from the end of the fiscal year. https://www.global-imi.com/sites/default/files/IMI%202020%20DIS%281%29.pdf</p> <p>IMI disclosed its Definitive Information Statement containing the Audited Financial Statements last March 25, 2020. 84 days from the end of the fiscal year. https://www.global-imi.com/sites/default/files/IMI%20%202021%20Definitive%20Infomation%20State ment_0.pdf</p> <p>For Quarterly Reports please refer to PSE Edge Portal.</p> <p>See link below to PSE Edge Portal. http://edge.pse.com.ph/companyDisclosures/form.do?cmpy_id=622</p> <p>2020 Q1 Financial Report – May 12, 2020 (42 days from the end of the reporting quarter period) https://edge.pse.com.ph/openDiscViewer.do?edge_no=5a2613395a9d09930de84</p>	

		<p>73cebbd6407</p> <p>2020 Q2 Financial Report – August 12, 2020 (43 days from the end of the reporting quarter period) https://edge.pse.com.ph/openDiscViewer.do?edge_no=c6d7b59153775b790de8473cebbd6407</p> <p>2020 Q3 Financial Report – November 13, 2020 (44 days from the end of the reporting quarter period) https://edge.pse.com.ph/openDiscViewer.do?edge_no=8492e8ab977e38870de8473cebbd6407</p>	
<p>2. Company discloses in its annual report the principal risks associated with the identity of the company’s controlling shareholders; the degree of ownership concentration; cross-holdings among company affiliates; and any imbalances between the controlling shareholders’ voting power and overall equity position in the company.</p>	Compliant	<p><i>Provide link or reference to the company’s annual report where the following are disclosed:</i></p> <ol style="list-style-type: none"> 1. <i>principal risks to minority shareholders associated with the identity of the company’s controlling shareholders;</i> 2. <i>cross-holdings among company affiliates; and</i> 3. <i>any imbalances between the controlling shareholders’ voting power and overall equity position in the company.</i> <p>IMI 2020 Annual Report (SEC Form 17-A) Item 11. Security Ownership of Certain Beneficial Owners and Management, page 61 https://www.global-imi.com/sites/default/files/2020%20SEC%20Form%2017-A Integrated%20Micro-Electronics%2C%20Inc.%20Final%20%281%29.pdf</p> <p>2021 IMI Definitive Information Statement, d. Security Ownership of certain record and beneficial owners and management, page 4. https://www.global-imi.com/sites/default/files/IMI%20%202021%20Definitive%20Infomation%20State ment_0.pdf</p>	
Recommendation 8.2			
<p>1. Company has a policy requiring all directors to disclose/report to the company any dealings in the company’s shares within three business days.</p>	Compliant	<p><i>Provide information on or link/reference to the company’s policy requiring directors and officers to disclose their dealings in the company’s share.</i></p> <p><i>Indicate actual dealings of directors involving the corporation’s shares including</i></p>	

<p>2. Company has a policy requiring all officers to disclose/report to the company any dealings in the company's shares within three business days.</p>	<p>Compliant</p>	<p><i>their nature, number/percentage and date of transaction.</i></p> <p>Insider Trading Policy</p> <p>https://www.global-imi.com/sites/default/files/IMI%20Policy%20on%20Insider%20Trading_Aug%202019_0.pdf</p> <p>Revised CG Manual, Article VI. Disclosure and Transparency, page 31</p> <p>The directors and officers shall therefore commit at all times to full disclosure of material information dealings and any dealings in the company's shares within three business days. It shall cause the filing all required information through the appropriate Exchange mechanisms for listed companies and submission to the Commission for the interest of its stockholders and other stakeholders.</p> <p>https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018_Nov%202018_0.pdf</p> <p>2020 Annual Report, Disclosure and Transparency, Changes in Shareholdings of Directors and Officers, page 60</p> <p>https://www.global-imi.com/investors/annual-reports</p> <p>IMI's Official Website, Corporate Disclosures, Statement of Changes in Beneficial Ownership of Securities</p> <p>https://www.global-imi.com/investors/prospectuscompany-disclosures</p>	
<p>Supplement to Recommendation 8.2</p>			
<p>1. Company discloses the trading of the corporation's shares by directors, officers (or persons performing similar functions) and controlling shareholders. This includes the disclosure of the company's purchase of its shares from the market (e.g. share buy-back program).</p>	<p>Compliant</p>	<p><i>Provide information on or link/reference to the shareholdings of directors, management and top 100 shareholders.</i></p> <p>2020 Annual Report, Disclosure and Transparency, Changes in Shareholdings of Directors and Officers, page 60</p> <p>https://www.global-imi.com/investors/annual-reports</p> <p>IMI's Official Website, Corporate Disclosures, Statement of Changes in Beneficial Ownership of Securities.</p>	

		<p>https://www.global-imi.com/investors/prospectuscompany-disclosures</p> <p>IMI's List of Top 100 Stockholders https://edge.pse.com.ph/openDiscViewer.do?edge_no=945032dc8340ed5d0de8473cebbd6407</p> <p>Provide link or reference to the company's Conglomerate Map.</p> <p>2020 Sec Form 17-A (Annual Report), Supplementary Schedules, page 212-213 of pdf file https://www.global-imi.com/sites/default/files/2020%20SEC%20Form%2017-A Integrated%20Micro-Electronics%2C%20Inc.%20Final%20%281%29.pdf</p>	
Recommendation 8.3			
1. Board fully discloses all relevant and material information on individual board members to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment.	Compliant	<p><i>Provide link or reference to the directors' academic qualifications, share ownership in the company, membership in other boards, other executive positions, professional experiences, expertise and relevant trainings attended.</i></p> <p>2021 Definitive Information Statement, Annex B Directors and Officers, page 24-29 https://www.global-imi.com/sites/default/files/IMI%20%202021%20Definitive%20Infomation%20State%20ment%200.pdf</p> <p>2020 Annual Report – The Board of Directors, page 38 https://www.global-imi.com/investors/annual-reports</p>	
2. Board fully discloses all relevant and material information on key executives to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment.	Compliant	<p><i>Provide link or reference to the key officers' academic qualifications, share ownership in the company, membership in other boards, other executive positions, professional experiences, expertise and relevant trainings attended.</i></p> <p>2021 Definitive Information Statement, Annex B Directors and Officers, page 24-29 https://www.global-imi.com/sites/default/files/IMI%20%202021%20Definitive%20Infomation%20State%20ment%200.pdf</p> <p>Revised CG Manual, Article II, 1.13 j) Orientation and Continuing Education Programs for Directors, page 14</p>	

		https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018_Nov%202018_0.pdf Board Charter, Section 11. Orientation and Continuing Education Programs for Directors, page 7 https://www.global-imi.com/sites/default/files/IMI_Board_Charter_approved.pdf	
Recommendation 8.4			
1. Company provides a clear disclosure of its policies and procedure for setting Board remuneration, including the level and mix of the same.	Compliant	<p><i>Disclose or provide link/reference to the company policy and practice for setting board remuneration</i></p> <p>The Board, through its Personnel and Compensation committee review the structure and competitiveness of the Corporation’s executive officer compensation programs considering the following factors: (i) to the attraction and retention of executive officers; (ii) the motivation of executive officers to achieve the Corporation’s business objectives; and (iii) the alignment of the interests of executive officers with the long-term interests of the Corporation’s shareholders and other stakeholders;</p> <p>Charter of the Personnel and Compensation Committee https://www.global-imi.com/sites/default/files/IMI_Charter%20of%20Personnel%20and%20Compensation%20Committee_October%202020_0.pdf</p> <p>2021 Definitive Information Statement, Item 6. Compensation of directors and executive officers Executive Compensation, page 9 https://www.global-imi.com/sites/default/files/IMI%20202021%20Definitive%20Information%20Statement_0.pdf</p> <p>2020 Annual Report – Director Remuneration, page 53 https://www.global-imi.com/investors/annual-reports</p>	
2. Company provides a clear disclosure of its policies and procedure for setting executive remuneration, including the level and mix of the same.	Compliant	<p><i>Disclose or provide link/reference to the company policy and practice for determining executive remuneration</i></p> <p>The Board, through its Personnel and Compensation committee review the</p>	

		<p>structure and competitiveness of the Corporation’s executive officer compensation programs considering the following factors: (i) to the attraction and retention of executive officers; (ii) the motivation of executive officers to achieve the Corporation’s business objectives; and (iii) the alignment of the interests of executive officers with the long-term interests of the Corporation’s shareholders and other stakeholders;</p> <p>Charter of the Personnel and Compensation Committee https://www.global-imi.com/sites/default/files/IMI_Charter%20of%20Personnel%20and%20Compensation%20Committee_October%202020_0.pdf</p> <p>2021 Definitive Information Statement, Item 6. Compensation of directors and executive officers Executive Compensation, page 11 https://www.global-imi.com/sites/default/files/IMI%20%202021%20Definitive%20Infomation%20Statement_0.pdf</p>	
3. Company discloses the remuneration on an individual basis, including termination and retirement provisions.	Non-compliant	<p><i>Provide breakdown of director remuneration and executive compensation, particularly the remuneration of the CEO.</i></p> <p>2021 Definitive Information Statement, Item 6. Compensation of directors and executive officers Executive Compensation, page 11 https://www.global-imi.com/sites/default/files/IMI%20%202021%20Definitive%20Infomation%20Statement_0.pdf</p> <p>2020 Annual Report – Board Remuneration, page 53 https://www.global-imi.com/investors/annual-reports</p>	<p>For director remuneration, the remuneration is disclosed individually.</p> <p>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.</p>
Recommendation 8.5			
1. Company discloses its policies governing Related Party Transactions (RPTs) and other unusual or infrequently occurring transactions in their Manual on Corporate Governance.	Compliant	<p><i>Disclose or provide reference/link to company’s RPT policies</i></p> <p><i>Indicate if the director with conflict of interest abstained from the board discussion on that particular transaction.</i></p>	

		<p>Revised CG Manual, 2.7 Related Party Transactions Committee, page 21 https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018_Nov%202018_0.pdf</p> <p>Related Party Transactions Policy https://www.global-imi.com/sites/default/files/IMI%20RPT%20POLICY_2019_Signed.pdf</p> <p>2020 Annual Report – Note 31. Related Party Transactions, page 153 https://www.global-imi.com/investors/annual-reports</p>	
<p>2. Company discloses material or significant RPTs reviewed and approved during the year.</p>	<p>Compliant</p>	<p><i>Provide information on all RPTs for the previous year or reference to a document containing the following information on all RPTs:</i></p> <ol style="list-style-type: none"> 1. <i>name of the related counterparty;</i> 2. <i>relationship with the party;</i> 3. <i>transaction date;</i> 4. <i>type/nature of transaction;</i> 5. <i>amount or contract price;</i> 6. <i>terms of the transaction;</i> 7. <i>rationale for entering into the transaction;</i> 8. <i>the required approval (i.e., names of the board of directors approving, names and percentage of shareholders who approved) based on the company's policy; and</i> 9. <i>other terms and conditions</i> <p>All related party transactions were disclosed in the audited financial statements. There were no material related party transactions that met the SEC-defined threshold requiring an advisement report on material RPTs for public disclosure.</p> <p>In compliance with Revenue Regulations (RR) No. 19-2020 prescribing the use of BIR Form No. 1709 or Information Return on Related-Party Transactions, the parent company submitted its report last April 2021.</p> <p>Related Party Transactions Policy https://www.global-imi.com/sites/default/files/IMI%20RPT%20POLICY_2019_Signed.pdf</p>	

		<p>2020 Annual Report – Note 31. Related Party Transactions, page 153 https://www.global-imi.com/investors/annual-reports</p>	
Supplement to Recommendation 8.5			
<p>1. Company requires directors to disclose their interests in transactions or any other conflict of interests.</p>	<p>Compliant</p>	<p><i>Indicate where and when directors disclose their interests in transactions or any other conflict of interests.</i></p> <p>Revised CG Manual, Article IV, Governance Policy on Conflict of Interest, page 26</p> <p>Directors, officers and employees shall always advance the interest of the Corporation over their personal interests. They are required to be loyal to the Corporation so much so that they may not directly or indirectly derive any personal profit or advantage by reason of their position in the Corporation. They must promote the common interest of all shareholders and other stakeholders and the Corporation without regard to their own personal interests.</p> <p>https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018 Nov%202018 0.pdf</p> <p>Code of Conduct, IV. Ethics, page 11 of pdf file https://www.global-imi.com/sites/default/files/2018%20IMI%20Code%20of%20Conduct BOD_rev%20D.PDF</p> <p>Related Party Transactions Policy, Section 7.0 Identification, Prevention or Management or Potential or Actual Conflict of Interest https://www.global-imi.com/sites/default/files/IMI%20RPT%20POLICY 2019 Signed.pdf</p> <p>Directors and officers with personal interest in the transaction shall fully and timely disclose any and all material facts, including their respective interests in the Material RPT and abstain from the discussion, approval and management of such transaction or matter affecting the Company. In case they refuse to abstain, their attendance shall not be counted for purposes of assessing the quorum and their votes shall not be counted for purposes of determining majority approval.</p>	
Optional : Recommendation 8.5			

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<p>1. Company discloses that RPTs are conducted in such a way to ensure that they are fair and at arms' length.</p>	<p>Compliant</p>	<p><i>Provide link or reference where this is disclosed, if any</i></p> <p>Related Party Transactions Policy https://www.global-imi.com/sites/default/files/IMI%20RPT%20POLICY_2019_Signed.pdf</p> <p>2020 Annual Report – Note 31. Related Party Transactions, page 153 https://www.global-imi.com/investors/annual-reports</p>	
<p>Recommendation 8.6</p>			
<p>1. Company makes a full, fair, accurate and timely disclosure to the public of every material fact or event that occur, particularly on the acquisition or disposal of significant assets, which could adversely affect the viability or the interest of its shareholders and other stakeholders.</p>	<p>Compliant</p>	<p><i>Provide link or reference where this is disclosed</i></p> <p>Revised CG Manual, Article VI. Disclosure and Transparency, page 31</p> <p>The essence of corporate governance is transparency. The more transparent the internal workings of the corporation are, the more difficult it will be for Management and dominant stockholders to mismanage the corporation or misappropriate its assets.</p> <p>It is therefore essential that all material information about the corporation which could adversely affect its viability or the interest of the stockholders and other stakeholders should be publicly and timely disclosed. Such information should include, among others, earnings results, acquisition or disposition of assets, off balance sheet transactions, related party transactions, and direct and indirect remuneration of members of the Board and Management.</p> <p>https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018_Nov%202018_0.pdf</p> <p>Please refer to the following Company disclosures:</p> <p>Company website – Investor, Disclosures https://www.global-imi.com/investors</p> <p>Disclosures submitted to PSE Edge: 76% acquisition of VIA optronics (September 15, 2016) http://edge.pse.com.ph/openDiscViewer.do?edge_no=5345a5d3493873a172785c</p>	

		<p>150f4cd6d2#sthash.lw7Doork.dpbs</p> <p>Acquisition of 80 percent stake in STI Enterprises Ltd. (STI) (May 17, 2017) http://edge.pse.com.ph/openDiscViewer.do?edge_no=bd8d5442a5bd74b73318251c9257320d#sthash.ZFvTzKCi.dpbs</p> <p>Press Release: Joint Venture with Toppan Printing Co., Ltd. on Copper Touch Panel Sensor Business (April 10, 2018) http://edge.pse.com.ph/openDiscViewer.do?edge_no=cace342695d9aaf043ca035510b6ec2b#sthash.8joRAAtMC.dpbs</p> <p>VIA optronics Announces Pricing of Initial Public Offering (September 28, 2020) https://edge.pse.com.ph/openDiscViewer.do?edge_no=ff4f5e6be997cf740de8473cebbd6407</p>	
<p>2. Board appoints an independent party to evaluate the fairness of the transaction price on the acquisition or disposal of assets.</p>	<p>Not Applicable</p>	<p><i>Identify independent party appointed to evaluate the fairness of the transaction price. Disclose the rules and procedures for evaluating the fairness of the transaction price, if any.</i></p> <p>Revised CG Manual, Article VI. Disclosure and Transparency, page 31</p> <p>The Corporation shall make a full, fair, accurate and timely disclosure to the public of every material fact or event that occurs, particularly on the acquisition or disposal of significant assets, which could adversely affect the viability or the interest of its shareholders and other stakeholders. <u>Moreover, the Board of the offeree company should appoint an independent party to evaluate the fairness of the transaction price on the acquisition or disposal of assets.</u></p> <p>There were no significant acquisition or disposal transactions in 2019 that requires independent party evaluation.</p> <p>https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018_Nov%202018_0.pdf</p>	
<p>Supplement to Recommendation 8.6</p>			
<p>1. Company discloses the existence, justification and details on shareholder</p>	<p>Compliant</p>	<p><i>Provide link or reference where these are disclosed.</i></p>	

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<p>agreements, voting trust agreements, confidentiality agreements, and such other agreements that may impact on the control, ownership, and strategic direction of the company.</p>		<p>Revised CG Manual, Article VI. Disclosure and Transparency, page 31 https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018_Nov%202018_0.pdf</p> <p>Revised CG Manual, Article VIII. Stockholders' rights and protection of minority stockholders' interests, page 33 https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018_Nov%202018_0.pdf</p> <p>IMI's Official Website https://www.global-imi.com/investors/prospectuscompany-disclosures</p>	
Recommendation 8.7			
<p>1. Company's corporate governance policies, programs and procedures are contained in its Manual on Corporate Governance (MCG).</p>	<p>Compliant</p>	<p><i>Provide link to the company's website where the Manual on Corporate Governance is posted.</i></p> <p>The Company's Revised Manual of Corporate Governance was submitted to PSE and SEC on December 6, 2018, in compliance with SEC MC No. 19, Series of 2016. It was published in the Company's official website.</p>	
<p>2. Company's MCG is submitted to the SEC and PSE.</p>	<p>Compliant</p>	<p>https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018_Nov%202018_0.pdf</p>	
<p>3. Company's MCG is posted on its company website.</p>	<p>Compliant</p>	<p>http://edge.pse.com.ph/openDiscViewer.do?edge_no=cb218786ef018c2f43ca035510b6ec2b#sthash.X647GuA8.dpbs</p>	
Supplement to Recommendation 8.7			
<p>1. Company submits to the SEC and PSE an updated MCG to disclose any changes in its corporate governance practices.</p>	<p>Not Applicable</p>	<p><i>Provide proof of submission.</i></p> <p>There have been no updates to the Company's Revised Manual of CG submitted to the SEC on December 6, 2018.</p> <p>http://edge.pse.com.ph/openDiscViewer.do?edge_no=cb218786ef018c2f43ca035510b6ec2b#sthash.X647GuA8.dpbs</p>	
Optional: Principle 8			
<p>1. Does the company's Annual Report</p>		<p><i>Provide link or reference to the company's Annual Report containing the said</i></p>	

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disclose the following information:		<i>information.</i>	
a. Corporate Objectives	Compliant	2020 Annual Report	
b. Financial performance indicators	Compliant	https://www.global-imi.com/investors/annual-reports	
c. Non-financial performance indicators	Compliant	Corporate Objectives – page 9	
d. Dividend Policy	Compliant	Financial performance indicators – page 10-11	
e. Biographical details (at least age, academic qualifications, date of first appointment, relevant experience, and other directorships in listed companies) of all directors	Compliant	Non-financial performance indicators – page 66-79 Dividend Policy – page 61 Dividend Policy – indicated in the SEC Form 17-A – page 43 https://www.global-imi.com/sites/default/files/2020%20SEC%20Form%2017-A Integrated%20Micro-Electronics%2C%20Inc.%20Final%20%281%29.pdf	
f. Attendance details of each director in all directors meetings held during the year	Compliant	Refer to 2020 Annual Report https://www.global-imi.com/investors/annual-reports	
g. Total remuneration of each member of the board of directors	Compliant	Biographical details of Directors – page 38-45 Meeting attendance of each director – page 55 Remuneration of each director during the year – page 53	
2. The Annual Report contains a statement confirming the company’s full compliance with the Code of Corporate Governance and where there is non-compliance, identifies and explains reason for each such issue.	Compliant	<i>Provide link or reference to where this is contained in the Annual Report</i> 2020 Annual Report, Commitment to Good Governance, page 50 https://www.global-imi.com/investors/annual-reports	
3. The Annual Report/Annual CG Report discloses that the board of directors conducted a review of the company's material controls (including operational,	Compliant	<i>Provide link or reference to where this is contained in the Annual Report</i> BOD thru its Audit Committee conducted a review of the Company’s material controls (including operational, financial and compliance controls) and risk	

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<p>financial and compliance controls) and risk management systems.</p>		<p>management systems.</p> <p>2020 Annual Report, Report of the Audit and Risk Committee, page 82 https://www.global-imi.com/investors/annual-reports</p> <p>“We have reviewed the reports and updates of the internal auditors ensuring that management is taking appropriate corrective actions in a timely manner, including addressing internal control and compliance issues. Based on the assurance provided by internal audit and SGV & Co., as a result of their audit activities, the Committee assessed that the Company’s systems of internal controls, risk management, and governance processes are adequate;”</p>	
<p>4. The Annual Report/Annual CG Report contains a statement from the board of directors or Audit Committee commenting on the adequacy of the company's internal controls/risk management systems.</p>	<p>Compliant</p>	<p><i>Provide link or reference to where this is contained in the Annual Report</i></p> <p>2020 Annual Report, Report of the Audit and Risk Committee, page 82 https://www.global-imi.com/investors/annual-reports</p> <p>“We have reviewed and discussed the adequacy of IMI’s enterprise risk management process, including the nature of significant risk exposures, and the related risk mitigation efforts and initiatives. This activity was reviewed in the context that management is primarily responsible for the risk management process;”</p>	
<p>5. The company discloses in the Annual Report the key risks to which the company is materially exposed to (i.e. financial, operational including IT, environmental, social, economic).</p>	<p>Compliant</p>	<p><i>Provide link or reference to where these are contained in the Annual Report</i></p> <p>2020 Annual Report, Enterprise Risk Management, page 62-63 https://www.global-imi.com/investors/annual-reports</p> <p>2020 Annual Report (SEC Form 17-A), Risk Factors, page 20 https://www.global-imi.com/sites/default/files/2020%20SEC%20Form%2017-A%20Integrated%20Micro-Electronics%2C%20Inc.%20Final%20%281%29.pdf</p>	

<p>Principle 9: The company should establish standards for the appropriate selection of an external auditor, and exercise effective oversight of the same to strengthen the external auditor’s independence and enhance audit quality.</p>			
<p>Recommendation 9.1</p>			
<p>1. Audit Committee has a robust process for approving and recommending the appointment, reappointment, removal, and fees of the external auditors.</p>	<p>Compliant</p>	<p><i>Provide information or link/reference to a document containing information on the process for approving and recommending the appointment, reappointment, removal and fees of the company’s external auditor.</i></p> <p>Audit and Risk Committee Charter, Section D Responsibilities – External Auditor clause 3.1, Page 7 https://www.global-imi.com/sites/default/files/IMI%20Audit%20and%20Risk%20Committee%20Charter%20Oct%202020%20-%20Final.pdf</p> <p>Revised CG Manual, Article II, 2.4 Audit and Risk Committee, page 18 https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018_Nov%202018_0.pdf</p>	
<p>2. The appointment, reappointment, removal, and fees of the external auditor is recommended by the Audit Committee, approved by the Board and ratified by the shareholders.</p>	<p>Compliant</p>	<p><i>Indicate the percentage of shareholders that ratified the appointment, reappointment, removal and fees of the external auditor.</i></p> <p>2020 ASM Resolution No. S-05-2020 Election of External Auditor and Fixing of its Remuneration</p> <p>99.999% voted for and approved the Election of auditors and fixing of their remuneration in the amount of Php4.2 million.</p> <p>2020 ASM Minutes of Meeting, page 9 https://www.global-imi.com/sites/default/files/IMI%20-%202020%20ASM%20Minutes%20.pdf</p> <p>2021 ASM Minutes of Meeting https://www.global-imi.com/sites/default/files/IMI-2021%20ASM%20Minutes%20%2815April2021%29_0.pdf</p>	

		<p>2020 Annual Stockholders’ Meeting Voting Results https://www.global-imi.com/sites/default/files/IMI%202020%20ASM%20Voting%20Results.pdf</p> <p>2020 Results of Annual Stockholders’ Meeting and Organizational Board Meeting https://www.global-imi.com/sites/default/files/SEC-PSE-Result%20of%20ASM%20and%20Org%20BOD_4.15.20.pdf</p> <p>Audit and Risk Committee Charter, Section D Responsibilities – External Auditor clause 3.1, Page 7 https://www.global-imi.com/sites/default/files/IMI%20Audit%20and%20Risk%20Committee%20Charter%20Oct%202020%20-%20Final.pdf</p> <p>Revised CG Manual, Article II, 2.4 Audit and Risk Committee, page 18 https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018_Nov%202018_0.pdf</p>	
<p>3. For removal of the external auditor, the reasons for removal or change are disclosed to the regulators and the public through the company website and required disclosures.</p>	<p>Compliant</p>	<p><i>Provide information on or link/reference to a document containing the company’s reason for removal or change of external auditor.</i></p> <p>Revised CG Manual, Article V, 2.d), page 29 https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018_Nov%202018_0.pdf</p> <p>Audit and Risk Committee Charter, Section D Responsibilities – External Auditor clause 3.1, Page 7 https://www.global-imi.com/sites/default/files/IMI%20Audit%20and%20Risk%20Committee%20Charter%20Oct%202020%20-%20Final.pdf</p>	
Supplement to Recommendation 9.1			
<p>1. Company has a policy of rotating the lead audit partner every five years.</p>	<p>Compliant</p>	<p><i>Provide information on or link/reference to a document containing the policy of rotating the lead audit partner every five years.</i></p> <p>Revised CG Manual, Article V, 2.c), page 29 https://www.global-imi.com/sites/default/files/IMI-</p>	

		<p>Revised%20CG%20Manual%202018 Nov%202018 0.pdf</p> <p>Audit and Risk Committee Charter, Section D Responsibilities – External Auditor clause 3.2, Page 7 https://www.global-imi.com/sites/default/files/IMI%20Audit%20and%20Risk%20Committee%20Charter%20Oct%202020%20-%20Final.pdf</p> <p>Pursuant to the General Requirements of SRC Rule 68, Par. 3 (Qualifications and Reports of Independent Auditors), the Company has engaged SGV & Co. as external auditor of the Company. Ms. Cyril Jasmin B. Valencia is the audit partner for the year 2019 and 2020, while Mr. Carlo Paolo V. Manalang served as such for the audit years 2018 and 2017.</p> <p>2021 Definitive Information Statement, Item 7. Independent Public Accountants, page 13 https://www.global-imi.com/sites/default/files/IMI%20%202021%20Definitive%20Infomation%20Statement 0.pdf</p>	
Recommendation 9.2			
<p>1. Audit Committee Charter includes the Audit Committee’s responsibility on:</p> <ul style="list-style-type: none"> i. Assessing the integrity and independence of external auditors; ii. Exercising effective oversight to review and monitor the external auditor’s independence and objectivity; and iii. Exercising effective oversight to review and monitor the effectiveness of the audit process, taking into consideration relevant Philippine 	<p>Compliant</p>	<p><i>Provide link/reference to the company’s Audit Committee Charter</i></p> <p>https://www.global-imi.com/sites/default/files/IMI%20Audit%20and%20Risk%20Committee%20Charter%20Oct%202020%20-%20Final.pdf</p> <p>Audit and Risk Committee Charter, Section D Responsibilities – External Auditor Section D Responsibilities – External Auditor clauses 3.1-3.2; 3.6-3.7, Page 7-8</p> <ul style="list-style-type: none"> i. Section D Responsibilities – Reporting and Other Responsibilities clause 7.1, Page 10 ii. Section D Responsibilities – External Auditor clauses 3.3-3.4; 3.6-3.10, Page 7-8 iii. Section D Responsibilities – External Auditor clauses 3.3, 3.5-3.10, Page 7-8 	

<p>professional and regulatory requirements.</p>		<p>Section D Responsibilities – Financial Reporting clauses 1.1-1.3, Page 5</p>	
<p>2. Audit Committee Charter contains the Committee’s responsibility on reviewing and monitoring the external auditor’s suitability and effectiveness on an annual basis.</p>	<p>Compliant</p>	<p><i>Provide link/reference to the company’s Audit Committee Charter</i></p> <p>https://www.global-imi.com/sites/default/files/IMI%20Audit%20and%20Risk%20Committee%20Charter%20Oct%202020%20-%20Final.pdf</p> <p>Section D: Responsibilities - External Auditor clauses 3.1-3.3 and 3.7 Apart from annual assessment, the Audit and Risk Committee also ensures the rotation of the lead engagement partner as well as rotation of the audit firm itself.</p> <p>3.1 Review the performance and recommend the appointment, retention or discharge and fees of the external auditor, duly accredited by Securities and Exchange Commission. In case of resignation or cessation from service of an external auditor, ensure that there is a process for reporting in the annual and current reports the reason for cessation from service, and the date thereof, of an external auditor. A preliminary copy of the said report shall be given by the Company to the external auditor before its submission.</p> <p>3.2 Ensure the rotation of the lead engagement partner at least once every five (5) years and consider whether there should be a regular rotation of the audit firm itself.</p> <p>3.3 Review and pre-approve the external auditor’s plans and ascertain the basis for their risk assessment and financial statement materiality, including the scope and frequency of the audit.</p> <p>In this regard, the Committee shall discuss with the external auditors, before the audit commences, the nature and scope of the audit,</p> <p>3.7 Review and approve of the proportion of audit versus non-audit work both in relation to their significance to the auditor and in relation to the Company’s year-end financial statements, and total expenditure on consultancy, to ensure that non-audit work will not be in conflict with the audit functions of the external</p>	

		auditor.	
Supplement to Recommendations 9.2			
1. Audit Committee ensures that the external auditor is credible, competent and has the ability to understand complex related party transactions, its counterparties, and valuations of such transactions.	Compliant	<p><i>Provide link/reference to the company's Audit Committee Charter</i></p> <p>Section D Responsibilities – External Auditor clauses 3.1, 3.3, 3.5, 3.10, Page 7-8 https://www.global-imi.com/sites/default/files/IMI%20Audit%20and%20Risk%20Committee%20Charter%20Oct%202020%20-%20Final.pdf</p> <p>Further, there is a separate Related Party Transactions Committee (RPT) focusing on the review of material related party transactions of the Company. SGV also covers unusual or complex transactions as part of their regular audit and reports these to the ARC.</p>	
2. Audit Committee ensures that the external auditor has adequate quality control procedures.	Compliant	<p><i>Provide link/reference to the company's Audit Committee Charter</i></p> <p>Section D Responsibilities – Financial Reporting clauses 1.1-1.2, Page 5; External Audit clause 3.1, Page 7 (Note: Part of the external auditor annual performance evaluation includes quality process assessment)</p> <p>https://www.global-imi.com/sites/default/files/IMI%20Audit%20and%20Risk%20Committee%20Charter%20Oct%202020%20-%20Final.pdf</p>	
Recommendation 9.3			
1. Company discloses the nature of non-audit services performed by its external auditor in the Annual Report to deal with the potential conflict of interest.	Compliant	<p><i>Disclose the nature of non-audit services performed by the external auditor, if any.</i></p> <p>2021 Definitive Information Statement, Item 7. Independent Public Accountants, page 13 https://www.global-imi.com/sites/default/files/IMI%20%202021%20Definitive%20Information%20Statement_0.pdf</p>	

		<p>2020 Annual Report – Accountability and Audit, page 58 https://www.global-imi.com/investors/annual-reports</p> <p>Audit and Risk Committee Charter, Section D Responsibilities – External Auditor clause 3.7, Page 8 https://www.global-imi.com/sites/default/files/IMI%20Audit%20and%20Risk%20Committee%20Charter%20Oct%202020%20-%20Final.pdf</p>	
<p>2. Audit Committee stays alert for any potential conflict of interest situations, given the guidelines or policies on non-audit services, which could be viewed as impairing the external auditor’s objectivity.</p>	Compliant	<p><i>Provide link or reference to guidelines or policies on non-audit services</i></p> <p>Audit and Risk Committee Charter, Section D Responsibilities – External Auditor clause 3.7, Page 8 https://www.global-imi.com/sites/default/files/IMI%20Audit%20and%20Risk%20Committee%20Charter%20Oct%202020%20-%20Final.pdf</p> <p>3.7 Review and approve of the proportion of audit versus non-audit work both in relation to their significance to the auditor and in relation to the Company’s year-end financial statements, and total expenditure on consultancy, to ensure that non-audit work will not be in conflict with the audit functions of the external auditor. The amount of both audit and non-audit work of external auditors shall be disclosed in the annual report.</p>	
Supplement to Recommendation 9.3			
<p>1. Fees paid for non-audit services do not outweigh the fees paid for audit services.</p>	Compliant	<p><i>Provide information on audit and non-audit fees paid.</i></p> <p>2021 Definitive Information Statement, Item 7. Independent Public Accountants, page 13 https://www.global-imi.com/sites/default/files/IMI%202021%20Definitive%20Information%20Statement_0.pdf</p> <p>2020 Annual Report – Accountability and Audit, page 58 https://www.global-imi.com/investors/annual-reports</p>	

		<p>Audit and Risk Committee Charter, Section D Responsibilities – External Auditor clause 3.7, Page 8 https://www.global-imi.com/sites/default/files/IMI%20Audit%20and%20Risk%20Committee%20Charter%20Oct%202020%20-%20Final.pdf</p>	
Additional Recommendation to Principle 9			
<p>1. Company’s external auditor is duly accredited by the SEC under Group A category.</p>	<p>Compliant</p>	<p><i>Provide information on company’s external auditor, such as:</i></p> <ol style="list-style-type: none"> 1. <i>Name of the audit engagement partner;</i> 2. <i>Accreditation number;</i> 3. <i>Date Accredited;</i> 4. <i>Expiry date of accreditation; and</i> 5. <i>Name, address, contact number of the audit firm.</i> <p>2020 Annual Report – Independent Auditor’s Report, page 87 https://www.global-imi.com/investors/annual-reports</p> <p>Cyril Jasmin B. Valencia Partner CPA Certificate No. 90787 SEC Accreditation No. 1737-A (Group A), January 24, 2019, valid until January 23, 2022 Tax Identification No. 162-410-623 BIR Accreditation No. 08-001998-074-2020, December 3, 2020, valid until December 2, 2023 PTR No. 8534376, January 4, 2021, Makati City</p>	
<p>2. Company’s external auditor agreed to be subjected to the SEC Oversight Assurance Review (SOAR) Inspection Program conducted by the SEC’s Office of the General Accountant (OGA).</p>	<p>Compliant</p>	<p><i>Provide information on the following:</i></p> <ol style="list-style-type: none"> 1. <i>Date it was subjected to SOAR inspection, if subjected; November 12-23, 2018</i> 2. <i>Name of the Audit firm – SGV & Co.; and</i> 3. <i>Members of the engagement team inspected by the SEC. The names of the members of the engagement team were provided to the SEC during the SOAR inspection.</i> 	

<p>Principle 10: The company should ensure that the material and reportable non-financial and sustainability issues are disclosed.</p>			
<p>Recommendation 10.1</p>			
<p>1. Board has a clear and focused policy on the disclosure of non-financial information, with emphasis on the management of economic, environmental, social and governance (EESG) issues of its business, which underpin sustainability.</p>	<p>Compliant</p>	<p><i>Disclose or provide link on the company's policies and practices on the disclosure of non-financial information, including EESG issues.</i></p> <p>Revised CG Manual, Article IX, Sustainability and Social Responsibility, page 35 https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018_Nov%202018_0.pdf</p> <p>IMI has been managing its business not only for profit but also keeping in mind its impact – to surrounding environment and people – society as a whole. The Corporation makes sure that its profit marries with a purpose. It focuses on both economic and social benefits – value creation for the communities and other stakeholders of the company. The Corporation embarks on sustainability programs that continuously create shared value (CSV), such as going beyond the usual corporate social responsibility (CSR) projects, its volunteerism and philanthropic projects.</p> <p>Company website – Sustainability https://www.global-imi.com/governance/sustainability</p> <p>2020 Annual Report – Sustainability Report, page 65 https://www.global-imi.com/investors/annual-reports</p>	
<p>2. Company adopts a globally recognized standard/framework in reporting sustainability and non-financial issues.</p>	<p>Compliant</p>	<p><i>Provide link to Sustainability Report, if any. Disclose the standards used.</i></p> <p>IMI uses Global Reporting Initiative (GRI) Indicators in its Sustainability Report.</p> <p>2016 Annual Report – GRI Indicators (page 43)</p> <p>2017 Annual Report – The Pillars of Sustainability (page 50)</p> <p>2018 Annual Report – Road to Sustainability (page 60)</p> <p>2019 Annual Report – Sustainability Report (page 70)</p>	

		2020 Annual Report – Sustainability Report (page 65) https://www.global-imi.com/investors/annual-reports	
Principle 11: The company should maintain a comprehensive and cost-efficient communication channel for disseminating relevant information. This channel is crucial for informed decision-making by investors, stakeholders and other interested users.			
Recommendation 11.1			
1. Company has media and analysts’ briefings as channels of communication to ensure the timely and accurate dissemination of public, material and relevant information to its shareholders and other investors.	Compliant	<p><i>Disclose and identify the communication channels used by the company (i.e., website, Analyst’s briefing, Media briefings /press conferences, Quarterly reporting, Current reporting, etc.). Provide links, if any.</i></p> <p>IMI hold its Analyst Briefing on a quarterly basis. https://www.global-imi.com/investors/presentations</p> <p>2020 Annual Report – Stakeholder Relations – Shareholder and Investor Relations, page 61 https://www.global-imi.com/investors/annual-reports</p>	
Supplemental to Principle 11			
1. Company has a website disclosing up-to-date information on the following:		<p><i>Provide link to company website:</i></p> <p>a. Quarterly Reports: https://www.global-imi.com/investors/prospectuscompany-disclosures</p> <p>b. Analysts’ briefing materials: https://www.global-imi.com/investors/presentations</p> <p>c. Annual Reports: https://www.global-imi.com/investors/annual-reports</p> <p>d. Notice of ASM: https://www.global-imi.com/investors/prospectuscompany-disclosures</p> <p>https://www.global-imi.com/sites/default/files/IMI%202020%20DIS%281%29.pdf</p>	
a. Financial statements/reports (latest quarterly)	Compliant		
b. Materials provided in briefings to analysts and media	Compliant		
c. Downloadable annual report	Compliant		
d. Notice of ASM and/or SSM	Compliant		
e. Minutes of ASM and/or SSM	Compliant		

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f. Company's Articles of Incorporation and By-Laws	Compliant	<p>e. Minutes of ASM: https://www.global-imi.com/investors/prospectuscompany-disclosures</p> <p>https://www.global-imi.com/sites/default/files/IMI%20-%202020%20ASM%20Minutes%20.pdf</p> <p>https://www.global-imi.com/sites/default/files/IMI-2021%20ASM%20Minutes%20%2815April2021%29.pdf</p> <p>f. Articles of Incorporation and By-Laws:</p> <p>https://www.global-imi.com/about</p> <p>https://www.global-imi.com/sites/default/files/SE-PSE%20Disclosure%20Amendment%20of%20AOI%20April%202019%20.pdf</p> <p>https://www.global-imi.com/sites/default/files/IMI%20Amended-By-Laws-2012.pdf</p> <p>https://www.global-imi.com/sites/default/files/SEC-PSE-SEC%27s%20Approval%20of%20the%20Amended%20By-Laws%204.13.21%20.pdf</p>	
Additional Recommendation to Principle 11			
1. Company complies with SEC-prescribed website template.	Compliant	<p>IMI is in compliance with the SEC-prescribed website template.</p> <p>Please refer to IMI's Official Website.</p> <p>https://www.global-imi.com/</p>	
Internal Control System and Risk Management Framework			
<p>Principle 12: To ensure the integrity, transparency and proper governance in the conduct of its affairs, the company should have a strong and effective internal control system and enterprise risk management framework.</p>			
Recommendation 12.1			
1. Company has an adequate and effective internal control system in the conduct of	Compliant	The Board shall ensure the presence and adequacy of Internal Control mechanisms for good governance. The minimum internal control mechanisms for the Board's	

<p>its business.</p>		<p>oversight responsibility include, but shall not be limited to: (i) Ensuring the presence of organizational and procedural controls, supported by an effective management information system and risk management reporting system; (ii.) reviewing conflict-of-interest situations and providing appropriate remedial measures for these situations; (iii.) appointing a Chief Executive Officer (“CEO”) with the appropriate ability, integrity, and experience to fill the role; and defining the duties and responsibilities of the CEO; (iv.) reviewing proposed senior management appointments; (v.) ensuring the selection, appointment and retention of qualified and competent management; reviewing the Corporation’s personnel and human resources policies, compensation plan and the management succession plan; (vi.) institutionalizing the Internal Audit function and approves the Internal Audit Charter; (vii.) ensuring the presence of, and regularly reviewing, the performance and quality of external audit.</p> <p>Revised CG Manual, Article V, 1.12 General Responsibility of the Board for Good Governance, I), page 10 https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018 Nov%202018 0.pdf</p> <p><i>List quality service programs for the internal audit functions.</i></p> <p>The Internal Audit activities conform with the International Standards for the Professional Practice of Internal Auditing and are continuously evaluated through an independent quality assessment review conducted every five years.</p> <p>2020 CEO and CAE Attestation, bullet 6 https://www.global-imi.com/sites/default/files/5.5%202020%20CEO%20%20CAE%20Attestation%20on%20IC%20%20Compliance%20System%20-%20Signed.pdf</p> <p><i>Indicate frequency of review of the internal control system</i></p> <p>Internal Audit Charter, E. Responsibilities, Governance/Compliance, page 5 https://www.global-imi.com/sites/default/files/IMI%20Audit%20and%20Risk%20Committee%20Charter%20Oct%202020%20-%20Final.pdf</p>	
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<p>2. Company has an adequate and effective enterprise risk management framework in the conduct of its business.</p>	<p>Compliant</p>	<p><i>Identify international framework used for Enterprise Risk Management</i> IMI ERM is guided by the ISO 31000 risk management principles.</p> <p>Enterprise Risk Management Policies and Procedures, 5.0 Risk Management Principles, page 3 https://www.global-imi.com/sites/default/files/IMI-Enterprise-Risk-Management-Policy.pdf</p> <p><i>Provide information or reference to a document containing information on:</i></p> <ol style="list-style-type: none"> 1. Company's risk management procedures and processes 2. Key risks the company is currently facing 3. How the company manages the key risks 4. Company's risk management procedures and processes <p><i>Indicate frequency of review of the enterprise risk management framework</i></p> <p>The Board shall ensure that there is sound Enterprise Risk Management (ERM) framework to identify and monitor key risks and key performance areas, and</p>	

		<p>endeavor to provide appropriate technology and systems for the proper identification and monitoring thereof.</p> <p>Corporate Governance Manual, Article II, 1.12 Responsibility of the Board for Good Governance page 12 https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018_Nov%202018_0.pdf</p> <p>IMI established its Enterprise Risk Management (ERM) Policy to guide the overall intentions and directions of the Company’s risk management processes and practices, to define a common approach that will govern the risk management process, to describe the roles and responsibilities of the Board, the management, the Chief Risk Officer, and all its employees, and to integrate risk management into IMI’s overall and existing management systems. Per ERM Policies and Procedures. IMI developed an ERM intranet site which serves as a key channel for communicating risk management programs and initiatives across global operations. In addition, the risk management process from identification, analysis, evaluation, and assessment is also carried out through this web-based and secured online platform.</p> <p>As part of the organization’s risk management process, we do annual assessment of the key risks that the company faces and strategize action plans to mitigate such risks. Risks identified in 2020 were mentioned in the IMI 2020 Annual Report.</p> <p>Enterprise Risk Management Policies and Procedures https://www.global-imi.com/sites/default/files/IMI-Enterprise-Risk-Management-Policy.pdf</p> <p>Internal Control System and Risk Management site https://www.global-imi.com/governance/internal-control-system-and-risk-management</p> <p>2020 Annual Report, Enterprise Risk Management, pages 62-63 https://www.global-imi.com/investors/annual-reports</p> <p>IMI has well-defined reporting lines that set out accountability and ownership</p>	
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		<p>across operations. The Chief Risk Officer ensures that regular internal reporting on the implementation of the ERM framework, its effectiveness and outcomes are accomplished. Audit and Risk Committee, as part of its duties and responsibilities, develop a formal enterprise risk management plan; oversees the implementation of the enterprise risk management plan through a Risk Committee; evaluates the risk management plan to ensure its continued relevance, comprehensive and effectiveness; reviews and advises the Board on its risk appetite levels and risk tolerance limits; assesses the probability of each identified risk becoming a reality and estimates its possible significant financial impact and likelihood of occurrence; provides oversight over Management’s activities in managing credit, market, liquidity, operational, legal and other risk exposures of the corporation; and reports to the Board the company’s material risk exposures.</p> <p>Corporate Governance Manual, Article II, 2.4 Audit and Risk Committee pages 19-20 https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018 Nov%202018 0.pdf</p> <p>Monitoring of risk management performance shall be done by different functions at appropriate levels of IMI. It consists of a combination of metrics, regular review and periodic audits and evaluations to ensure that risk management is effective and continues to support IMI’s performance. Continuous improvement shall be embedded into the risk management process via the use of effective processes (benchmarking, knowledge sharing and continuous employee learning) and constant evaluation.</p> <p>Enterprise Risk Management Policies and Procedures, Monitoring and Review and Continual Improvement of the Framework, page 9 https://www.global-imi.com/sites/default/files/IMI-Enterprise-Risk-Management-Policy.pdf</p> <p>ARC in its function, review the adequacy of the Company's enterprise risk management framework/process through continuous input, evaluation and feedback on the effectiveness of the risk management process. They review the results of the annual risk assessment done by the designated Chief Risk Officer, evaluate the risk assessment report submitted by the CRO on a quarterly basis and monitor the risk</p>	
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		<p>management activities of the Company and evaluate the effectiveness of the risk mitigation and action plans</p> <p>Audit and Risk Committee Charter, D. Responsibilities, 4. Risk Management, pages 8-9</p> <p>https://www.global-imi.com/sites/default/files/IMI%20Audit%20and%20Risk%20Committee%20Charter%20Oct%202020%20-%20Final.pdf</p> <p>In 2020, ARC reviewed and discussed the adequacy of IMI’s enterprise risk management process, including the nature of significant risk exposures, and the related risk mitigation efforts and initiatives. This activity was reviewed in the context that management is primarily responsible for the risk management process;</p> <p>2020 Annual Report, Report of the Audit and Risk Committee to the Board of Directors, page 82, Bullet #8</p> <p>https://www.global-imi.com/investors/annual-reports</p> <p>Revised CG Manual, Article II, 2.4 Audit and Risk Committee, page 19</p> <p>https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018_Nov%202018_0.pdf</p> <p>(xiii) Develops a formal enterprise risk management plan which contains the following elements: (a) common language or register of risks, (b) well-defined risk management goals, objectives and oversight, (c) uniform processes of assessing risks and developing strategies to manage prioritized risks, (d) designing and implementing risk management strategies, and (e) continuing assessments to improve risk strategies, processes and measures;</p> <p>(xiv) Oversees the implementation of the enterprise risk management plan through a Risk Committee. The committee conducts regular discussions on the company’s prioritized and residual risk exposures based on regular risk management reports and assess how the concerned units or offices are addressing and managing these risks;</p> <p>(xv) Evaluates the risk management plan to ensure its continued relevance,</p>	
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		<p>comprehensive and effectiveness. The committee revisits defined risk management strategies, looks for emerging or changing material exposures, and stays abreast of significant developments that seriously impact the likelihood of harm or loss;</p> <p>(xvi) Advises the Board on its risk appetite levels and risk tolerance limits;</p> <p>(xvii) Reviews at least annually the company’s risk appetite levels and risk tolerance limits based on changes and developments in the business, the regulatory framework, the external economic and business environment, and when major events occur that are considered to have major impacts on the company;</p> <p>(xviii) Assesses the probability of each identified risk becoming a reality and estimates its possible significant financial impact and likelihood of occurrence. Priority areas of concern are those risks that are the most likely to occur and to impact the performance and stability of the corporation and its stakeholders;</p> <p>(xix) Provides oversight over Management’s activities in managing credit, market, liquidity, operational, legal and other risk exposures of the corporation. This function includes regularly receiving information on risk exposures and risk management activities from Management; and</p> <p>(xx) Reports to the Board on a regular basis, or as deemed necessary, the company’s material risk exposures, the actions taken to reduce the risks, and recommends further action or plans, as necessary.</p>	
Supplement to Recommendations 12.1			
<p>1. Company has a formal comprehensive enterprise-wide compliance program covering compliance with laws and relevant regulations that is annually reviewed. The program includes appropriate training and awareness initiatives to facilitate understanding, acceptance and compliance with the said issuances.</p>	<p>Compliant</p>	<p><i>Provide information on or link/ reference to a document containing the company’s compliance program covering compliance with laws and relevant regulations.</i></p> <p><i>Indicate frequency of review.</i></p> <p>The Board shall ensure that the Corporation complies with all relevant laws, regulations and as far as possible, best business practices. Formulate a clear communication and disclosure policy and strategy to accurately, promptly, regularly and effectively communicate with the SEC, the Philippine Stock Exchange (PSE) and the Corporation’s stockholders and other stakeholders and oversee the proper and effective implementation thereof. The Audit and Risk Committee monitors and evaluates the adequacy and effectiveness of the corporation’s internal control system, integrity of financial reporting, and security of physical and</p>	

		<p>information assets to ensure compliance with applicable laws and regulations. To ensure adherence to corporate principles and best practices, the Chairman of the Board designates a Compliance Officer who shall have a rank of Senior Vice President or an equivalent position. Included in its function is to monitor, review, evaluate and ensure the compliance by the Corporation, its officers and directors with the relevant laws, the CG Code for PLCs rules and regulations and all governance issuances of regulatory agencies.</p> <p>Corporate Governance Manual, Article II, 1.12 Responsibility of the Board for Good Governance pg.13 & Article V, Audit, Compliance and Risk Management, 3. Compliance System, page 30 https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018_Nov%202018_0.pdf</p> <p>The Board shall create and design a Code of Conduct with an anti-corruption policy and programs suitable to the needs of the Corporation and ensure proper and efficient implementation and monitoring of compliance with the Code, including providing appropriate orientation and training to the Board, senior management and employees.</p> <p>Code of Business Conduct and Ethics https://www.global-imi.com/governance/code-business-conduct-and-ethics https://www.global-imi.com/sites/default/files/2018%20IMI%20Code%20of%20Conduct_BOD_rev%20D.PDF</p>	
Optional: Recommendation 12.1			
<p>1. Company has a governance process on IT issues including disruption, cyber security, and disaster recovery, to ensure that all key risks are identified, managed and reported to the board.</p>	<p>Compliant</p>	<p><i>Provide information on IT governance process</i></p> <p>The Company has established an IT governance process to ensure all key risks are identified, managed/mitigated and reported to top management. It includes top management oversight, cyber/IT security, change management, disaster recovery, and data privacy.</p> <p>2020 Annual Report – 2020 Key Risks, page 62-63</p>	

		<ul style="list-style-type: none"> • Business Resiliency Risk • Information Security and Cyber Risk <p>Business review: Coming Out Stronger and Better Equipped, Unlocking The Value of Digitalization, page 27-28</p> <p>https://www.global-imi.com/investors/annual-reports</p>	
Recommendation 12.2			
<p>1. Company has in place an independent internal audit function that provides an independent and objective assurance, and consulting services designed to add value and improve the company's operations.</p>	Compliant	<p><i>Disclose if the internal audit is in-house or outsourced. If outsourced, identify external firm.</i></p> <p>The Audit and Risk Committee of the Board set up an independent Internal Audit Group that provides independent and objective assurance and advisory services to the Corporation designed to add value and improve on the Corporation's operations. It shall provide the Board, Management, the stockholders and other stakeholders with reasonable assurance that the Corporation's key organizational and procedural controls are effective, appropriate, and complied with and ensure that internal audit examinations cover the evaluation of adequacy and effectiveness of controls encompassing the Company's governance, operations, information system, reliability and integrity of financial and operational information, effectiveness and efficiency of operations, safeguarding of assets and compliance with contracts, laws, rules and regulations.</p> <p>Audit and Risk Committee Charter, D. Responsibilities, 2. Internal Audit, page 6 https://www.global-imi.com/sites/default/files/IMI%20Audit%20and%20Risk%20Committee%20Charter%20Oct%202020%20-%20Final.pdf</p> <p>Corporate Governance Manual, Article V, 1. Internal Audit page 28 https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018%20Nov%202018%200.pdf</p>	
Recommendation 12.3			
<p>1. Company has a qualified Chief Audit Executive (CAE) appointed by the Board.</p>	Compliant	<p><i>Identify the company's Chief Audit Executive (CAE) and provide information on or reference to a document containing his/her responsibilities.</i></p>	

		<p>The Chief Audit Executive is appointed by the Board’s Audit and Risk Committee. The Company’s Chief Audit Executive is Lorlyn Arceo who reports functionally to the Audit and Risk Committee, with responsibilities set out in the Company’s Corporate Governance Manual, Audit and Risk Committee and Internal Audit Charters.</p> <p>2020 Annual Report – Accountability and Audit, p. 58 and Corporate Governance Manual, 1.12 Responsibility of the Board for Good Governance, page 13 https://www.global-imi.com/investors/annual-reports</p> <p>Corporate Governance Manual, Article V, 1c. Internal Audit page 28 https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018_Nov%202018_0.pdf</p> <p>Audit and Risk Committee Charter, D. Responsibilities, 2. Internal Audit, page 6 https://www.global-imi.com/sites/default/files/IMI%20Audit%20and%20Risk%20Committee%20Charter%20Oct%202020%20-%20Final.pdf</p> <p>Internal Audit Charter, F. Reporting and Working Relationship, page 8 https://www.global-imi.com/sites/default/files/IMI%20Internal%20Audit%20Charter%20Nov%202017.pdf</p>	
<p>2. CAE oversees and is responsible for the internal audit activity of the organization, including that portion that is outsourced to a third party service provider.</p>	<p>Compliant</p>	<p>No outsourced internal audit activity in 2020.</p> <p>Internal Audit Charter, E. Responsibilities, pg. 5 and Internal Audit Charter, F. Reporting and Working Relationships, page 7 https://www.global-imi.com/sites/default/files/IMI%20Internal%20Audit%20Charter%20Nov%202017.pdf</p> <p>Revised CG Manual, Article V, Audit, Compliance and Risk Management 1. Internal Audit (c & d), page 28, and Article VII, Communication and Information 1. A.6, page 32</p>	

		https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018 Nov%202018 0.pdf	
3. In case of a fully outsourced internal audit activity, a qualified independent executive or senior management personnel is assigned the responsibility for managing the fully outsourced internal audit activity.	Not Applicable	<p><i>Identify qualified independent executive or senior management personnel, if applicable.</i></p> <p>No outsourced internal audit activity in 2020.</p>	
Recommendation 12.4			
1. Company has a separate risk management function to identify, assess and monitor key risk exposures.	Compliant	<p><i>Provide information on company's risk management function.</i></p> <p>As part of the Board's Audit and Risk Committee duties and responsibilities, it developed a separate risk management function through the Enterprise Risk Management (ERM) function, headed by the Chief Risk Officer and ERM Leader. This is to ensure that an overall risk management structure, policies and procedures exist for the Company and key accountabilities and responsibilities are set out to continuously identify, assess, monitor and report key risks, exposures and actions.</p> <p>Audit and Risk Committee Charter, D. Responsibilities, 4. Risk Management, page 8 https://www.global-imi.com/sites/default/files/IMI%20Audit%20and%20Risk%20Committee%20Charter%20Oct%202020%20-%20Final.pdf</p> <p>Corporate Governance Manual, Article II, 2.4 Audit and Risk Committee, pages 19-20 https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018 Nov%202018 0.pdf</p> <p>IMI's Enterprise Risk Management Policy, ERM Functional Organization and Roles, pages 4-5 https://www.global-imi.com/sites/default/files/IMI-Enterprise-Risk-Management-Policy.pdf</p>	
Supplement to Recommendation 12.4			

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<p>1. Company seeks external technical support in risk management when such competence is not available internally.</p>	<p>Compliant</p>	<p><i>Identify source of external technical support, if any.</i></p> <p>No outsourced risk management activity in 2020.</p> <p>The company has its own ERM function which is also being supported by the parent company.</p>	
<p>Recommendation 12.5</p>			
<p>1. In managing the company's Risk Management System, the company has a Chief Risk Officer (CRO), who is the ultimate champion of Enterprise Risk Management (ERM).</p>	<p>Compliant</p>	<p><i>Identify the company's Chief Risk Officer (CRO) and provide information on or reference to a document containing his/her responsibilities and qualifications/background.</i></p> <p>IMI's Chief Risk Officer (CRO) is Jerome S. Tan, who is also the Chief Finance Officer. CRO is the ultimate champion of risk management at IMI and oversees the entire risk management function.</p> <p>Enterprise Risk Management Policy, ERM Functional Organization and Roles, pages 4-5 https://www.global-imi.com/sites/default/files/IMI-Enterprise-Risk-Management-Policy.pdf</p> <p>2021 Definitive Information Statement, Annex B Directors and Officers, pages 24-29 https://www.global-imi.com/sites/default/files/IMI%20%202021%20Definitive%20Infomation%20State ment_0.pdf</p> <p>2020 Annual Report, Enterprise Risk Management, Risk Reporting, pages 62-63 https://www.global-imi.com/investors/annual-reports</p>	
<p>2. CRO has adequate authority, stature, resources and support to fulfill his/her responsibilities.</p>	<p>Compliant</p>	<p>IMI's Chief Risk Officer (CRO) is Jerome S. Tan, who is also the Chief Finance Officer and a member of Management Committee (ManCom). His functions are to assist the CEO in making updates to the Finance Committee, Audit Committee and the Board; monitors and reports status of implementation of risk management strategies and action plans to the MANCOM; ensures that the Risk Owners receives appropriate organizational support to implement risk management on a day-to-day</p>	

		<p>basis. Qualifications and background are mentioned in Definitive Information Statement for directors and officers.</p> <p>Enterprise Risk Management Policy, ERM Functional Organization and Roles, pages 4-5 https://www.global-imi.com/sites/default/files/IMI-Enterprise-Risk-Management-Policy.pdf</p> <p>2021 Definitive Information Statement, Annex B Directors and Officers, pages 24-29 https://www.global-imi.com/sites/default/files/IMI%20%202021%20Definitive%20Infomation%20Statement_0.pdf</p> <p>Corporate Governance Manual, Article II, 2.4 Audit and Risk Committee, pages 19-20 https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018_Nov%202018_0.pdf</p> <p>Audit and Risk Committee Charter, C. Authority and D. Responsibilities, 4. Risk Management, pages 4 and 8 https://www.global-imi.com/sites/default/files/IMI%20Audit%20and%20Risk%20Committee%20Charter%20Oct%202020%20-%20Final.pdf</p> <p>2020 Annual Report, Enterprise Risk Management, Risk Reporting, pages 62-63 https://www.global-imi.com/investors/annual-reports</p>	
Additional Recommendation to Principle 12			
<p>1. Company's Chief Executive Officer and Chief Audit Executive attest in writing, at least annually, that a sound internal audit, control and compliance system is in place and working effectively.</p>	<p>Compliant</p>	<p><i>Provide link to CEO and CAE's attestation</i></p> <p>The Chief Executive Officer (CEO) and Chief Audit Executive (CAE) attests in writing, annually, based on the governance practices and assurance provided by Integrated Micro-electronics, Inc. (IMI) internal and external audits, that IMI's system of internal controls, risk management, compliance and governance processes are adequate.</p>	

		https://www.global-imi.com/sites/default/files/5.5%202020%20CEO%20%20CAE%20Attestation%20on%20IC%20%20Compliance%20System%20-%20Signed.pdf	
Cultivating a Synergic Relationship with Shareholders			
Principle 13: The company should treat all shareholders fairly and equitably, and also recognize, protect and facilitate the exercise of their rights.			
Recommendation 13.1			
1. Board ensures that basic shareholder rights are disclosed in the Manual on Corporate Governance.	Compliant	<p><i>Provide link or reference to the company's Manual on Corporate Governance where shareholders' rights are disclosed.</i></p> <p>Revised CG Manual, Article VIII. Stockholders' Rights and Protection of Minority Stockholders' Interest, page 33</p> <p>Stockholder Rights</p> <p>The Board shall promote shareholders' rights, remove impediments to the exercise of shareholders' rights and provide effective redress for violation of their rights. They shall encourage the exercise of shareholders' voting rights and the solution of collective action problems through appropriate mechanisms.</p> <p>The Board shall be committed to respect the following rights of the stockholders:</p> <ul style="list-style-type: none"> • Voting Right • Pre-emptive Right • Right of Inspection • Right to Information • Right to Dividends • Appraisal Right <p>https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018_Nov%202018_0.pdf</p>	
2. Board ensures that basic shareholder rights are disclosed on the company's website.	Compliant	<p><i>Provide link to company's website</i></p> <p>Revised CG Manual, Article VIII. Stockholders' Rights and Protection of Minority Stockholders' Interest, page 33</p>	

		https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018_Nov%202018_0.pdf	
Supplement to Recommendation 13.1			
1. Company's common share has one vote for one share.	Compliant	<p>Amended By-Laws, Article III, Section 7, page 3 https://www.global-imi.com/sites/default/files/SEC-PSE-SEC%27s%20Approval%20of%20the%20Amended%20By-Laws_4.13.21_0.pdf</p> <p>Section 7 – Each share of stock entitles the person whose name it is registered in the books of the Corporation to one vote, provided the share has not been declared delinquent.</p> <p>2021 Definitive Information Statement, Method of Voting, page 18 https://www.global-imi.com/sites/default/files/IMI%202021%20Definitive%20Infomation%20State%20ment_0.pdf</p> <p>Minutes of 2020 Annual Stockholders' Meeting https://www.global-imi.com/sites/default/files/IMI%20-%202020%20ASM%20Minutes%20.pdf</p> <p>Minutes of 2021 Annual Stockholders' Meeting https://www.global-imi.com/sites/default/files/IMI-2021%20ASM%20Minutes%20%2815April2021%29_0.pdf</p>	
2. Board ensures that all shareholders of the same class are treated equally with respect to voting rights, subscription rights and transfer rights.	Compliant	<p><i>Provide information on all classes of shares, including their voting rights if any.</i></p> <p>Revised CG Manual, Article VIII. Stockholders' Rights and Protection of Minority Stockholders' Interest, page 33 https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018_Nov%202018_0.pdf</p> <p>Amended By-Laws, Article III, Section 7-8, page 3 https://www.global-imi.com/sites/default/files/SEC-PSE-</p>	

		<p>SEC%27s%20Approval%20of%20the%20Amended%20By-Laws 4.13.21 0.pdf</p> <p>2021 Definitive Information Statement, Method of Voting, page 18 https://www.global-imi.com/sites/default/files/IMI%20%202021%20Definitive%20Infomation%20State%20ment 0.pdf</p>	
<p>3. Board has an effective, secure, and efficient voting system.</p>	<p>Compliant</p>	<p><i>Provide link to voting procedure. Indicate if voting is by poll or show of hands.</i></p> <p>Voting Procedure</p> <p>a. Vote Required The affirmative vote of stockholders representing at least 2/3 of the issued and outstanding capital stock is required for the approval of the proposed amendments to the Second Article of the Articles of Incorporation. The affirmative vote of at least a majority of the issued and outstanding capital stock entitled to vote and represented at the annual stockholders’ meeting is required for the approval of the other matters to be presented to the stockholders for decision. The election of directors is by plurality of votes.</p> <p>b. Method of Voting In all items for approval, each share of stock entitles its registered owner to one vote. In case of election of directors, each stockholder may vote such number of shares for as many persons as there are directors to be elected or he may cumulate said shares and give one nominee as many votes as the number of directors to be elected multiplied by the number of his shares shall equal, or he may distribute them on the same principle among as many nominees as he shall see fit, provided that the whole number of votes cast by him shall not exceed the number of shares owned by him multiplied by the total number of directors to be elected.</p> <p>Each stockholder attending the annual stockholders’ meeting in person or his proxy will be given a ballot, upon registration, to enable him to vote in writing on each item or proposal in the Agenda. There will also be computer stations outside the Ballroom where stockholders may cast. In addition, a stockholder may vote electronically in absentia using the online web address provided by</p>	

		<p>the Company subject to validation procedures. A stockholder voting electronically in absentia shall be deemed present for purposes of quorum. All votes will be counted and tabulated by the Office of the Corporate Secretary and the results will be validated by SGV & Co.</p> <p>2021 Definitive Information Statement, Method of Voting, page 18 https://www.global-imi.com/sites/default/files/IMI%20%202021%20Definitive%20Infomation%20State%20ment%200.pdf</p> <p>Amended By-Laws, Article III, Section 8, page 3 https://www.global-imi.com/sites/default/files/SEC-PSE-SEC%27s%20Approval%20of%20the%20Amended%20By-Laws 4.13.21 0.pdf</p>	
4. Board has an effective shareholder voting mechanism such as supermajority or “majority of minority” requirements to protect minority shareholders against actions of controlling shareholders.	Compliant	<p><i>Provide information on shareholder voting mechanisms such as supermajority or “majority of minority”, if any.</i></p> <p>Revised CG Manual, Article VIII. Stockholders’ Rights and Protection of Minority Stockholders’ Interest, page 33 https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018 Nov%202018 0.pdf</p>	
5. Board allows shareholders to call a special shareholders’ meeting and submit a proposal for consideration or agenda item at the AGM or special meeting.	Compliant	<p><i>Provide information on how this was allowed by board (i.e., minutes of meeting, board resolution)</i></p> <p>Revised CG Manual, Article VIII. Stockholders’ Rights and Protection of Minority Stockholders’ Interest, d) Right to Information, page 33</p> <p>The minority shareholders shall have the right to propose the holding of a meeting, and the right to propose items in the agenda of the meeting, provided the items are for legitimate business purpose.</p> <p>In accordance with existing law and jurisprudence, minority shareholders shall have access to any and all information relating to matters for which the Management is accountable for and to those relating to matters for which the Management should include such information and, if not included, then the minority shareholders can propose to include such matters in the agenda of stockholders’ meeting; provided</p>	

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		<p>always that, this right of access is conditioned upon the requesting shareholder's having a legitimate purpose for such access.</p> <p>https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018 Nov%202018 0.pdf</p>	
6. Board clearly articulates and enforces policies with respect to treatment of minority shareholders.	Compliant	<p><i>Provide information or link/reference to the policies on treatment of minority shareholders</i></p> <p>Revised CG Manual, Article VIII. Stockholders' Rights and Protection of Minority Stockholders' Interest, page 33</p> <p>https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018 Nov%202018 0.pdf</p>	
7. Company has a transparent and specific dividend policy.	Compliant	<p><i>Provide information on or link/reference to the company's dividend Policy.</i></p> <p><i>Indicate if company declared dividends. If yes, indicate the number of days within which the dividends were paid after declaration. In case the company has offered scrip-dividends, indicate if the company paid the dividends within 60 days from declaration</i></p> <p>2021 Definitive Information Statement, II. Market Price of and Dividends on the Registrant's Common Equity, C) Dividends, page 50</p> <p>2020 Audited Financial Statement, Note 19 Equity, page 46 (page 139 of pdf file)</p> <p>https://www.global-imi.com/sites/default/files/IMI%20%202021%20Definitive%20Information%20Statement 0.pdf</p> <p>SEC Form 17-A, Part II – Operational and Financial Information, Item 6. Market for Issuer's Common Equity and Related Stockholder Matters, page 41</p> <p>https://www.global-imi.com/sites/default/files/2020%20SEC%20Form%2017-A Integrated%20Micro-Electronics%2C%20Inc.%20Final%20%281%29.pdf</p>	
Optional: Recommendation 13.1			
1. Company appoints an independent party to count and/or validate the votes at the	Compliant	<i>Identify the independent party that counted/validated the votes at the ASM, if any.</i>	

Annual Shareholders' Meeting.		2020 Annual Stockholders' Meeting Voting Results were validated by SyCip Gorres Velayo & Co. https://www.global-imi.com/sites/default/files/IMI%202020%20ASM%20Voting%20Results.pdf	
Recommendation 13.2			
1. Board encourages active shareholder participation by sending the Notice of Annual and Special Shareholders' Meeting with sufficient and relevant information at least 28 days before the meeting.	Non-Compliant	<p><i>Indicate the number of days before the annual stockholders' meeting or special stockholders' meeting when the notice and agenda were sent out</i></p> <p><i>Indicate whether shareholders' approval of remuneration or any changes therein were included in the agenda of the meeting.</i></p> <p><i>Provide link to the Agenda included in the company's Information Statement (SEC Form 20-IS)</i></p> <p>2020 Definitive Information Statement was issued on March 23, 2020, at least 24 days before the Annual Stockholders' Meeting on April 15, 2020.</p> <p>Included in the Agenda of the ASM were the approval of the remuneration of the external auditor.</p> <p>https://www.global-imi.com/sites/default/files/IMI%202020%20DIS%281%29.pdf</p> <p>https://edge.pse.com.ph/openDiscViewer.do?edge_no=cddaa9ff00bd4e870de8473cebbd6407</p> <p>2021 Definitive Information Statement was issued on March 25, 2020, at least 22 days before the Annual Stockholders' Meeting on April 15, 2021.</p> <p>https://www.global-imi.com/sites/default/files/IMI%20%202021%20Definitive%20Infomation%20State%20ment%200.pdf</p> <p>https://edge.pse.com.ph/openDiscViewer.do?edge_no=adccbc6a3f8d3fa15d542af6f1e997b9</p>	<p>2020 Definitive Information Statement was issued on March 23, 2020, at least 24 calendar days before the Annual Stockholders' Meeting on April 15, 2020.</p> <p>2021 Definitive Information Statement was issued on March 25, 2021, at least 22 calendar days before the Annual Stockholders' Meeting on April 15, 2021.</p> <p>This is in compliance to SEC's requirement which is at least 15 business days before the date of the Annual Stockholders' Meeting.</p>

Supplemental to Recommendation 13.2			
<p>1. Company's Notice of Annual Stockholders' Meeting contains the following information:</p>	<p>Compliant</p>	<p><i>Provide link or reference to the company's notice of Annual Shareholders' Meeting</i></p> <p>Refer to the 2020 Definitive Information Statement for the items below. https://www.global-imi.com/sites/default/files/IMI%202020%20DIS%281%29.pdf</p> <p>https://edge.pse.com.ph/openDiscViewer.do?edge_no=cddaa9ff00bd4e870de8473cebbd6407</p> <p>Refer to the 2021 Definitive Information Statement for the items below. https://www.global-imi.com/sites/default/files/IMI%20%202021%20Definitive%20Infomation%20State%20ment%200.pdf</p> <p>https://edge.pse.com.ph/openDiscViewer.do?edge_no=adccbc6a3f8d3fa15d542af6f1e997b9</p>	
<p>a. The profiles of directors (i.e., age, academic qualifications, date of first appointment, experience, and directorships in other listed companies)</p>	<p>Compliant</p>	<p>2020 Definitive Information Statement, Annex "B" Directors and Key Officers, page 24 https://www.global-imi.com/sites/default/files/IMI%202020%20DIS%281%29.pdf</p> <p>2021 Definitive Information Statement, Annex "B" Directors and Key Officers, page 24 https://www.global-imi.com/sites/default/files/IMI%20%202021%20Definitive%20Infomation%20State%20ment%200.pdf</p>	
<p>b. Auditors seeking appointment/re-appointment</p>	<p>Compliant</p>	<p>2020 Definitive Information Statement, Item 7. Independent Public Accountants, page 11 https://www.global-imi.com/sites/default/files/IMI%202020%20DIS%281%29.pdf</p> <p>2021 Definitive Information Statement, Item 7. Independent Public Accountants, page 13 https://www.global-imi.com/sites/default/files/IMI%20%202021%20Definitive%20Infomation%20State%20ment%200.pdf</p>	

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		imi.com/sites/default/files/IMI%20%202021%20Definitive%20Infomation%20State%20ment_0.pdf	
c. Proxy documents	Compliant	<p>2020 Definitive Information Statement, Proxy document, page 6 of pdf file https://www.global-imi.com/sites/default/files/IMI%202020%20DIS%281%29.pdf</p> <p>2021 Definitive Information Statement, Proxy document, page 6 of pdf file https://www.global-imi.com/sites/default/files/IMI%20%202021%20Definitive%20Infomation%20State%20ment_0.pdf</p>	
Optional: Recommendation 13.2			
1. Company provides rationale for the agenda items for the annual stockholders meeting	Compliant	<p><i>Provide link or reference to the rationale for the agenda items</i></p> <p>2020 Definitive Information Statement, Explanation of Agenda Items, page 4 of pdf file https://www.global-imi.com/sites/default/files/IMI%202020%20DIS%281%29.pdf</p> <p>https://edge.pse.com.ph/openDiscViewer.do?edge_no=cddaa9ff00bd4e870de8473cebbd6407</p> <p>2021 Definitive Information Statement, Explanation of Agenda Items, page 4 of pdf file https://www.global-imi.com/sites/default/files/IMI%20%202021%20Definitive%20Infomation%20State%20ment_0.pdf</p> <p>https://edge.pse.com.ph/openDiscViewer.do?edge_no=adccbc6a3f8d3fa15d542af6f1e997b9</p>	
Recommendation 13.3			
1. Board encourages active shareholder participation by making the result of the votes taken during the most recent Annual or Special Shareholders' Meeting	Compliant	<i>Provide information or reference to a document containing information on all relevant questions raised and answers during the ASM and special meeting and the results of the vote taken during the most recent ASM/SSM.</i>	

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<p>publicly available the next working day.</p>		<p>2020 Annual Stockholders’ Meeting Voting Results https://www.global-imi.com/sites/default/files/IMI%202020%20ASM%20Voting%20Results.pdf</p> <p>2021 Annual Stockholders’ Meeting Voting Results https://www.global-imi.com/sites/default/files/IMI%202021%20ASM%20Voting%20Results%20rev%20PDF.pdf</p> <p>2020 ASM Minutes of Meeting https://www.global-imi.com/sites/default/files/IMI%20-%202020%20ASM%20Minutes%20.pdf</p> <p>2021 ASM Minutes of Meeting https://www.global-imi.com/sites/default/files/IMI-2021%20ASM%20Minutes%20%2815April2021%29_0.pdf</p>	
<p>2. Minutes of the Annual and Special Shareholders’ Meetings were available on the company website within five business days from the end of the meeting.</p>	<p>Compliant</p>	<p><i>Provide link to minutes of meeting in the company website.</i></p> <p><i>Indicate voting results for all agenda items, including the approving, dissenting and abstaining votes.</i></p> <p><i>Indicate also if the voting on resolutions was by poll.</i></p> <p><i>Include whether there was opportunity to ask question and the answers given, if any</i></p> <p>The Annual Stockholders’ Meeting was held on April 15, 2020. The minutes of meeting was available on April 12, 2019, 4 days after the ASM.</p> <p>2020 Annual Stockholders’ Meeting Voting Results https://www.global-imi.com/sites/default/files/IMI%202020%20ASM%20Voting%20Results.pdf</p>	

		<p>2021 Annual Stockholders’ Meeting Voting Results https://www.global-imi.com/sites/default/files/IMI%202021%20ASM%20Voting%20Results%20rev%20PDF.pdf</p> <p>2020 Results of Annual Stockholders’ Meeting and Organizational Board Meeting https://www.global-imi.com/sites/default/files/SEC-PSE-Result%20of%20ASM%20and%20Org%20BOD_4.15.20.pdf</p> <p>2021 Results of Annual Stockholders’ Meeting and Organizational Board Meeting https://www.global-imi.com/sites/default/files/SEC-PSE-Result%20of%20ASM%20and%20Org%20BOD_4.15.21%20%281%29.pdf</p> <p>2020 ASM Minutes of Meeting https://www.global-imi.com/sites/default/files/IMI%20-%202020%20ASM%20Minutes%20.pdf</p> <p>2021 ASM Minutes of Meeting https://www.global-imi.com/sites/default/files/IMI-2021%20ASM%20Minutes%20%2815April2021%29_0.pdf</p>	
Supplement to Recommendation 13.3			
<p>1. Board ensures the attendance of the external auditor and other relevant individuals to answer shareholders questions during the ASM and SSM.</p>	<p>Compliant</p>	<p><i>Indicate if the external auditor and other relevant individuals were present during the ASM and/or special meeting</i></p> <p>The external auditor (Sycip, Gorres Velayo & Co.) was present during the last Annual Stockholders’ Meeting in April 15, 2020.</p>	
Recommendation 13.4			
<p>1. Board makes available, at the option of a shareholder, an alternative dispute mechanism to resolve intra-corporate disputes in an amicable and effective manner.</p>	<p>Compliant</p>	<p><i>Provide details of the alternative dispute resolution made available to resolve intra-corporate disputes</i></p> <p>Revised CG Manual, Article II, 1.12 Specific Duties of the Board of Directors, g), page 18</p>	

		<p>g) Establish and make available an alternative dispute resolution mechanism in the Corporation that can amicably settle intra-corporate disputes;</p> <p>Revised CG Manual, Article III, 1.12 3. Alternative Dispute Resolution Mechanism, page 35</p> <p>Alternative Dispute Resolution Mechanism Any controversy or claim brought directly by a shareholder of the Corporation against the Corporation or any of its Directors, officers, or agents may be settled by arbitration as provided under the Philippine Alternative Dispute Resolution Act of 2004.</p> <p>The arbitration shall be conducted in accordance with the Arbitration Rules of the Philippine Dispute Resolution Center, Inc. of the Philippine Chamber of Commerce and Industry (the “Arbitration Rules”) then in effect. The place of arbitration shall be in Metro Manila and the language of arbitration shall be in English.</p> <p>There shall be three (3) arbitrators (the “Arbitral Tribunal”) to be appointed in accordance with the Arbitration Rules.</p> <p>The parties shall be bound by the award rendered by the Arbitral Tribunal and confirmed by the appropriate Regional Trial Court.</p> <p>Arbitration shall not be available for disputes involving claims in excess of One Million Pesos (PhP1,000,000.00) or involving the determination of the fair valuation of shares in appraisal proceedings.</p> <p>https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018_Nov%202018_0.pdf</p> <p>Amended By-Laws, Article IX Arbitration, page 12 https://www.global-imi.com/sites/default/files/SEC-PSE-SEC%27s%20Approval%20of%20the%20Amended%20By-Laws_4.13.21_0.pdf</p>	
<p>2. The alternative dispute mechanism is included in the company’s Manual on</p>	<p>Compliant</p>	<p><i>Provide link/reference to where it is found in the Manual on Corporate Governance</i></p>	

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Corporate Governance.		<p>Revised CG Manual, Article III, 1.12 3. Alternative Dispute Resolution Mechanism, page 35</p> <p>https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018_Nov%202018_0.pdf</p>	
Recommendation 13.5			
1. Board establishes an Investor Relations Office (IRO) to ensure constant engagement with its shareholders.	Compliant	<p><i>Disclose the contact details of the officer/office responsible for investor relations, such as:</i></p> <ol style="list-style-type: none"> 1. Name of the person 2. Telephone number 3. Fax number 4. E-mail address <p>Investor Relations Office:</p> <p>Anthony Raymond P. Rodriguez 02-756-6840 Local 5300 ir@global-imi.com</p> <p>Revised CG Manual, Article VII Communication and Information, 2. The Investor Relations Function, page 32. https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018_Nov%202018_0.pdf</p>	
2. IRO is present at every shareholder’s meeting.	Compliant	<p><i>Indicate if the IRO was present during the ASM.</i></p> <p>The Investor Relations Officer, Mr. Anthony Rodriguez has attended the Company’s Annual Stockholders’ Meeting last April 15, 2020 and April 15, 2021.</p>	
Supplemental Recommendations to Principle 13			
1. Board avoids anti-takeover measures or similar devices that may entrench ineffective management or the existing controlling shareholder group	Compliant	<p><i>Provide information on how anti-takeover measures or similar devices were avoided by the board, if any.</i></p> <p>IMI has a Finance Committee who are responsible to oversee the financial policy and capital structure strategies, including capital structure, dividend policy, and capital allocation decisions that may be brought to the Board for approval.</p>	

		https://www.global-imi.com/sites/default/files/IMI_Charter-of-Finance-Committee_May-2017.pdf	
2. Company has at least thirty percent (30%) public float to increase liquidity in the market.	Compliant	<p><i>Indicate the company's public float.</i></p> <p>As of December 31, 2020, IMI's public float was 30.74% https://edge.pse.com.ph/openDiscViewer.do?edge_no=f379fb5a36d2be255d542af6f1e997b9</p>	
Optional: Principle 13			
1. Company has policies and practices to encourage shareholders to engage with the company beyond the Annual Stockholders' Meeting	Compliant	<p><i>Disclose or provide link/reference to policies and practices to encourage shareholders' participation beyond ASM</i></p> <p>Revised Manual of Corporate Governance, Article VIII. Stockholders' Rights and Protection of Minority Stockholders' Interests, page 33 https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018_Nov%202018_0.pdf</p>	
2. Company practices secure electronic voting in absentia at the Annual Shareholders' Meeting.	Compliant	<p><i>Disclose the process and procedure for secure electronic voting in absentia, if any.</i></p> <p>2020 Definitive Information Statement, Annex C, page 30 https://www.global-imi.com/sites/default/files/IMI%202020%20DIS%281%29.pdf</p> <p>2021 Definitive Information Statement, Annex C, page 30 https://www.global-imi.com/sites/default/files/IMI%20%202021%20Definitive%20Infomation%20State%20ment_0.pdf</p> <p>Amended By-Laws, Article III, Section 7-8, page 3 https://www.global-imi.com/sites/default/files/SEC-PSE-SEC%27s%20Approval%20of%20the%20Amended%20By-Laws_4.13.21_0.pdf</p>	
Duties to Stakeholders			

<p>Principle 14: The rights of stakeholders established by law, by contractual relations and through voluntary commitments must be respected. Where stakeholders’ rights and/or interests are at stake, stakeholders should have the opportunity to obtain prompt effective redress for the violation of their rights.</p>			
<p>Recommendation 14.1</p>			
<p>1. Board identifies the company’s various stakeholders and promotes cooperation between them and the company in creating wealth, growth and sustainability.</p>	<p>Compliant</p>	<p><i>Identify the company’s shareholder and provide information or reference to a document containing information on the company’s policies and programs for its stakeholders.</i></p> <p>Company Website – Governance, Annual Corporate Governance Report, Role of Stakeholders https://www.global-imi.com/governance/annual-corporate-governance-report</p> <p>Company Website – Governance, Sustainability 2020 Corporate Sustainability Report https://www.global-imi.com/governance/sustainability</p> <p>2020 Annual Report – Road to Sustainability, page 65 https://www.global-imi.com/investors/annual-reports</p>	
<p>Recommendation 14.2</p>			
<p>1. Board establishes clear policies and programs to provide a mechanism on the fair treatment and protection of stakeholders.</p>	<p>Compliant</p>	<p><i>Identify policies and programs for the protection and fair treatment of company’s stakeholders</i></p> <p>Revised Manual of Corporate Governance, Article VIII. Stockholders’ Rights and Protection of Minority Stockholders’ Interests, page 33 https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018 Nov%202018_0.pdf</p> <p>Company Website – Governance, Sustainability 2020 Corporate Sustainability Report https://www.global-imi.com/governance/sustainability</p>	
<p>Recommendation 14.3</p>			
<p>1. Board adopts a transparent framework and process that allow stakeholders to communicate with the company and to obtain redress for the violation of their rights.</p>	<p>Compliant</p>	<p><i>Provide the contact details (i.e., name of contact person, dedicated phone number or e-mail address, etc.) which stakeholders can use to voice their concerns and/or complaints for possible violation of their rights.</i></p> <p><i>Provide information on whistleblowing policy, practices and procedures for</i></p>	

		<p><i>stakeholders.</i></p> <p>Whistleblower Policy https://www.global-imi.com/sites/default/files/IMI%20Whistleblower%20policy_June%202018.pdf</p> <p>Company Website – Governance, Corporate Governance Report, Role of Stakeholders https://www.global-imi.com/governance/annual-corporate-governance-report</p> <p>https://www.global-imi.com/sites/default/files/ROLE%20OF%20STAKEHOLDERS.pdf</p>	
Supplement to Recommendation 14.3			
<p>1. Company establishes an alternative dispute resolution system so that conflicts and differences with key stakeholders is settled in a fair and expeditious manner.</p>	Compliant	<p><i>Provide information on the alternative dispute resolution system established by the company.</i></p> <p>Revised CG Manual, Article III, 1.12 3. Alternative Dispute Resolution Mechanism, page 35</p> <p>https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018_Nov%202018_0.pdf</p>	
Additional Recommendations to Principle 14			
<p>1. Company does not seek any exemption from the application of a law, rule or regulation especially when it refers to a corporate governance issue. If an exemption was sought, the company discloses the reason for such action, as well as presents the specific steps being taken to finally comply with the applicable law, rule or regulation.</p>	Compliant	<p><i>Disclose any requests for exemption by the company and the reason for the request.</i></p> <p>The Company did not seek any exemption from any applicable laws, rules and regulations.</p> <p>Code of Business Conduct and Ethics, V. Management System https://www.global-imi.com/governance/code-business-conduct-and-ethics</p>	
<p>2. Company respects intellectual property rights.</p>	Compliant	<p><i>Provide specific instances, if any.</i></p> <p>Code of Business Conduct and Ethics, IV. Ethics, 4) Intellectual Property.</p>	

		<p>Intellectual Property Intellectual property rights are to be respected; transfer of technology and know-how is to be done in a manner that protects intellectual property rights; and, customer and supplier information is to be safeguarded.</p> <p>https://www.global-imi.com/governance/code-business-conduct-and-ethics</p> <p>https://www.global-imi.com/sites/default/files/2018%20IMI%20Code%20of%20Conduct_BOD_rev%20D.PDF</p>	
Optional: Principle 14			
1. Company discloses its policies and practices that address customers' welfare	Compliant	<p><i>Identify policies, programs and practices that address customers' welfare or provide link/reference to a document containing the same.</i></p> <p>Company Website – Governance, Corporate Governance Report, Role of Stakeholders https://www.global-imi.com/governance/annual-corporate-governance-report</p> <p>https://www.global-imi.com/sites/default/files/ROLE%20OF%20STAKEHOLDERS.pdf</p>	
2. Company discloses its policies and practices that address supplier/contractor selection procedures	Compliant	<p><i>Identify policies, programs and practices that address supplier/contractor selection procedures or provide link/reference to a document containing the same.</i></p> <p>Company Website – Governance, Corporate Governance Report, Role of Stakeholders https://www.global-imi.com/governance/annual-corporate-governance-report</p> <p>https://www.global-imi.com/sites/default/files/ROLE%20OF%20STAKEHOLDERS.pdf</p>	
<p>Principle 15: A mechanism for employee participation should be developed to create a symbiotic environment, realize the company's goals and participate in its corporate governance processes.</p>			

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 Integrated Micro-Electronics, Inc.

Recommendation 15.1			
1. Board establishes policies, programs and procedures that encourage employees to actively participate in the realization of the company's goals and in its governance.	Compliant	<p><i>Provide information on or link/reference to company policies, programs and procedures that encourage employee participation.</i></p> <p>Code of Business Conduct and Ethics, E. Management System and Corporate Social Responsibility https://www.global-imi.com/governance/code-business-conduct-and-ethics</p> <p>Company Website – Governance, Sustainability 2020 Corporate Sustainability Report https://www.global-imi.com/governance/sustainability</p>	
Supplement to Recommendation 15.1			
1. Company has a reward/compensation policy that accounts for the performance of the company beyond short-term financial measures.	Compliant	<p><i>Disclose if company has in place a merit-based performance incentive mechanism such as an employee stock option plan (ESOP) or any such scheme that awards and incentivizes employees, at the same time aligns their interests with those of the shareholders.</i></p> <p>The Company issues Employee Stock Ownership Plan (ESOWN) which allows grantees to purchase the Parent Company's shares at a discounted price.</p> <p>2020 Annual Report, Note 28. Employee Stock Ownership Plan, page 146. https://www.global-imi.com/investors/annual-reports</p>	
2. Company has policies and practices on health, safety and welfare of its employees.	Compliant	<p><i>Disclose and provide information on policies and practices on health, safety and welfare of employees. Include statistics and data, if any.</i></p> <p>Environment, Health and Safety Policy and Code of Conduct and Ethics https://www.global-imi.com/sites/default/files/EHS-Policy.pdf https://www.global-imi.com/sites/default/files/2018%20IMI%20Code%20of%20Conduct_BOD_rev%20D.PDF</p>	
3. Company has policies and practices on training and development of its	Compliant	<p><i>Disclose and provide information on policies and practices on training and development of employees.</i></p>	

employees.		<p><i>Include information on any training conducted or attended.</i></p> <p>Company Website – Governance, Annual Corporate Governance Report, Role of Stakeholders https://www.global-imi.com/governance/annual-corporate-governance-report</p> <p>Company Website – Governance, Sustainability 2020 Corporate Sustainability Report https://www.global-imi.com/investors/annual-reports</p> <p>2020 Annual Report – Human Capital, page 75 https://www.global-imi.com/investors/annual-reports</p>	
Recommendation 15.2			
<p>1. Board sets the tone and makes a stand against corrupt practices by adopting an anti-corruption policy and program in its Code of Conduct.</p>	Compliant	<p><i>Identify or provide link/reference to the company's policies, programs and practices on anti-corruption</i></p> <p>Revised Manual of Corporate Governance, 1.12 Responsibilities of the Board for Good Governance, page 13</p> <p>v) Create and design a Code of Conduct with an anti-corruption policy and programs suitable to the needs of the Corporation and ensure proper and efficient implementation and monitoring of compliance with the Code, including providing appropriate orientation and training to the Board, senior management and employees;</p> <p>https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018_Nov%202018_0.pdf</p> <p>Code of Business Conduct and Ethics, IV. Ethics, page 11 of pdf file https://www.global-imi.com/sites/default/files/2018%20IMI%20Code%20of%20Conduct_BOD_rev%20D.PDF</p>	
2. Board disseminates the policy and	Compliant	<i>Identify how the board disseminated the policy and program to employees across</i>	

<p>program to employees across the organization through trainings to embed them in the company's culture.</p>		<p><i>the organization</i></p> <p>Revised Manual of Corporate Governance, 1.12 Responsibilities of the Board for Good Governance, page 13</p> <p>v) Create and design a Code of Conduct with an anti-corruption policy and programs suitable to the needs of the Corporation and ensure proper and efficient implementation and monitoring of compliance with the Code, including providing appropriate orientation and training to the Board, senior management and employees;</p> <p>https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018_Nov%202018_0.pdf</p> <p>Code of Business Conduct and Ethics, IV. Ethics, page 11 of pdf file https://www.global-imi.com/sites/default/files/2018%20IMI%20Code%20of%20Conduct_BOD_rev%20D.PDF</p>	
Supplement to Recommendation 15.2			
<p>1. Company has clear and stringent policies and procedures on curbing and penalizing employee involvement in offering, paying and receiving bribes.</p>	<p>Compliant</p>	<p><i>Identify or provide link/reference to the company policy and procedures on penalizing employees involved in corrupt practices.</i></p> <p><i>Include any finding of violations of the company policy.</i></p> <p>Code of Business Conduct and Ethics, IV Ethics, 5. Fair Business, Advertising, and Competition , Accepting Gifts or Gratuities and Entertainment https://www.global-imi.com/governance/code-business-conduct-and-ethics</p>	
Recommendation 15.3			
<p>1. Board establishes a suitable framework for whistleblowing that allows employees to freely communicate their concerns about illegal or unethical practices, without fear of retaliation</p>	<p>Compliant</p>	<p><i>Disclose or provide link/reference to the company whistle-blowing policy and procedure for employees.</i></p> <p><i>Indicate if the framework includes procedures to protect the employees from retaliation.</i></p> <p><i>Provide contact details to report any illegal or unethical behavior.</i></p>	

		<p>Whistleblower Policy</p> <p>The policy includes procedures to protect the employees from retaliation. (Item 6.0 No Retaliation, page 4)</p> <p>The Global Human Resource Head is the designated Ethics Officer.</p> <p>IMI’s official website has a “Contact Us” facility wherein all stakeholders of Company can communicate directly to the Company.</p> <p>https://www.global-imi.com/sites/default/files/IMI%20Whistleblower%20policy_June%202018.pdf</p> <p>Revised Manual of Corporate Governance, 1.12 Responsibilities of the Board for Good Governance, page 13</p> <p>w) Establish a suitable framework for whistleblowing that allows employees to freely communicate their concerns about illegal or unethical practices, without fear of retaliation, and to have direct access to a unit created to handle whistleblowing concerns and ensure its enforcement;</p> <p>https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018_Nov%202018_0.pdf</p>	
<p>2. Board establishes a suitable framework for whistleblowing that allows employees to have direct access to an independent member of the Board or a unit created to handle whistleblowing concerns.</p>	<p>Compliant</p>	<p>Whistleblower Policy, 8.0 Ethics Officer.</p> <p>The Global Human Resources Head is the designated Ethics Officer. The Ethics officer has direct access to the Audit Committee and is required to report to the Audit Committee at least annually on compliance activity.</p> <p>Revised Manual of Corporate Governance, 1.12 Responsibilities of the Board for Good Governance, page 13</p> <p>w) Establish a suitable framework for whistleblowing that allows employees to freely communicate their concerns about illegal or unethical practices, without fear</p>	

		<p>of retaliation, and to have direct access to a unit created to handle whistleblowing concerns and ensure its enforcement;</p> <p>https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018_Nov%202018_0.pdf</p>	
<p>3. Board supervises and ensures the enforcement of the whistleblowing framework.</p>	Compliant	<p><i>Provide information on how the board supervised and ensured enforcement of the whistleblowing framework, including any incident of whistleblowing.</i></p> <p>The Board through its Audit Committee reviews annually if there are any cases raised through the Ethics Officer.</p> <p>Whistleblower Policy https://www.global-imi.com/sites/default/files/IMI%20Whistleblower%20policy_June%202018.pdf</p> <p>Revised Manual of Corporate Governance, 1.12 Responsibilities of the Board for Good Governance, page 13</p> <p>w) Establish a suitable framework for whistleblowing that allows employees to freely communicate their concerns about illegal or unethical practices, without fear of retaliation, and to have direct access to a unit created to handle whistleblowing concerns and ensure its enforcement;</p> <p>https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018_Nov%202018_0.pdf</p>	
<p>Principle 16: The company should be socially responsible in all its dealings with the communities where it operates. It should ensure that its interactions serve its environment and stakeholders in a positive and progressive manner that is fully supportive of its comprehensive and balanced development.</p>			
<p>Recommendation 16.1</p>			
<p>1. Company recognizes and places importance on the interdependence between business and society, and promotes a mutually beneficial relationship that allows the company to</p>	Compliant	<p><i>Provide information or reference to a document containing information on the company's community involvement and environment-related programs.</i></p> <p>SOCIAL It is the intent of IMI and its subsidiaries to have all employees, officers and</p>	

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<p>grow its business, while contributing to the advancement of the society where it operates.</p>		<p>directors conduct themselves in ways that demonstrate ethical standards in all dealings with customers, suppliers, government, the public and each other at all times.</p> <p>IMI’s Code of Conduct outlines the standards to ensure that working conditions in the company are safe and that workers are treated with respect and dignity.</p> <p>ENVIRONMENT</p> <p>IMI recognizes that environmental responsibility is integral to producing world-class products. All IMI sites adopt an international management systems standard, ISO 14001.</p> <p>Revised Manual of Corporate Governance, Article IX Sustainability and Social Responsibility, page 35 https://www.global-imi.com/sites/default/files/IMI-Revised%20CG%20Manual%202018%20Nov%202018%200.pdf</p> <p>2020 Annual Report, Sustainability Report, page 65 https://www.global-imi.com/investors/annual-reports</p> <p>Code of Business Conduct and Ethics https://www.global-imi.com/sites/default/files/2018%20IMI%20Code%20of%20Conduct%20BOD%20rev%20D.PDF</p>	
Optional: Principle 16			
<p>1. Company ensures that its value chain is environmentally friendly or is consistent with promoting sustainable development</p>	<p>Compliant</p>	<p><i>Identify or provide link/reference to policies, programs and practices to ensure that its value chain is environmentally friendly or is consistent with promoting sustainable development.</i></p> <p>2020 Annual Report – Our Integrated Value Chain, page 68-69; Natural Capital, page 73; and Task Force on Climate- Related Financial Disclosure (TCFD) Adoption, page 78 https://www.global-imi.com/investors/annual-reports</p> <p><u>Energy Management</u></p> <p>IMI is continuously obtaining energy savings through various site’s energy</p>	

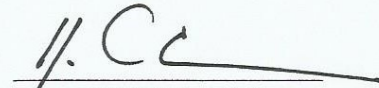
		<p>management programs and initiatives on its major facilities equipment.</p> <p><u>Water Management</u> IMI is generating water savings through its water conservation programs.</p> <p><u>Waste management</u> IMI has been implementing a policy on the handling, storage and disposal of wastes since Y2000. Regular and common monitoring activities include:</p> <ul style="list-style-type: none"> • Going beyond compliance to applicable laws and regulations related to wastes • Judicious enforcement of the 3R program in the disposition of its chemicals for manufacturing processes, waste segregation, and waste composition • Regular conduct of periodic conformance audits and safety inspections • Assurance of proper disposal of wastes through accredited wastes haulers, treaters and recyclers <p><u>Air Emissions - NOx, SOx, Particulate Matter</u> IMI conducts regular emission testing and monitoring of significant parameters of air pollutant in compliance to Clean Air Act.</p> <p><u>Effluents (Wastewater)</u> IMI conducts regular effluent sampling and monitoring of significant parameters on water quality, in compliance to General Effluent Guidelines.</p> <p><u>Recycling and Recovery</u> IMI monitors due diligently the implementation of:</p> <ul style="list-style-type: none"> • Segregation of waste at the source, and reuse of other reusable materials • Requiring its haulers to provide material recovery facility, and to segregate the recoverable materials, thereby, reducing the dumping of residual waste to municipal land fill. <p><u>Restricted materials management</u> IMI has developed a comprehensive policy on green manufacturing and procurement. It has adopted a system on Hazardous Substances Process Management (HSPM). The policy is designed to manage hazardous substances in</p>	
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		<p>the manufacturing operations and adhere to all applicable laws, regulations, and other customer-specific requirements on the prohibition or restriction of specific substances in products and in manufacturing.</p> <p><u>Responsible Sourcing of Minerals</u> Policy is to continuously support the sourcing of minerals / metals from compliant smelters or smelters not supporting the rebel groups of DRC and adjoining countries.</p> <p><u>Supplier Assessment and Accreditation</u> Customers of IMI are now getting vigilant in implementing RBA (responsible business alliance) requirements. IMI assessment to supplier can be through documents and on-site audit. New suppliers are being assessed through records that they are submitting to IMI during management assessment and material review. During material review, it is being assessed if hazardous substance contents are still within permissible limit.</p>	
<p>2. Company exerts effort to interact positively with the communities in which it operates</p>	<p>Compliant</p>	<p><i>Identify or provide link/reference to policies, programs and practices to interact positively with the communities in which it operates.</i></p> <p>IMI remains committed to the larger, global community, evident in its faithful dedication to good governance and corporate social responsibility.</p> <p><u>Community Relations</u> There is an increased engagement over the years in many IMI sites across the various range of Corporate Social Responsibility (CSR) related activities particularly in outreach programs, livelihood projects, industry-academe collaboration activities along with tie-ups with academic institutions where IMI is located.</p> <p>Other CSR programs include book drive and clean-up campaign for public schools, medical missions, blood-letting donations, and fund-raising projects for victims of natural calamities, disasters rebel siege as well as children’s fund programs.</p>	

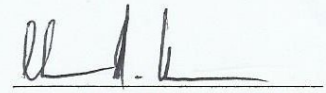
SIGNATURES

Pursuant to the requirement of the Securities and Exchange Commission, this Integrated Annual Corporate Governance Report is signed on behalf of the registrant by the undersigned, thereunto duly authorized, in the City of Makati on MAY 21 2021.


ARTHUR R. TAN
President and CEO


EDGAR O. CHUA
Lead Independent Director


SHERISA P. NUESA
Independent Director


SOLOMON M. HERMOSURA
Corporate Secretary


LAURICE S. DELA CRUZ
Compliance Officer

SUBSCRIBED AND SWORN to before me this MAY 21 2021, affiants exhibiting to me their respective Passports as follows:

NAME	PASSPORT NO.	DATE AND PLACE OF ISSUE
Arthur R. Tan	P7928971A	Jul 13, 2018; Manila
Edgar O. Chua	P6132744A	Feb 22, 2018; Manila
Sherisa P. Nuesa	EC1320564	June 4, 2014; Manila
Solomon M. Hermosura	EC5542302	Sep 30, 2015; Manila
Laurice S. Dela Cruz	EC8481675	Aug 5, 2016; Batangas

Doc. No. 211;
Page No. 67;
Book No. xxxv
Series of 2021.



ROBERTO T. ONGSIAKO
Notary Public – Makati City
Appt. No. M-155 until December 31, 2020
Extended until June 30, 2021
Roll of Attorneys No. 37041
Lifetime IBP No. 02163 – RSM Chapter
PTR No. 8533973ME – 01/04/2021 - Makati City
MCLE Compliance No. VII – 0000267 – 07/30/20
4th Floor Tower One and Exchange Plaza
Ayala Triangle, Ayala Avenue
Makati City Philippines

Notarial DST pursuant to
Section. 188 of the Tax Code
affixed in Notary Public's copy

SIGNATURE

Pursuant to the requirement of the Securities and Exchange Commission, this Integrated Annual Corporate Governance Report is signed on behalf of the registrant by the undersigned, thereunto duly authorized, in the City of _____ on _____.



JAIME AUGUSTO ZOBEL DE AYALA
Chairman, Board of Directors

SUBSCRIBED AND SWORN to before me this _____ day of _____ at _____,
affiants personally appeared before me and exhibited to me his Passport number P9640299A issued
at DFA Manila in the Philippines on November 21, 2018.

Doc. No. ;
Page No. ;
Book No. ;
Series of 2021.

SIGNATURE

Pursuant to the requirement of the Securities and Exchange Commission, this Integrated Annual Corporate Governance Report is signed on behalf of the registrant by the undersigned, thereunto duly authorized, in the City of _____ on _____.



HIROSHI NISHIMURA
Independent Director

SUBSCRIBED AND SWORN to before me this _____ day of _____ at _____,
affiants personally appeared before me and exhibited to me his Passport number TZ0841499 issued
at Embassy of Japan in the Philippines on July 17, 2013.

Doc. No. ;
Page No. ;
Book No. ;
Series of 2021.