



2025 SUSTAINABILITY REPORT



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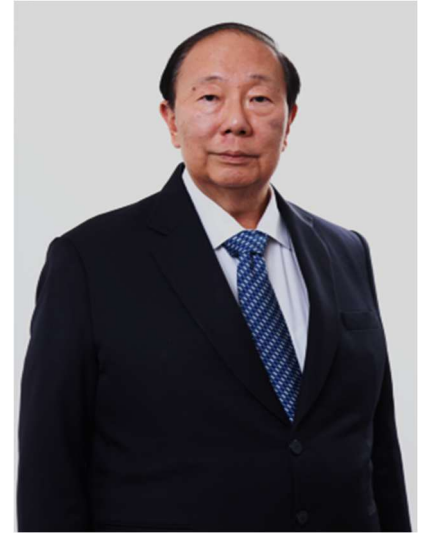
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Message from Management

Ionics EMS Inc. traces its heritage to 1974 and is publicly portrayed as one of the earliest EMS players in the Philippines with over five decades of experience.

As a trusted partner in electronics manufacturing, PCBA, and high-reliability solutions — including support for medical and regulated industries — we recognize that long-term success is inseparable from responsible business practices. In 2025, our sustainability agenda is firmly anchored on ESG principles: strengthening governance and compliance across global supply chains, advancing decarbonization and energy efficiency in our operations, ensuring product quality and patient safety in regulated programs, and fostering a culture of integrity, innovation, and accountability.

We remain committed to transparent reporting, measurable environmental impact reduction, responsible sourcing, and the continuous development of our people—because in a technology-driven industry, sustainability is not only about minimizing footprint, but about building resilient systems, reliable products, and lasting stakeholder trust.



Raymond Ma Qua
President/CEO

About the Company

Ionics Inc. is a Philippine-based technology and electronics manufacturing group with over five decades of industry experience. Established in 1974, the company provides Electronics Manufacturing Services (EMS), Printed Circuit Board Assembly (PCBA), precision plastic injection molding, supply chain solutions, and system integration services across various industries including medical, industrial, automotive, telecommunications, and consumer electronics.

Listed on the Philippine Stock Exchange under the ticker symbol “ION,” Ionics continues to support global customers through reliable manufacturing operations, engineering expertise, and quality-driven business practices.

The Group operates through its subsidiaries:

- Ionics EMS, Inc.
- iOmni Precision, Inc.
- Ionics Properties, Inc.
- Ionics Circuit, Ltd.
- Ionics Product Solutions, Inc.

Guided by operational excellence and responsible business practices, Ionics remains committed to innovation, regulatory compliance, customer satisfaction, and sustainable growth.

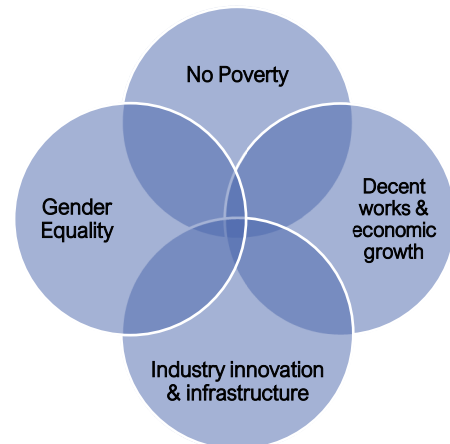
Governance & Ethics

Ionics Inc. is committed to maintaining high standards of corporate governance, ethical business conduct, and regulatory compliance across all operations. Guided by integrity, accountability, and transparency, the organization continuously strengthens its management systems to support sustainable and responsible business practices.

The Company upholds internationally recognized standards and certifications, ensuring consistent quality, environmental stewardship, supply chain security, and operational excellence.

Ionics promotes a workplace culture founded on respect, fairness, diversity, and equal opportunity. Policies related to anti-corruption, whistleblowing, labor practices, and business ethics are regularly communicated across the organization to reinforce compliance and accountability at all levels.

As part of its governance framework, the Company conducts regular risk assessments, compliance monitoring, and strategic planning activities to identify risks, strengthen internal controls, and support long-term business resilience.



Sustainability Strategy & Environmental Performance

Ethical Governance

Ionics Inc. is committed to maintaining high standards of integrity, transparency, and ethical business conduct across all operations. The Company promotes compliance with applicable laws, customer requirements, and international standards through strong governance, internal controls, and responsible business practices.

Policies on anti-corruption, whistleblowing, labor practices, and business ethics are regularly communicated to employees to strengthen accountability, fairness, and professionalism throughout the organization.

Employee Welfare

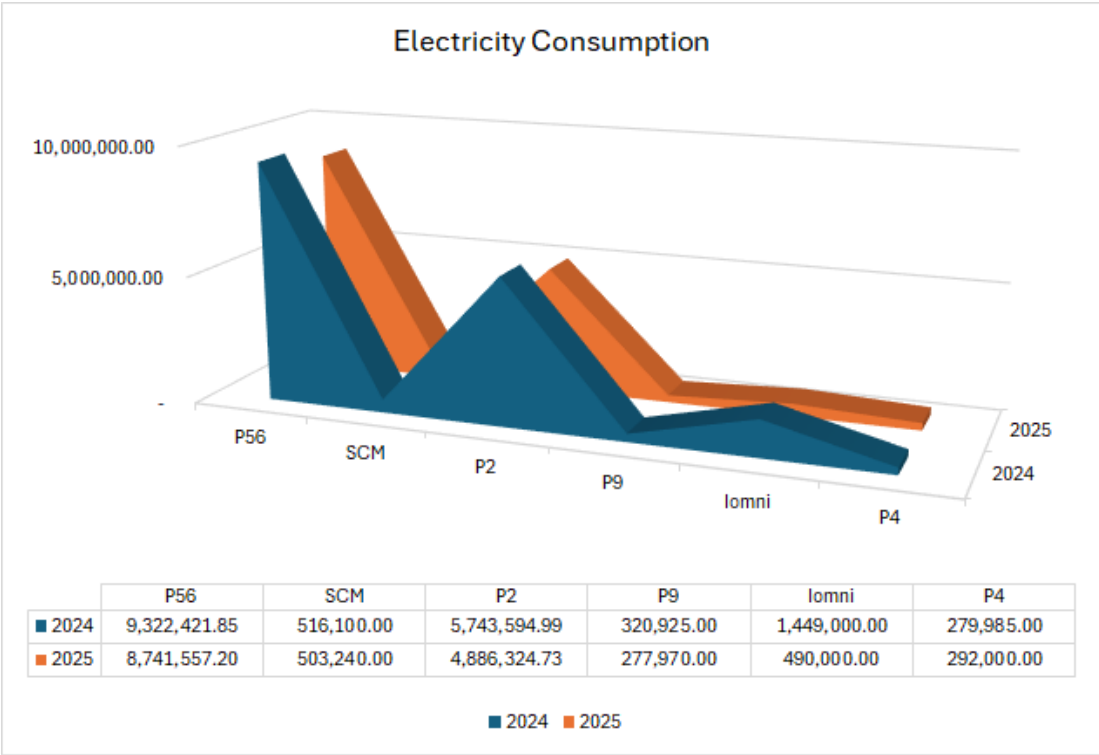
Ionics Inc. values its employees as one of the organization's most important assets. The Company is committed to providing a safe, healthy, and inclusive workplace through continuous training, employee engagement, health and safety programs, and compliance with labor standards and regulations.

Ionics promotes equal opportunity, professional development, and employee well-being to support a productive and motivated workforce.

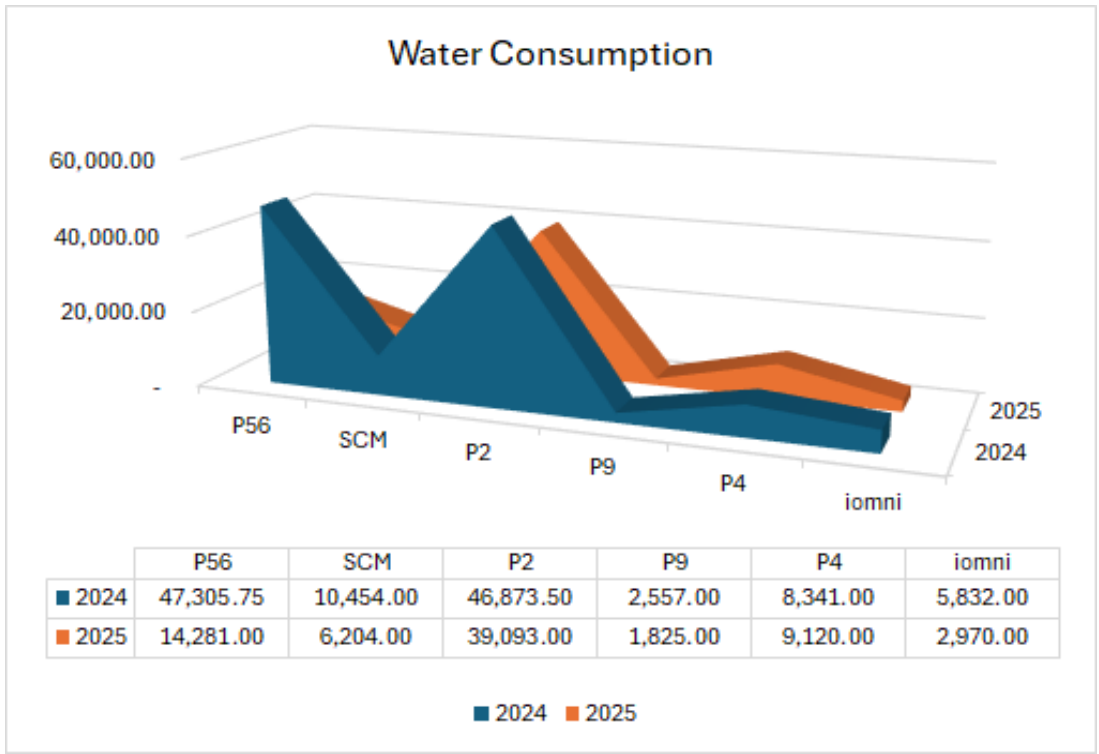


Sustainability Strategy & Environmental Performance

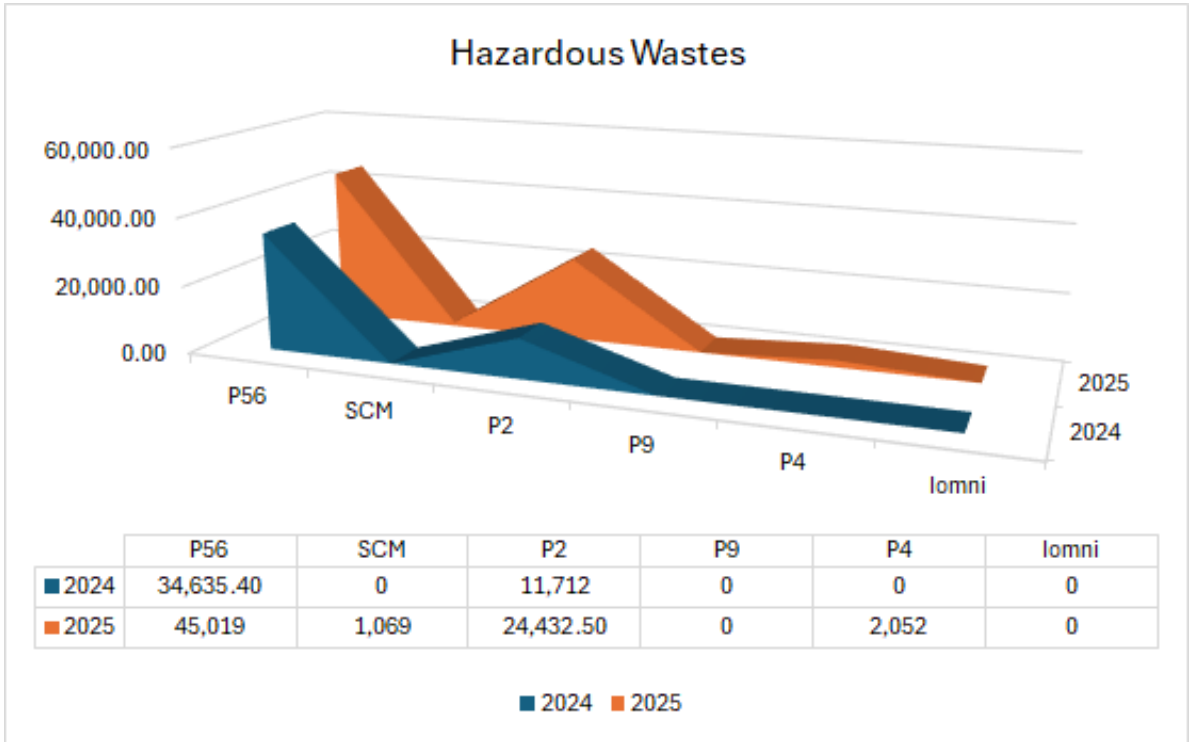
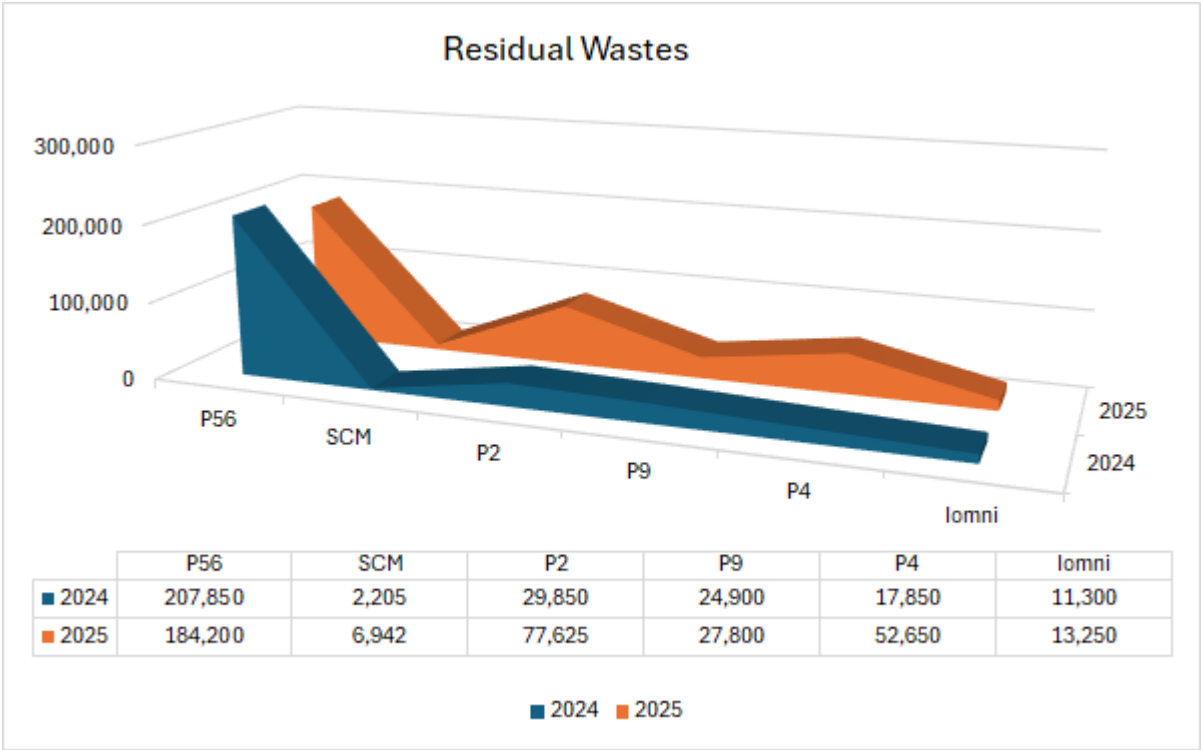
- Electrical Consumption



- Water Consumption



• Waste Management

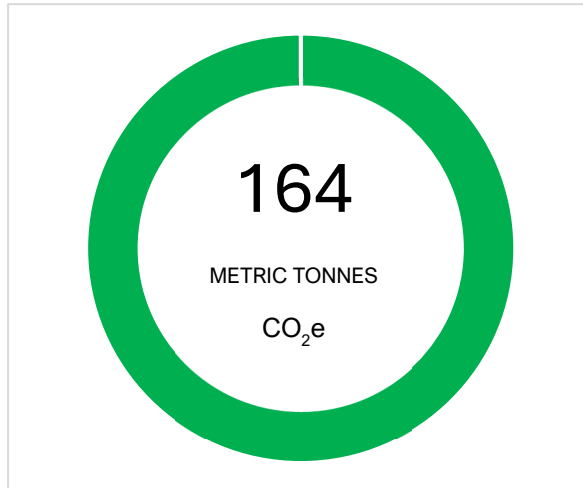


- Sustainable Energy



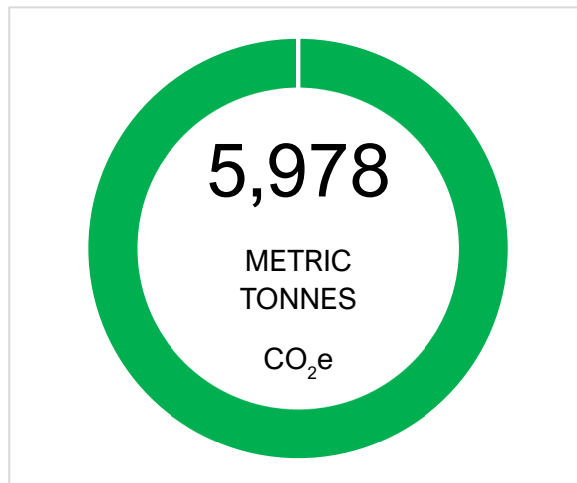
- **GHG Emission**

- Greenhouse Gas (GHG) Direct Emission – fuel consumption of company-owned vehicles and generator sets.



The decrease in Greenhouse Gas (GHG) direct emissions was driven by reduced fuel consumption, reduced production or operating hours and better control of emission sources.

- Greenhouse Gas (GHG) – calculated from electricity consumption.



The increase in CO₂ per kWh was due to higher use of coal and other fossil fuels in power generation, along with reduced availability of renewable energy.

Material Risks and Opportunities

Ionics EMS, Inc. continuously evaluates material risks and opportunities that may affect operational performance, compliance, sustainability, and stakeholder confidence. Key risks identified include regulatory compliance, waste management, employee turnover, supply chain challenges, and environmental impacts. To mitigate these risks, the company implements proactive management programs, operational controls, environmental initiatives, and continuous employee development.

At the same time, Ionics continues to pursue opportunities in business expansion, customer relationship strengthening, renewable energy adoption, green procurement, and operational improvement to support long-term sustainable growth and business resilience.

People and Workplace

- **Health & Safety**

Ionics EMS, Inc. is committed to providing a safe, healthy, and secure working environment for all employees and stakeholders. The company continuously strengthens its occupational health and safety programs through hazard identification, risk assessment, emergency preparedness, and workplace improvement initiatives.



In 2025, Ionics conducted Emergency Response Team (ERT) trainings, fire and earthquake drills, and Mandatory Eight Hours Safety and Health (MESH) orientations to enhance employee awareness and disaster readiness. The company also improved emergency systems and firefighting equipment to support its goal of achieving zero accident and incident occurrences while promoting a strong culture of safety across all operations.



- **Human Rights & Labor Management**

Ionics EMS, Inc. upholds fair labor practices and compliance with the Labor Code of the Philippines. The company strictly prohibits forced labor, child labor, discrimination, harassment, and other human rights violations through established policies, recruitment procedures, and its Code of Conduct. Ionics remains committed to promoting a respectful, inclusive, and ethical working environment for all employees.



- 0 (Zero) Cases of Child Labor
- 0 (Zero) Cases of Forced Labor
- 0 (Zero) Human Rights Violations
- 100% Compliance with Labor Regulations
- 0 (Zero) Workplace Discrimination Cases
- 100% Employees Covered by Code of Conduct
- 0 (Zero) Employee Grievances Related to Human Rights

Supply Chain Sustainability

Ionics EMS, Inc. strengthens supply chain sustainability by promoting responsible sourcing, supplier compliance, operational efficiency, and long-term business partnerships. The company extends its quality and sustainability standards to suppliers through accreditation, audits, and sustainability requirements covering environmental performance, labor practices, and human rights.



Green procurement initiatives, localization strategies, and continuous supplier engagement are implemented to support supply continuity, reduce operational risks, improve efficiency, and promote sustainable business practices across the supply chain. Ionics continues to strengthen coordination and transparency with suppliers to ensure quality, compliance, and responsible operations throughout the value chain.

Community and Corporate Social Responsibility

Ionics EMS, Inc. remains committed to supporting communities through meaningful Corporate Social Responsibility (CSR) programs and community engagement initiatives. In 2025, the company participated in activities such as Brigada Eskwela, bloodletting programs, and community support projects to promote social well-being, volunteerism, and positive community impact. Through these initiatives, Ionics continues to strengthen its commitment to responsible and sustainable business practices.



Economic Sustainability

Ionics, Inc. and Subsidiaries

Amount in Thousands (USD\$)	2025	2024	2023
Direct economic value generated (revenue)	US\$119,680	US\$106,479	US\$95,534
Direct economic value distributed:			
a. Operating costs	112,688	99,442	87,657
b. Employee wages and benefits	18,411	16,905	17,256
c. Payments to suppliers, other operating costs	85,911	73,758	62,142
d. Dividends given to stockholders	1,463	-	1,540
e. Interest payments to loan providers	902	1,302	1,674
e. Taxes given to government	1,607	1,532	1,672
f. Investments to community (e.g. donations, CSR)	1	2	2

Management Commitment

As we reflect on our progress in 2025, we recognize that sustainability is not a destination, but a continuous journey of accountability, innovation, and disciplined execution. Our five decades of experience have strengthened our ability to adapt, lead responsibly, and deliver high-reliability solutions in an evolving global landscape. The system of governance varies in countries and depending on the type of government, so are the indicators of sustainable development different.

While we are proud of the progress made in advancing our ESG priorities — enhancing governance, reducing environmental impact, strengthening supply chain responsibility, and investing in our people — we remain focused on raising the bar. The expectations of our customers, regulators, investors, and communities continue to evolve, and so must we.

Guided by our legacy and driven by our commitment to operational excellence, we will continue to embed sustainability into our strategy, decisions, and culture. Together with our employees and partners, we are building a more resilient organization—one that creates long-term value while contributing responsibly to the industries and communities we serve.



Raymond Ma Qua
President/CEO

Name of Organization	Ionics, Inc.
Location of Headquarters	Blk 2 & 3 Carmelray Industrial Park 2 Brgy. Milagrosa Calamba Laguna
Location of Operations	- Plant 5&6 Circuit Street, Light Industry and Science Park I, Bo. Diezmo, Cabuyao, Laguna, 4025 Philippines - Plant 2 Blk 2 & 3 Carmelray Industrial Park 2 Brgy. Milagrosa Calamba Laguna - Plant 4 No. 3 Mountain Drive, Light Industry and Science Park I, Brgy. La Mesa Calamba City - Plant 9 No.20 (Lot C3-8) Tagaytay Ridge Drive Carmelray Industrial Park 2 Brgy. Milagrosa Calamba Laguna
Report Boundary: Legal entities (e.g., subsidiaries) included in this report	Ionics EMS, Inc. Plant 5&6, Supply Chain Management (SCM), Plant 9 Warehouse, Plant 4
Business Model, including Primary Activities, Brands, Products, and Services	Manufacture of Printed Circuit Board Assembly (PCBA), Box Build Assembly (BBA), FLEX Assembly
Reporting period	YEAR 2025
Highest Ranking Person responsible for this report	MR. RAYMOND QUA

ECONOMIC PERFORMANCE

Direct Economic Value Generated and Distributed

Amount in Thousands (USD\$)	2025	Units
Direct economic value generated (revenue)	119,680	US\$
Direct economic value distributed:		
a. Operating costs	112,688	US\$
b. Employee wages and benefits	18,411	US\$
c. Payments to suppliers, other operating costs	85,911	US\$
d. Dividends given to stockholders	1,463	US\$
e. Interest payments to loan providers	902	US\$
e. Taxes given to government	1,607	US\$
f. Investments to community (e.g. donations, CSR)	1	US\$

ANTI-CORRUPTION

Training on Anti-Corruption Policies and Procedures

Disclosure	Quantity	Units
Percentage of employees to whom the organization's anti-corruption policies and procedures have been communicated to	100	%
Percentage of business partners to whom the organization's anti-corruption policies and procedures have been communicated to	N/A	%
Percentage of directors and management that have received anti-corruption training	100	%
Percentage of employees that have received anti-corruption training	100	%

Incident of Corruption – Human Resource

Disclosure	Quantity	Units
Number of incidents in which directors were removed or disciplined for corruption	0	Incident
Number of incidents in which employees were dismissed or disciplined for corruption	0	Incident
Number of incidents when contracts with business partners were terminated due to incidents of corruption	0	incident

Incident of Corruption – Customer Sales

Disclosure	Quantity	Units
Number of incidents in which directors were removed or disciplined for corruption	0	Incident
Number of incidents in which employees were dismissed or disciplined for corruption	0	Incident
Number of incidents when contracts with business partners were terminated due to incidents of corruption	0	incident

Incident of Corruption – Non-Production Related

Disclosure	Quantity	Units
Number of incidents in which directors were removed or disciplined for corruption	0	Incident
Number of incidents in which employees were dismissed or disciplined for corruption	0	Incident
Number of incidents when contracts with business partners were terminated due to incidents of corruption	0	Incident

ENVIRONMENT RESOURCE MANAGEMENT

Energy Consumption within the organization

Disclosure	Quantity	Units
Energy consumption (renewable sources)	1,022	MwHR
Energy consumption (gasoline)	9302.10	liters
Energy consumption (LPG)	8,280	kilograms
Energy consumption (diesel)	830	liters
Energy consumption (electricity)	15,191,091.93	Kilowatt / hour

Reduction of Energy Consumption

Disclosure	Quantity	Units
Energy reduction (gasoline)	-	metric tons CO2
Energy reduction (LPG)	-	metric tons CO2
Energy reduction (diesel)	450	metric tons CO2
Energy reduction (electricity)	2,326,680.91	Kilowatt / hour

Materials used by the Organization

Disclosure	Quantity	Units
Materials used by weight or volume		
Renewable	N/A	Kg/liters
Non-renewable	N/A	Kg/liters
Percentage of recycled input materials used to manufacture the organization's primary products and services	N/A	%

ENVIRONMENTAL IMPACT MANAGEMENT

Air Emission (GHG) Greenhouse Gas

Disclosure	Quantity	Units
Direct (Scope 1) GHG Emissions	164	Metric Tonnes CO2e

Solid and Hazardous Wastes

Solid Wastes

Disclosure	Quantity	Units
Total solid waste generated	362,467.00	Kg
Reusable	N/A	Kg
Recyclable	265,611.00	Kg
Composted	N/A	Kg
Incinerated	N/A	Kg
Residuals/Landfilled	96,856.00	Kg

Hazardous Wastes

Disclosure	Quantity	Units
Total weight of hazardous waste generated	72,572.50	Kg
Total weight of hazardous waste transported	72,572.50	Kg

Effluents

Disclosure	Quantity	Units
Total volume of water discharges	73,493.00	Cubic Meters
Percent of wastewater recycled	N/A	%

ENVIRONMENTAL COMPLIANCE

Non-compliance with Environmental Laws and Regulations

Disclosure	Quantity	Units
Total amount of monetary fines for non-compliance with environmental laws and/or regulations	0	No Violation
No. of non-monetary sanctions for non-compliance with environmental laws and/or regulations	0	Non-Monetary Sanction
No. of cases resolved through dispute resolution mechanism	0	Cases Resolved

WORKPLACE CONDITION, LABOR STANDARDS AND HUMAN RIGHTS

Occupational Health and Safety

Disclosure	Quantity	Units
Safe Man-Hours	8,254,800	Man-Hours
No. of work-related injuries	8	Injuries
No. of work-related fatalities	0	Fatalities
No. of work-related ill-health	0	Ill-health
No. of safety drills	2 per plant site	drills

Labor Laws and Human Rights

Disclosure	Quantity	Units
No. of legal actions or employee grievances involving forced or child labor	0	#

CUSTOMER MANAGEMENT

Customer Satisfaction

Disclosure	Score	Did a third party conduct the customer satisfaction study (Y/N)?
Customer Satisfaction	41%	No. Customer only.

Health and Safety

Disclosure	Quantity	Units
No. of substantiated complaints on product or service health and safety*	0	#
No. of complaints addressed	0	#

**Substantiated complaints (include complaints from customers that went through the organization's formal communication channels and grievance mechanisms as well as complaints that were lodged to and acted upon by government agencies).*

Marketing and Labelling

Disclosure	Quantity	Units
No. of substantiated complaints on product or service health and safety*	538	Complaints on product.
No. of complaints addressed	538	Complaints addressed and closed in time.

**Substantiated complaints (include complaints from customers that went through the organization's formal communication channels and grievance mechanisms as well as complaints that were lodged to and acted upon by government agencies).*

Customer Privacy

Disclosure	Quantity	Units
No. of substantiated complaints on customer privacy*	0	Occurrence
No. of complaints addressed	0	Complaint
No. of customers, users and account holders whose information is used for secondary purposes	0	Users and account holders

**Substantiated complaints (include complaints from customers that went through the organization's formal communication channels and grievance mechanisms as well as complaints that were lodged to and acted upon by government agencies).*

Data Security

Disclosure	Quantity	Units
No. of data breaches, including leaks, thefts and losses of data	0	Incidents

SOCIAL

Employee Management Employee Hiring and Benefits Employee Data

Disclosure	Quantity	Units
Total number of employees	2,293	Employees
a. Number of female employees	1,680	Employees
b. Number of male employees	613	Employees