






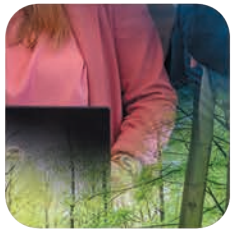








Annual & sustainability report 2024

imec
embracing a better life

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Message from the CEO

"Our achievements in 2024 were not just about technological advancements but also about making a tangible impact on society."

Dear imec community,

As we reflect on 2024, in which imec celebrated its 40th anniversary, we are reminded of the incredible journey we embarked on and the remarkable progress we have made. From our humble beginnings in Leuven, Belgium, with just 70 employees, we have grown into the world's leading chip lab, powered by the expertise of over 6,000 specialists from across the globe. Our growth has been both regional and international, and in 2024, we surpassed one billion euros in revenue, in addition to consistently ranking among Belgium's most prolific patent applicants.

Looking back

The past year has been a testament to our commitment to disruptive innovation and collaboration. We celebrated significant milestones, such as the opening of the High NA EUV Lithography Lab in partnership with ASML, which promises to push Moore's Law well into the ångström era. This state-of-the-art facility provides chip makers with a unique opportunity to experiment with cutting-edge lithography technology before these systems become available at their factories. High NA EUV is expected to improve yield, reduce cycle time, and lower CO_2 emissions compared to existing multi-patterning schemes.

Another major achievement in 2024 was the launch of the Automotive Chiplet Program (ACP), aimed at shaping the future of automotive technology. This program brings together industry leaders such as Arm, ASE, BMW Group, Bosch, Cadence, Siemens, Synopsys, Tenstorrent, and Valeo to explore chiplet-based solutions that are tailored to the evolving needs of the automotive industry. These modular and task-specific chips offer a promising solution for the increasing computing power required by smarter and more connected vehicles.

However, our achievements in 2024 were not just about technological advancements but also about making a tangible impact on society. We have continued to drive innovation in health, automotive, agritech, and energy, which you can read about elsewhere in this report.

Our collaborative ecosystem, which includes partnerships with system companies, chip manufacturers, material and equipment suppliers, and design houses, has been instrumental in our success. This ecosystem fosters open innovation, enabling us to create real impact and deliver transformative technologies. In 2024, we also strengthened our international presence, advancing several initiatives under the EU Chips Act and signing agreements with partners in the U.S., Taiwan, Korea, and Japan. This principle lies at the heart of the NanoIC pilot line for advanced chip technology. Backed by a joint investment of €2.5 billion from Europe, Flanders, and several imec industry partners, NanoIC embodies the vision of the EU Chips Act to accelerate innovation, stimulate economic growth, and bolster Europe's chip industry. Through this imec-hosted pilot line, OEMs, SMEs, start-ups, universities, and design and system companies gain access to cutting-edge technology, tools, software, and training to boost the development and commercialization of beyond-2nm systems-on-chip. This will enable them to take the lead in the development of breakthrough technologies, including the next generation of intelligent vehicles or critical healthcare applications.

Looking ahead

Looking ahead to 2025, we are poised to build on this momentum and continue our journey of innovation and collaboration. Europe stands at a crucial crossroads, and the semiconductor industry embodies the spirit of pushing boundaries and pursuing new opportunities.

We are committed to embracing a visionary mindset, setting ambitious goals, and making bold decisions to drive forward the functional miniaturization of semiconductors and address society's big challenges.

Our vision for 2025 includes deepening our commitment to industries such as healthcare and automotive, and further enhancing start-up driven innovation through programs like imec.istart and imec.xpand. These initiatives do more than stimulate and finance innovation; they lie at the basis of entire ecosystems where visionary ideas can mature and thrive. The imec.istart program, the world's leading university-affiliated business accelerator, has already helped over 340 start-ups enter the market and facilitated over 1 billion euros in follow-on funding. In parallel, through imec.DeepTechVentures and imec.xpand – an independent venture capital fund focused on early-stage semiconductor innovation - we specifically support deep-tech ventures in addressing technology and market risks in a disciplined and effective manner. These are all initiatives that we want to continue to grow internationally in 2025.

The EU Chips Act, which will mobilize more than 43 billion euros of public and private investments by 2030, is a prime example of the bold decisions needed to drive innovation

"As we move forward, we must also consider the environmental aspects of our work."

at scale. A cornerstone of this effort is the Chips for Europe initiative, which includes the development of cutting-edge pilot lines such as NanoIC and which was launched last year.

As we move forward, we must also consider the environmental aspects of our work. At imec, we are committed to further advancing research in photovoltaics to harness solar energy more efficiently, cheaply and sustainably. We are also developing technology to use (renewable) electricity to convert water and carbon dioxide into valuable feedstock for industry. This eliminates the need for fossil fuels while providing indirect electrification, long-term energy storage and long-distance energy transport. Our efforts in power efficiency and energy consumption aim to develop low-power microchip technologies that can be integrated into various applications, reducing the overall energy footprint. Additionally, we are developing ways to embed environmental impact into the design and fabrication of future generations of chips. To that end we are piloting an environmental score methodology for internal use, ensuring that environmental impact is visible to developers. This score will empower us and, eventually our partners, to create more sustainable technologies.

Furthermore, we are undertaking various improvement projects in our own cleanroom facilities to reduce water and natural gas consumption and minimize process gas emissions. All these initiatives are part of our broader commitment to sustainability and environmental stewardship, ensuring that our operations are as eco-friendly as possible.

In addition to this, we must continue to prioritize collaboration, international cooperation, and the availability of skilled talent. Our long-standing partnerships with Flemish universities and our efforts to strengthen ties with universities across Europe, the U.S., and Asia will be crucial in achieving our ambitious targets. By embracing disruptive innovation, fostering openness and transparency, and working together, we can unlock the full potential of microchip technology and transform humanity's hope into tangible progress.

In conclusion, I am confident that with our talented and diverse teams, our state-of-the-art infrastructure, and our strong network of partners, we will be able to achieve our goals and make a positive difference in the world. Together, we can shape the future of technology and create a better life for all.

Thank you for your trust and support!

Luc Van den hove
President and CEO of imec

About imec

Shaping the future of technology

Imec is more than just another research and development (R&D) hub. The combination of top talent, unique infrastructure, and our global partner network makes us a world leader in nanoelectronics and digital technologies. With a 40-year track record of driving the microchip scaling roadmap, we have remained at the forefront of microchip innovation, making smaller, faster, more affordable, and more sustainable chips. Typically, a smartphone includes microchip technology invented by imec.

Headquartered in Flanders (Belgium), imec has a global team of over 6,000 talented minds with more than 100 nationalities represented and a presence on three continents. Our collaborative approach bridges the gap between academia and industry, facilitating the rapid transfer of knowledge and technology from the research lab to the market and allowing companies to develop disruptive industry-relevant solutions faster than ever before.

imec key figures in 2024

+6,000
employees

1,217
WoS publications
in 2024

200
unique patents
submitted in 2024

€ 1.034 billion
revenue
in 2024

103
nationalities

>800
companies

>250
universities

>340
start-ups & scale-ups
imec.istart

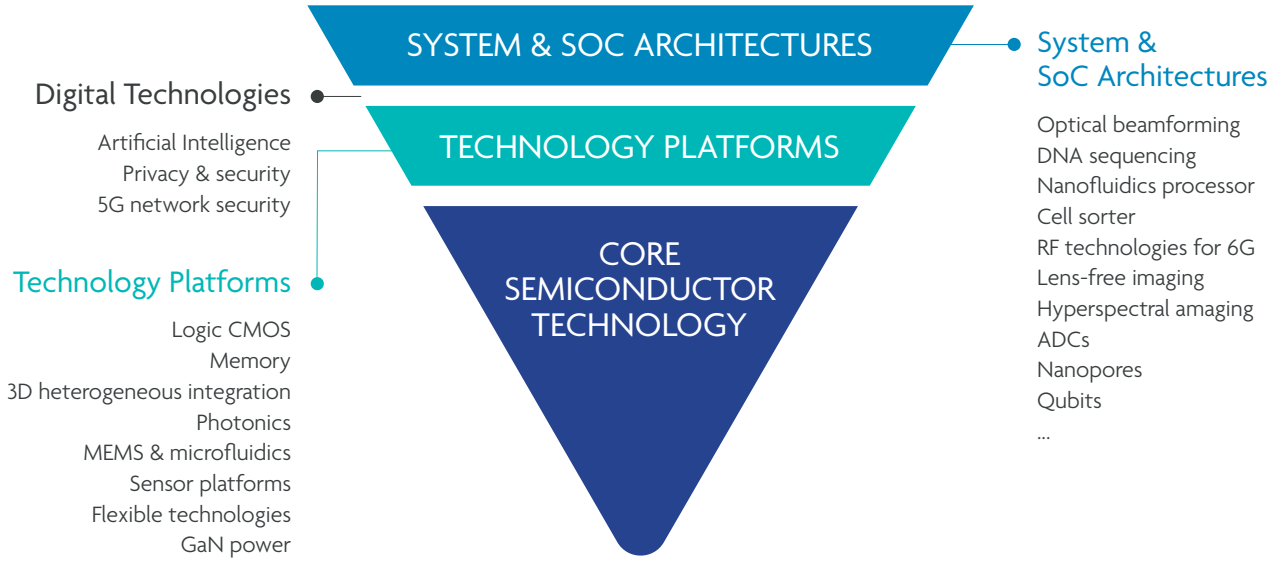
3
spin-offs
2024

The seamless fusion of cutting-edge microchip technology with profound data and AI knowledge is what sets us apart. This unique combination and clear understanding of the application enables deep-tech innovations to tackle today's most pressing global challenges, such as climate change, pollution, accessible healthcare, and sustainable food provision.

While microchip technology is at the core of what we do, our impact extends significantly across key application domains. We play a vital role in advancing innovation in compute technologies & systems, health, automotive, energy, infotainment, industry, agrifood and security. Our R&D expertise is dedicated to driving disruptive changes and advancements within these crucial application domains and beyond. The foundation of imec's strategy and success is also reflected in our collaborative ecosystem. We bring together the entire nanoelectronics value chain, from system companies to chip manufacturers like TSMC, Samsung, and Intel, material and equipment suppliers, design houses, etc. As a result, competitors work side by side in imec's world-class cleanrooms, home to the most advanced collection of microchip processing tools in the world. Besides this, our strong connection with the academic world also nurtures our innovative excellence. Through consistent efforts in lifelong learning, imec is committed to fostering the talent that is needed to fuel progress and further growth of the microchip industry.

Imec is all about creating tangible impact. Alongside our R&D collaborations, we offer easy access to chip development, prototyping, and production services. We are also committed to stimulating entrepreneurship and kick-starting remarkable technology start-ups.

Through imec's technology leadership, our ecosystem of partners, the excellence of our researchers, and our state-of-the-art infrastructure, we are actively shaping the future while embracing the promise of a better life.



imec innovation platform

Our mission and vision

"At imec, we shape the future. As a world-leading R&D hub, imec aspires the impossible and aims for radical innovation. We maximize societal impact by creating smart sustainable solutions that enhance life."

"Imec aims to be the world-leading R&D and innovation hub in nanoelectronics and digital technology. As a trusted partner for companies, startups and academia we bring together brilliant minds from all over the world in a creative and stimulating environment. By leveraging our world-class infrastructure and local and global ecosystem of diverse partners across a multitude of industries, we are accelerating progress towards a connected, sustainable future."

All the disruptive innovations that imec develops stem from a deep desire to make a positive impact and contribute to a better life and a sustainable society. Our first-rate talent, world-class infrastructure, and local and global ecosystem in a wide range of industries give rise to new technologies and innovations in compute technologies & systems, health, automotive, energy, infotainment, industry, agrifood and security.

As an R&D hub, we can and want to inspire and involve the entire value chain in the development of sustainable, innovative technologies and solutions.

Our values

Imec did not choose its baseline 'Embracing a better life' lightly. Besides reflecting our long-term vision to create a sustainable world through technology and innovation, it also aligns with our values of connectedness, excellence, integrity and passion.

Connectedness
We collaborate to enable impactful innovation. We connect partners (including competitors), universities and industries as well as technologies across multiple disciplines to create impactful innovation. We believe in a network-based innovation model.

Excellence
We go above and beyond in everything we do. Transcending the impossible, exploring the unexplored, and mapping the way for others is part of our ethos. We innovate disruptively.

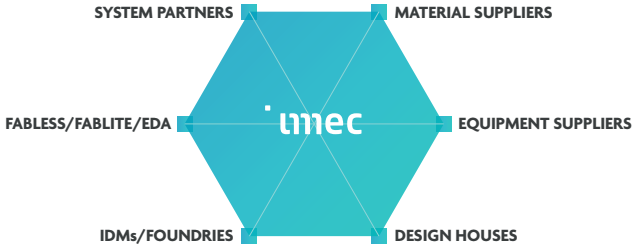
Integrity
We build our collaborations on trust and respect. As a global player with hundreds of partners and our diverse community, our collaborations and relations are built on trust, respect, transparency, and honesty, creating long-lasting relationships. We make the highest degree of ethical choices in our research and business practices.

Passion
We are energized by our goal to shape a better world. Imec's goals inspire us, and at our core, we believe technology and people have the power to create a better world.

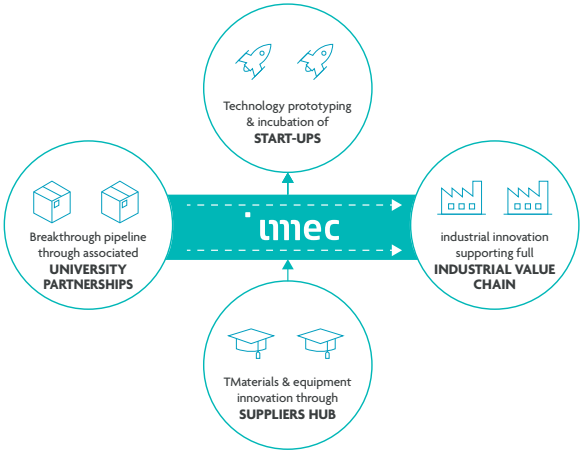
Our ecosystem and value chain partners

Identifying social needs at an early stage and seeking solutions for industry using deep tech has been a priority since imec's inception. That is why stakeholder dialogue is an essential building block of the imec collaboration model, taking maximum account of the needs and expectations of our stakeholders.

In this collaborative ecosystem, imec connects all the key players in the microchip value chain, from system companies and chip manufacturers- such as TSMC, Samsung, and Intel - to materials and equipment suppliers and design houses. By bringing together top players for breakthrough R&D activities, imec works with its partners in a networked innovation model generating open innovation across the value chain.



However, the imec ecosystem extends far beyond its industrial partners. We collaborate with more than 200 universities around the world. These academic partnerships feed the imec pipeline in the long term and are a cornerstone of our technological research. In the R&D pilot line, we transform academic concepts into industrial innovation. This is possible because of the large numbers of leading equipment and materials suppliers in our network. Together we develop new concepts and technology platforms. Through these platforms, we also support start-ups, which often do not have access to top-level technology. Moreover, when promising developments have sufficient scalable potential, our experts can be a bridge to venture partners.



Imec is looking to leverage its core activities - research and innovation - to provide answers to the many societal challenges emerging worldwide. The urgency of these challenges as well as increasing demands from employees, prospective employees, and partners clearly demonstrate that striving for a sustainable society is a winning proposition for all.

More about imec and 2024 highlights

Link to press releases:

Link to 2024 highlights:

SUSTAINABILITY STATEMENT

1. General disclosures

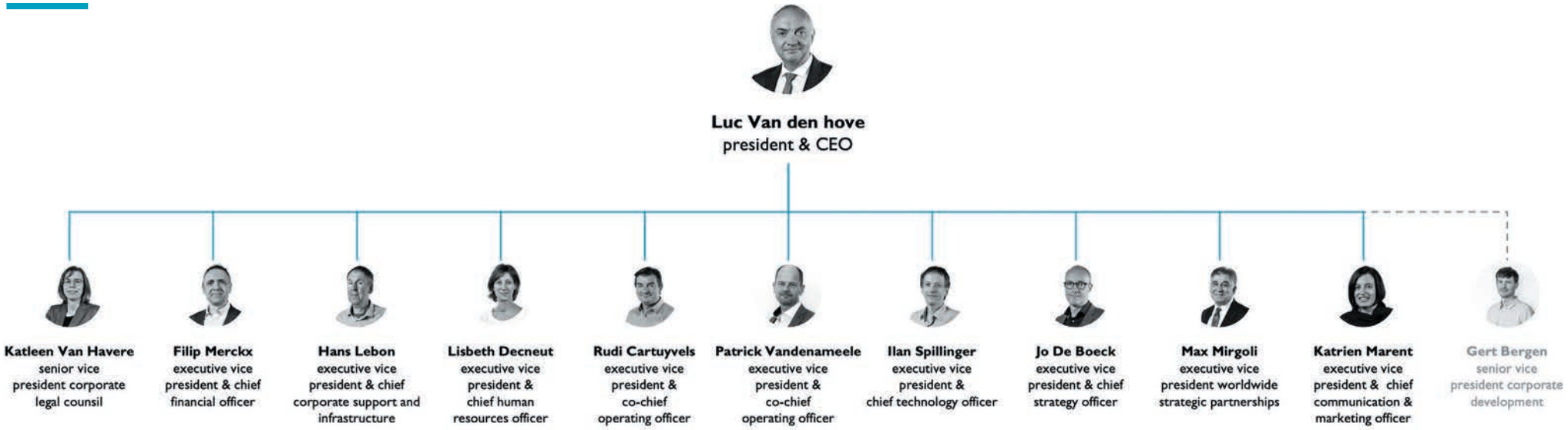
1.1 | Governance of sustainability (GOV)

1.1.1 | The main governing bodies at imec

Members of the governing bodies and management are appointed based on their ability to successfully lead and grow the imec group. Imec International directors are appointed by the imec vzw board with a view to transparency and embedding the decision-making in Flanders. The current composition of the executive board, the senior leadership team, the scientific advisory board, and the senior fellows can be found at www.imec-int.com/en/organization.

ESRS Identification (ID)	Key performance indicators (KPIs) related to the imec board of directors on December 31, 2024
GOV-1_01, GOV-1_02	All members of the boards of directors at imec International and imec vzw are non-executive directors.
GOV-1_05, GOV-1_06	The gender distribution among male and female directors on the imec International board of directors is 71% – 29% (10 men – 4 women). The gender distribution among male and female directors on the executive board is 73% – 27% (8 men – 3 women).
GOV-1_07	64% of imec International directors are independent directors (9 of 14).
	The directors and chairs of the board of directors receive attendance allowances of €1,000 and €2,000 respectively per meeting. Total remuneration for directors of imec International, including committees and subsidiaries within the scope of consolidation, amounted to €177,500.

Leadership org chart



1.1.2 | Governance and management of sustainability at imec

In line with the European Sustainability Reporting Standards (ESRS)-related governance disclosures, this section elaborates on imec's governance of sustainability, more specifically its:

1) sustainability strategy
2) sustainability-related risks
3) sustainability-related information.

1) Sustainability strategy

Imec confirmed the existing policy structure, where sustainability is repeatedly put on the agenda at the highest level of management. Since 2022, the theme of sustainability has also been integrated into the corporate balanced scorecard, transposing imec's strategic goals into measurable parameters.

The **executive vice president & chief corporate support and infrastructure** has been appointed as executive sponsor for the cross-cutting 'sustainability' theme.

A **director sustainability** has been appointed and is responsible for the further development of imec's sustainability policy, strategy and objectives in the short, medium and long term.

Both meet on a regular basis and inform or consult the executive board on relevant topics.

To track the progress of sustainability initiatives, various **working groups** (e.g., on sustainable procurement, process gas emission reduction, etc.) have been established with specific topic owners. These working groups meet several times a year.

The sustainability team was further strengthened with an energy manager, allowing imec to respond effectively to the increasing demand for energy-related projects and follow up on relevant legislation in this framework. **Subject matter experts** (e.g., environment, health & safety (EHS); human resources (HR), etc.) in various departments are responsible for following up on other relevant ESG legislation.

Imec continues to build broad support for sustainability among its employees and management through **training and education**. One example is The Climate Fresk training, which has been followed by more than 300 colleagues to date and which is explained in further detail under section E1 Climate change.

Imec also participates in several **industry network initiatives** to stay up to date with the expectations of various stakeholders. Further information on these initiatives is provided in section G1 on Business conduct.

To confirm its commitment to its partners, imec also conducts a self-assessment process that is overseen by the Responsible Business Alliance, an internationally recognized initiative to manage supply chain quality in the technology industry.

In 2024, imec renewed its Ecovadis certification and achieved a committed badge level. Various working groups have been established to define actions and further increase the maturity of its management processes relating to sustainability matters.

2) Sustainability-related risks

Like any organization, imec is exposed to internal and external risks that can have consequences for its operations and partnerships. These risks may affect the financial situation of the organization, colleagues and other partners, as well as the environment, making management of these risks essential.

In 2019, a new enterprise risk management (ERM) approach was implemented under the supervision of the **director enterprise risk** who reports directly to the **CFO** and **chair of the audit committee**. A risk register was developed together with senior management and key enterprise risks were identified.

The **audit committee** consists of members of imec's board of directors and is responsible for overseeing financial reporting, risk management, and compliance with laws and regulations.

Since 2022, Environmental, Social and Governance (ESG) risk management has been integrated into the existing ERM processes, monitoring inherent and residual impact and likelihood of occurrence. The director enterprise risk works closely with the director sustainability in this context.

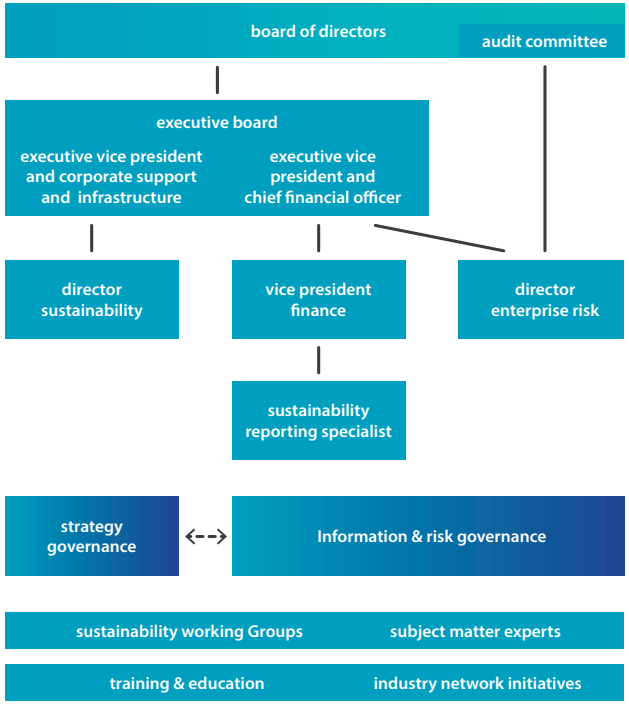
In 2025, imec expects to further integrate the assessment of the financial materiality of material ESG matters into the enterprise risk process.

3) Sustainability-related information

The director sustainability plays a central role in managing ESG-related information.

In addition, the **sustainability reporting specialist**, who reports to the **vice president finance**, coordinates proper data management across all imec departments, ensuring optimal alignment and accuracy with respect to internationally recognized sustainability reporting standards such as Global Reporting Initiative (GRI) or ESRS.

The chart below summarizes imec's sustainability governance model, demonstrating the interaction between all the departments:



1.1.3 | Integration of sustainability-related performance into incentive schemes

Every year, imec's business strategy and its sustainability-related aspects are translated into a corporate balanced scorecard and a set of key performance indicators (KPIs).

These KPIs are divided into:

1) corporate KPIs (relating to imec's objectives at organization level),
2) covenant KPIs (relating to imec's performance as a research center in view of its commitments to Flanders), and
3) collective bonus KPIs (relating to non-recurring result-linked benefits).

A performance bonus is paid to employees who are entitled to variable remuneration. This depends on the organization's financial results, as well as the corporate KPIs (including ESG topics) and individual objectives achieved.

In addition, imec offers a collective non-recurring bonus dependent on financial results and a limited set of KPIs, subject to clearly defined, transparent, measurable, and verifiable objectives.

Sustainability is integrated into corporate KPIs relating to (in 2024) information security, EHS culture improvement, reducing carbon footprint, ESG criteria in investment dossiers, and diversity.

1.1.4 | Statement on due diligence

Due diligence is embedded throughout the organization with the main pillars being ESG management, risk management, and topical components in departments such as procurement, EHS, HR, etc. The table below provides an overview of where relevant information can be found in this report.

Core elements of due diligence	Sections in the sustainability statement
a) Embed due diligence in governance, strategy and business model	Governance of sustainability (GOV) section
b) Engage with affected stakeholders in all key steps of the due diligence process	Strategy, business models & materiality (SBM) section: Stakeholder engagement in detail; Process to identify material IROs section: Understand imec's context
c) Identify and assess adverse impacts	Strategy, business models & materiality (SBM) section: Imec's materiality and priority domains; Process to identify material IROs section
d) Take actions to address adverse impacts	Different sections under • Environmental disclosures • Social disclosures • Governance disclosures
e) Track the effectiveness of these efforts and communication	Related metrics and targets under different sections

1.1.5 | Internal control over sustainability reporting

This report is sponsored by the executive vice president & chief corporate support and infrastructure. It is drafted under the direct supervision of the director sustainability and the vice president finance to manage both narrative and numerical metric data accuracy. In addition, the directors of the contributing departments verified their initial input.

The senior vice president legal & intellectual property (IP) and executive vice president & chief communication & marketing officer read the report for further iteration before its final validation by the executive board.

1.2 | Strategy, business models and materiality (SBM)

1.2.1 | Strategy and business models

This chapter discusses how imec's activities generate sustainability-related Impacts, Risks and Opportunities (IROs) and how imec manages them.

After a look at imec's strategy and business models through the lens of sustainability, the value chain and stakeholder engagement process are explained.

Finally, the material topics, taking into account impact and/or financial materiality, are listed and explained. These topics are then linked to imec's current sustainability priorities and the related SDGs.

Imec's overall business strategy

Imec's vision and mission are implemented based on four key principles that drive its business strategy:

- Imec will, over the next ten years, continue to drive forward the functional miniaturization of semiconductors;
- Imec will address society's big challenges, using all its expertise in digital and advanced semiconductor technology to develop disruptive applications;
- Imec will be an ambitious and disruptive driving force behind unique electronic and digital system innovation, working towards a sustainable society;
- Imec will combine its position as global technology leader with local engagement in high-impact projects, wherever it has a local presence.

Business models at imec

Imec today is the world's leading research center for chip technology, a position it wants to maintain. From the outset, imec worked towards building an advanced business model that evolves in step with the economic and technological reality and innovations developed or co-developed by imec.

Imec's business models consist of:

- Collaboration on research and development (R&D)
- Innovative services and solutions (Development)
- Tailor-made support for technology start-ups (Venturing)

Collaboration on research and development

Collaboration is part of imec's DNA. In the early 1990s, collaboration with large companies — often global players — began as an open innovation model, a business model in which the partners shared research costs and results with each other. Over the years, imec's open innovation model called imec industrial affiliation programs have been further expanded and bilateral collaborations also followed. Today, imec is the world's leading R&D hub for nanoelectronics, with hundreds of collaborations across the entire value chain. All the major global players in the semiconductor ecosystem, whether from industry, as well as a high number of research centers or academia, come to imec for collaborative research and development of the technologies of the future.

Thanks to these broad collaborations and growing knowledge base, imec also achieves breakthroughs on a global level, applying its expertise in nanoelectronics to other areas, more specifically in compute technologies & systems, health, automotive, energy, infotainment, industry, agrifood and security.

Offer innovative services and solutions

As the world's leading semiconductor R&D hub, imec opens the door to development, prototyping and manufacturing, both in its own cleanrooms and those of its closely associated partners. This enables the accelerated adoption of groundbreaking technologies for a better life and a sustainable future. It also lowers the barrier to innovation for smaller organizations, such as start-ups.

Imec.IC-link, has a full-service offering including design and IP support, assembly, advanced packaging, testing, qualification, and optimization. Imec.IC-link is a TSMC value chain aggregator (VCA) and has agreements with other major foundries, ensuring easy access to IC production in any volume and in several standard to advanced technologies.

Thanks to the European Union's Europractice platform, this service is also available to the academic world, which benefits from reduced entry costs, early advice, and ongoing support.

Tailor-made support for technology start-ups

Imec.DeepTechVentures helps start-ups leverage imec's network, IP, design, prototyping and manufacturing capabilities to realize their full disruptive potential. A multidisciplinary group of experts supports deep-tech entrepreneurs in bringing their disruptive ideas to commercial maturity. The team employs its privileged access to the deep-tech ecosystem to help start-ups define a technology-market match, shape a business plan, attract talent, find investors, and much more.

Imec.xpand is often a prime investor in these start-ups. This independently managed value-add venture capital fund focuses on hardware-based nanoelectronics innovations where imec technology, expertise, network and infrastructure can play a differentiating role.

Finally, the **imec.istart** program is a unique business accelerator program for digital companies. Through specialized coaching, facilities, and broad support, imec.istart helps technology entrepreneurs grow their businesses.

"Considering our key role in the semiconductor ecosystem, good stakeholder engagement is a critical success factor for imec."

Wim Fyen, director sustainability

1.2.2 | Value chain and stakeholder engagement

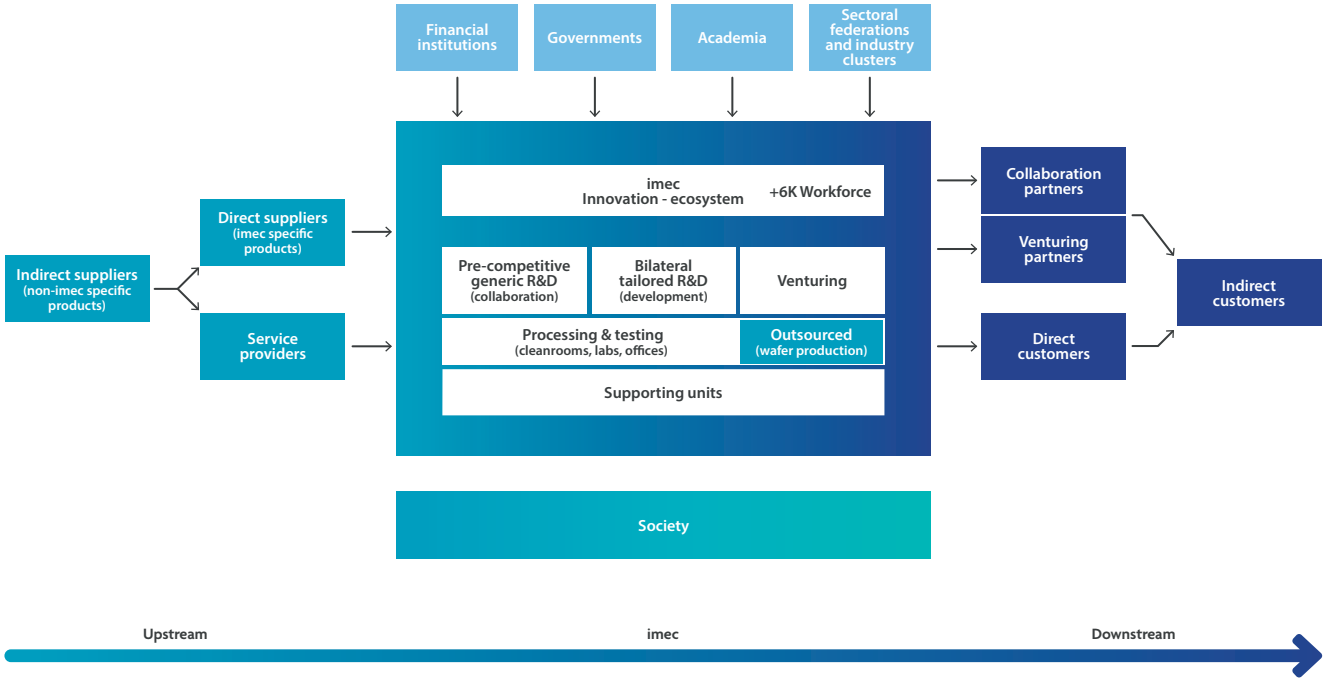
Imec's value chain from a sustainability perspective

Imec's strategy and business models define the value chain with its upstream and downstream phases and core activities that impact internal and external stakeholders.

In other words, by aligning the business models with the value chain and the affected stakeholders, the material impacts, risks and opportunities, and their place on the value chain become clear.

The below overview visualizes imec's value chain as used for the 2024 double materiality assessment (DMA).

imec's value chain used in the DMA process



Imec and its engagement with stakeholders

Stakeholders from a sustainability perspective

As explained in 'About imec', imec's central role in the semiconductor ecosystem results in a wide variety of stakeholder categories.

Based on the DMA context analysis and the related value chain as shown above, the stakeholder groups that are defined as relevant from a sustainability perspective are the following:

- Governments
- Sectoral federations and industry clusters
- Collaboration partners
- Academia
- Venturing partners
- Financial institutions
- Society
- Non-R&D suppliers
- Workforce

Stakeholder engagement in detail

Because of imec's leading role in its ecosystem, stakeholder dialogue is an essential building block of the imec collaboration model.

With a large group of stakeholders, imec is well placed to clarify the needs and challenges of this ecosystem. Imec listens to them and formulates answers to current questions together with them. With their help, imec also defines priorities in its sustainability strategy. That way, imec's stakeholders help define its policy, ambitions, and actions over the short and long term.

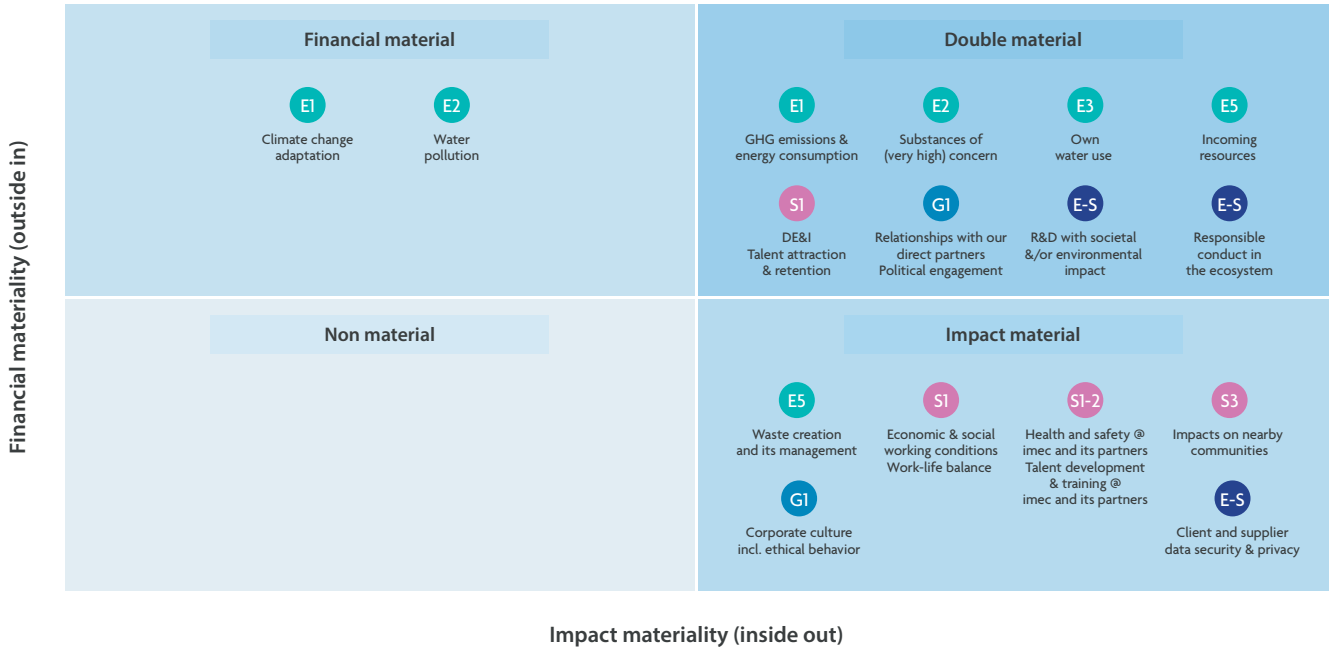
Stakeholder group	Stakeholder type	Why we interact	How we interact (methods and frequency)	How our way of work is impacted
Non-R&D suppliers	• Non-R&D suppliers	• Ensure high quality materials, products and services at affordable prices • Leverage supplier driven value • Meet our future needs for materials and tools • Remove risk/carbon in the supply chain and get to know the value chains	• Tiered approach • Dedicated meetings with top tier suppliers • Ad hoc and direct contact, through tenders and procedures with dedicated buyers	• Access to the materials, tools and services when we need them, at affordable prices • Resilience in our supply chain
Governments	• EU Member states • Flemish government • European Commission • Non-EU countries • Local governments	• Engage on policy frameworks to ensure long-term innovation frameworks • Maintain and strengthen the relationship; good local citizenship • Shape and execute (regionally) relevant innovation projects • Improve information flow	• Meetings with key policymakers in target markets • Regular steerco meetings with public entities • Meetings on ad hoc topics • Presentations and deep-dives on relevant research topics • Imec Technology Forum (ITF) several times/year across the globe	• Paves the way for a long-term policy framework that underpins imec's long-term strategy • Long-term framework agreements with government on imec's strategy and funding • Finger on the pulse and joint execution of societally and economically relevant research topics • Responsive relationship on (inter)national developments
Sectoral federations and industry clusters	• Local (digital) innovation intermediaries • Cluster organizations • Spearhead clusters	• Leveraging imec research and know-how through regional and societal ecosystems • Dialogue on societal and economic relevance of imec activities maximizing local impact • Local stakeholders (public, industrial) require dedicated SME approach • Technological testbeds in public space, in triple helix context • Open information exchange with local partners on imec's strategy and plans • Shape relevant innovation projects	• Ecosystem interactions • Bilateral engagements and participation in local events • Website with regular updates • Community outreach • Imec Technology Forum (ITF) several times/year across the globe"	• Dedicated imec efforts to engage with local and regional stakeholder communities • Inclusion of local impact (and opportunities) in imec's strategy
Academia	• Flemish academia organizations and networks • EU academia organizations and networks • Non-EU academia organizations and networks	• Increase awareness and strengthen positioning as scientific leader in nanoelectronics and digital technologies • Broaden our research base (imec positions itself between academia and industry) • Access to and training of talent • Stay ahead of state-of-the-art academic insights • Strengthen local presence • Build global presence	• Regular meetings with key academic institutes • Joint appointments of professors at imec, give guest lectures to students and share our expertise • Embed academic research groups in the imec R&D organization • Student excellence days • Strong presence at leading conferences and seminars	• Influence on our research agenda • Shapes imec culture (due to large number of PhD students in house)
Financial institutions	• Financial partners	• Maintain and strengthen the relationship • Build and strengthen our reputation and position • Improve information flow and share strategic insights Access to financing.	• Regular meetings • Participation in roundtable and events	• Ramp up efforts in terms of ESG reporting • Secure the financing we need to support (the growth of) imec

Stakeholder group	Stakeholder type	Why we interact	How we interact (methods and frequency)	How our way of work is impacted
Workforce	• Own payroll employees. • Extended workforce (such as PhD students, academic workforce, consultants or temporary employees). • In-house assignees of imec partner companies, also part of extended workforce (=unique model of partner collaboration). • Unions/employee representation	• Strengthen imec's core values / culture: connectedness, integrity, passion and excellence • Train and retain a resilient workforce: committed to imec, engaged at work, vital (not too much stress) and included • Empower strong leadership teams so they can lead their teams in the best possible way • Build an effective and agile organization, with goals and clear feedback to improve from corporate to individual level	• Several internal information channels to spread news: intranet, weekly update mails, onsite information screens, communities, quarterly update meeting, events, emails for policy or benefit related news or when an action is required, etc. • Employee cases are answered by HR colleagues (when raised) • HR business partners • Specific channels are in place if problems arise e.g. persons of trust, whistleblower channel • Yearly surveys on wellbeing, engagement, changes... • Monthly formal discussions (e.g. works council) • Onboarding program and trainings (with feedback forms after each training), workshops, seminars, connect & learns and e-learnings	• All interactions draw on the employee experience framework: the entire journey through all the touchpoints of the employee lifecycle (from the time they apply for a job until the day they leave), or the sum of all the interactions, should be positive • Individual questions and problems are categorized and also tackled collectively (e.g. policy change) where useful • Feedback on the imec way of working from surveys, discussions, reactions... are summarized, discussed and, where useful, incorporated in imec operations • Feedback on trainings is used to improve quality of content and trainers
Society	• Neighborhood and local community • Citizens • Non-profit organizations	• Demonstrate good citizenship towards our local communities • Live up to our mission to educate the broader public on our innovations • Support communities by citizen science driven projects and living labs • Keep finger on the pulse on societal evolutions • Support societal transformation through our projects • Increase brand awareness in locations where imec is present and demonstrate impact on local communities and society at large	• Local outreach activities • Communication through various channels (website, blogposts, newsletters, podcasts, social media, events...)	• The human aspect and an inclusive approach are taken into account when developing applications for a better society • Societal impact is generated by supporting non-profit organizations
Collaboration partners	• Integrated Device Manufacturers (IDMs) • Foundries • Fabless • Fablite • Electronic Design Automation (EDA) • Material suppliers • Equipment suppliers • System partners • Low Volume Production • Prospective European Partners	• Understand business needs • Build relationship and trust • Build a global semiconductor ecosystem • Co-develop disruptive technology building blocks • Keep in view emerging new technologies and leverage supplier innovation in our ecosystem	• Key account managers and technical account managers • Imec Technology Forum (ITF) several times/year across the globe • Partner Technical Weeks 2x/year • Assignees permanently on site • Regular programme meetings • Regular steering committees • Focused workshops and technology deep-dives • Meetings and presentations at conferences and trade shows • Corporate & marketing communication through website, newsletter, research updates...	• Defines the imec roadmap and offering • Access to state-of-the-art tools and consumables • Ramp up efforts in terms of ESG activities and reporting
Venturing partners	• Start-ups and intermediaries • Scale-up partners	• Build a global and local high-tech community • Create a channel to translate imec's inventions into real applications and businesses • Improve quality of innovation funnel • Initiate collaborations by connecting external start-ups to imec research groups • Ecosystem building and increase of local impact	• Dedicated start-up coaches • Frequent coaching • Structured innovation and venturing process • Imec internal innovation calls 2x/year • Open call for start-ups 3x/year • Recurring meetings with scale-up partners	• Development of a tailored approach to deeptech innovation • Shapes the imec culture (employees are encouraged to participate in innovation calls)

1.2.3 | Imec's materiality and priority domains

Materiality matrix

The below matrix visualizes the result of imec's 2024 DMA as described in the section on IRO.



E Environment S Social
G Governance E-S Entity-Specific

Material topics and their relation to imec's activities

The material topics logically derive from imec's core activities and relevant stakeholders in its value chain as described above.

This table explains where and why the topics generate material IROs. Further detail is provided for each topic in each relevant ESG section.

IRO List

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	Material ESG topics	ESRS Section	Materiality	Upstream	Own Ops	Downstream	Why is this topic material for imec?
1	R&D with environmental impact	E (entity specific)	Double	■	■	■	Imec considers its mission is to develop technologies that contribute to a more sustainable future by focusing on the positive impact of future chip technologies and preventing the negative effects and risks of these technologies. Imec's focus is on disruptive innovation with positive environmental and societal impact. Imec pursues this in its own research and in its collaborations with and guidance for spin-offs and start-ups (venturing).
2	R&D with societal impact	S (entity specific)	Double	■	■	■	
3	Climate change adaptation	E1	Financial		■		Climate change effects could lead to business continuity risks and cost increases of incoming materials.
4	GHG emissions & energy consumption	E1	Double	■	■	■	Imec's operations are very energy intensive and use gases with very high global warming impact. Imec wants to mitigate these impacts as much as possible.
5	Substances of (very high) concern	E2	Double	■	■	■	The semi-conductor industry and imec use legally designated substances of very high concern that are being targeted by legislative measures that significantly impact future operations.
6	Water pollution	E2	Financial		■		Because imec operates in a green and sensitive environment, new and stricter regulations regarding water pollution might require abatement investments.
7	Own water use	E3	Double		■		Imec's main production activities are situated in a region with high water stress. Because its activities require high water consumption, imec must prioritize limiting this consumption as much as possible.
8	Incoming resources	E5	Double	■	■		Imec's R&D activities require high quality and scarce materials and continuous investment in its infrastructure. Both availability and cost of materials could have a financial impact.
9	Waste creation and its management	E5	Impact		■		Even if imec mainly conducts R&D activities and is not a mass producer, the waste that it creates contains hazardous elements and proper management thereof is a requirement.
10	Work-life balance	S1	Impact		■		Imec operates in a global, fast and time-intensive industry with a shortage of talent where work-life balance is a permanent point of attention.
11	Diversity - Equity - Inclusion (DE&I)	S1	Double		■		Imec is an international organization, playing a leading role in bringing together the global semi-conductor ecosystem. As such, fostering diversity, equity and inclusion is a key priority.
12	Economic & social working conditions	S1	Impact		■		In this high-skill and demanding industry, good working conditions are a key success factor to attract and retain top talent.
13	Health and safety @ imec and its partners	S1-2	Impact		■ & Partners		Given the nature of imec's activities, the health and safety of own employees as well as that of the workers in the value chain is a top priority. Maintaining and ensuring the proper application of strict health and safety rules is paramount.
14	Talent attraction & retention	S1	Double		■		In order to fulfil its mission, imec requires the best talents to lead the R&D for its industry. In view of the global war on talent, attracting and retaining top talent is becoming an important topic for imec.
15	Talent development & training @ imec and its partners	S1-2	Impact		■ & Partners		Besides being able to attract the best talent, imec also has an important responsibility to train future talent for the industry in which it operates, e.g., its own employees and those of its partners.
16	Impacts on nearby communities	S3	Impact		■		Imec is one of the key employers and larger organizations in the greater Leuven region. As such, it has a major impact on the community, e.g., in terms of housing and mobility. Imec also has the ambition to positively contribute to all locations where it has a presence.

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	Material ESG topics	ESRS Section	Materiality	Value chain stage: Upstream	Value chain stage: Own Ops	Value chain stage: Downstream	Why is this topic material for imec?
17	Corporate culture incl. ethical behavior	G1	Impact		& Partners		Based on imec's core values of connectedness, excellence and integrity, fostering a strong business culture is a key priority for imec.
18	Political engagement	G1	Double				Imec is recognized as a global player in the semiconductor industry. As such, engaging responsibly with governments is a key element in its stakeholder management process.
19	Relationships with our direct partners	G1	Double				Compliance & ESG contractual requirements are becoming very important in imec's 1-1 relations with direct partners such as collaboration and venturing partners, financial institutions, etc.
20	Client and supplier data security & privacy	G (entity specific)	Impact				Given imec's unique role at the heart of the semi-conductor R&D ecosystem, its partners expect the utmost adherence to data security and customer privacy.
21	Responsible conduct in the ecosystem	G (entity specific)	Double				Given imec's leading role in the ecosystem, implementing responsible business conduct and ethical research practices together with its ecosystem partners is a key priority.

Imec's sustainability domains and priorities

Imec is in the process of reviewing its sustainability priorities based on the conclusions of the DMA. These priorities form the basis for an integrated sustainability strategy roadmap, which defines objectives, actions, responsibilities and relevant KPIs.

More details on strategy, policies, actions or targets in relation to the material topics and their IROs are provided in the relevant ESG sections.

As a participant in the Voka Charter for Sustainable Entrepreneurship, imec has also been prioritizing its objectives for many years, inspired by the United Nations sustainability goals (UN SDGs).

The below overview shows the relation between the material topics and imec's strategic priorities and the SDGs.

Strategy to IRO

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	Sustainability priority	Priority domain	Material ESG topics	Related SDGs
How we generate a sustainable impact in society?	Through our R&D	Develop technologies to accelerate decarbonization	1 2	
		Leverage research to reduce footprint of chip production		
		Develop solutions to reduce energy consumption		
		Enable smart applications that contribute to a thriving society		
	Through our venturing and partnerships	Create and support start-ups with a positive impact on our society		
How we work sustainably?	With our people	Promote a healthy work-life balance	10	
		Offer optimal economic and social working conditions	12	
		Stimulate diversity and inclusion	11	
		Invest in engaged and talented employees	14 15	
		Support a solid health & safety culture	13	
	With environmental respect	Reduce imec's carbon footprint and manage climate change risks	3 4	
		Manage hazardous materials responsibly	5	
		Use and reuse water and effluents efficiently	6 7	
		Increase responsible and circular use of materials	8	
		Minimize and repurpose waste streams	9	
	By good governance	Encourage responsible conduct and effective partnerships	19 21	
		Maximize data security and customer privacy	20	
		Strengthen sustainable procurement	4 5 8 20 S2	
		Adopt ethical behavior	17 18	
		Enhance community stewardship	16	

Finally, imec's sustainability priority domains for managing its material topics can be summarized as follows:

1. How we generate a sustainable impact in society through our 'handprint'
2. How we work sustainably and manage our 'footprint'.

"At imec, sustainability is part of our mission: it is not only considered in our operations but is also one of the core elements directing our R&D."

Hans Lebon, executive vice president & chief corporate support and infrastructure

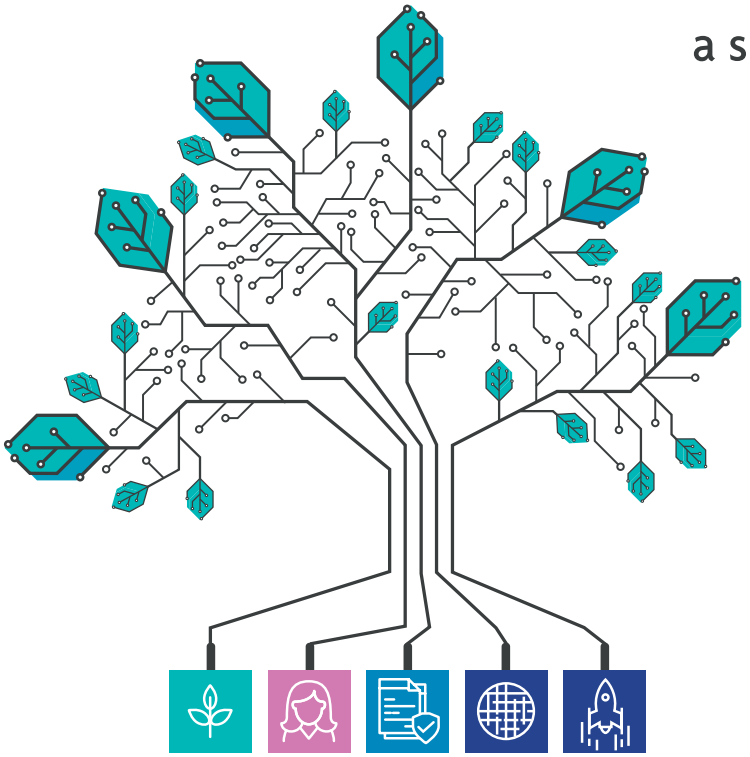
Consolidation of all topics into overarching strategy

How we work sustainably [our 'footprint']

Respecting the environment
3 4 5 6 7 8 9

With our people
10 11 12 13 14 15 16

By good governance
17 18 19 20 21



How we generate a sustainable impact in society [our 'handprint']

Through our R&D
1 2

Through our venturing and partnerships
1 2

E Environment S Social
G Governance E-S Entity-Specific

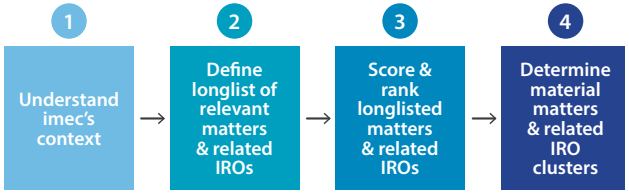
1.3 | Process to identify material IROs

Updated approach

In 2023, imec conducted an impact materiality assessment to better gauge the positive and negative impacts of its own operations and those of its value chain partners on the environment and society. Imec is exempted from the Corporate Sustainability Reporting Directive (CSRD) and related ESRS that require an undertaking to disclose information about material impacts or financial risks and opportunities in relation to sustainability matters. Nevertheless, in 2024, imec decided to conduct a DMA, in line with the ESRS reporting standards and European Financial Reporting Advisory Group (EFRAG) guidance, with the support of an external consultant.

Our 2024 DMA process

The applied DMA process sets out a structured approach for identifying and determining the most significant sustainability topics for imec. It involved conducting detailed analyses, using established methodologies, and working closely with imec's management team, in addition to engaging with external stakeholders through in-depth interviews to ensure the accuracy and relevance of findings. The process consisted of four steps, with each step contributing to identifying imec's main impacts, risks and opportunities.



Steps in imec's DMA process

Understand imec's context

The first step consisted of understanding and mapping relations between imec's business models, strategy, value chain, affected stakeholders (1.2 Strategy, business models and materiality (SBM)), and any other relevant contextual information in relation to sustainability matters. In addition to the 88 sustainability matters covered in the ESRS, entity-specific sustainability matters for imec were also identified. The mapping combines two perspectives, considering materiality both from a financial and impact point of view.

Sources of information used include desk research, stakeholder consultation, and internal information and feedback.

- Various sustainability standards and databases, scientific research, government reports, news websites, non-governmental organization (NGO) reports, and professional literature were consulted. The selected references ensure that the analysis is robust and grounded in the best available knowledge.
- Focused and structured external stakeholder interviews were conducted using the ESRS list of 88 matters as a framework for gaining additional insights. More specifically, feedback was collected concerning entity-specific matters relating to imec's R&D activities and central position in the semiconductor ecosystem.
- Internal work sessions with the ESG management team, vice president finance, director enterprise risk, and executives were held. These provided an opportunity to discuss and validate findings, refine the analysis, and collect feedback from key internal stakeholders. The sessions contributed to raising awareness, facilitating collaboration, and ensuring that the analysis was aligned with imec's operational realities.

The results generated a robust and balanced understanding of the key issues, where they occur in the value chain, and who are the (potentially) affected stakeholders, laying the foundation for the next steps.

Define a longlist of relevant matters

To identify all potentially relevant sustainability matters, an extensive list, including the entity-specific disclosures, was established based on desk research. For each (potentially) relevant matter, a description explains how this may relate to imec and cause IROs. These IROs were consistently mapped in imec's value chain. Feedback was then collected from imec's ESG management team. Matters of low relevance were excluded from further consideration with a clear rationale for their exclusion provided. Resources thus focused on the most significant issues. Any knowledge gaps that were identified during this process were documented. This helps to highlight areas where further research or data collection might be needed.

Score and rank the longlisted matters

Matters considered relevant for imec were scored in accordance with the ESRS reporting standards and EFRAG guidance:

- For impact materiality, severity and likelihood of occurrence were considered, for financial materiality magnitude and likelihood of occurrence.
- For actual IROs likelihood of occurrence was not taken into account.
- For negative impacts relating to human rights, severity took precedence over likelihood of occurrence in the scoring formula.
- For the scoring of financial risks and opportunities, the feedback from imec's executives and the director enterprise risk, which referenced the latest ERM-related ESG risks, was considered in particular.

All previously collected information was used for the scoring, as well as feedback from imec's cross-functional management teams, supplemented with the consultant's recommendations where necessary. Clarifications (e.g., references) to justify scores were documented.

"Taking up our leading role in the semiconductor ecosystem, we continue to report in a transparent way about sustainability, voluntarily aligning with the upcoming CSRD. That is also why we decided to do a double materiality assessment, not only taking our impacts but also financial implications for imec into account."

Bart Van Bael, vice president finance

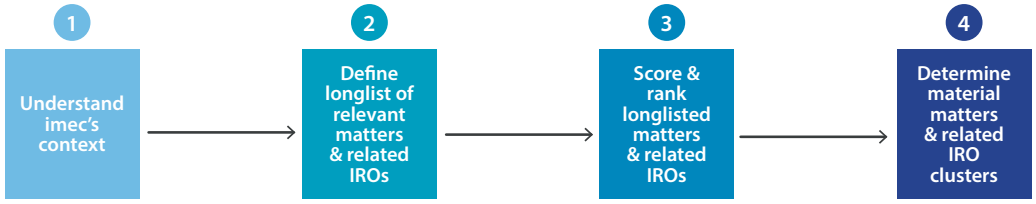
The final score for each matter (including entity-specific matters) reflects the severity or magnitude and likelihood of occurrence of each matter and related IROs, giving a clear indication of its significance. It can also be used to establish whether the matter is material on one level only (impact or financial) or double material (impact and financial material).

The matters and related IROs were then ranked and clustered to identify the most critical ones. For some matters, the available information was deemed insufficient for a proper assessment. This was especially the case for matters relating to the value chain. These information gaps were systematically documented, highlighting areas where further research or data collection is needed to further improve the double materiality assessment. Where relevant, these gaps will be explained in the topical disclosures.

Determine material matters and their IRO clusters

Following a final process and scoring check by the vice president finance and the enterprise risk and sustainability directors, a select committee of executive board members validated the scores and ranking and determined the threshold. The executive board then formally validated the DMA conclusions. The explicit involvement of the executive board ensures that the outcome is robust and aligned with imec's strategic priorities. The result is the list of material IROs to be used for reporting. The material IRO clusters are listed in the section on imec's strategy and business models (SBM).

The below overview shows the 2024 DMA process in more detail.



Who	consultant - leadership	consultant - imec cross-functional management	consultant - imec cross-functional management	leadership
What	• 2023 materiality assessment & ERM analysis • context analysis & value chain • external stakeholder interviews • internal financial materiality interviews	• using step 1, indicate matters to score/not score • add entity-specific topics • discuss & validate in scoring workshops	• 'scoring' workshops with managers • analysis of workshop score by consultant • proposal of matter scoring by consultant	• preliminary validation by relevant exec. board members • formal exec. board decision
Result	• value chain definition • indicate importance of each ESRS matter	• list of ESRS matters to score incl. entity-specific topics	• ranking of matters • threshold scenarios • clusters of matters	• material clusters & matters to be used in integrated report and ESG strategy

2. Environmental disclosures

2.1 | R&D with a positive impact on the environment

Why is this material to imec?

1 R&D with environmental impact

As an international R&D center, collaborating with hundreds of partners, imec's mission is to develop nanoelectronics based solutions that contribute to a more sustainable future. Imec's long-term focus is on disruptive innovation in the early technology readiness level (TRL) phase, aiming to maximize the positive impact of future chip technologies while preventing their negative effects and risks. Additionally, imec's way of working triggers positive impacts as well as financial opportunities. This pursuit of a sustainable future is evident in imec's own research and in imec's collaborations with and guidance for spin-offs and start-ups.

The combination of this increasing digital transformation with a green transition is often referred to as the 'twin transition'. In an ideal twin transition towards a sustainable society, digital transformation and environmental sustainability are mutually reinforcing. However, digital transformation also leads to increased energy consumption and greater use of scarce materials. The digital transformation, therefore, has a negative environmental impact, which society needs to manage responsibly.

In summary, one of the main reasons for imec's existence is to develop sustainable technologies, using nanoelectronics based solutions.

How does imec engage with this topic?

Imec's R&D objectives focus on the biggest lever in the twin transition: the **accelerated electrification** of society. Imec is committed to this, both as a producer and user. On the production side, imec is working on technologies to accelerate the decarbonization of the power sector. On the user side, imec develops solutions to reduce the reliance on energy in key energy-consuming sectors, such as industry, the built environment, and the transport sector. A very important industrial sector is the **semiconductor manufacturing** supply chain: a powerful enabler of an efficient, digital world, it is also a major contributor to emissions. As a result of imec's unique position in the semiconductor ecosystem and its deep knowledge of semiconductor manufacturing, it can calculate CO_2 emissions for new and existing technologies. Imec can also estimate the impact of these emissions beyond climate, e.g., for water and chemical use. In short, the challenges relating to the transformation into a digital, circular society are significant, but with intentional transformation imec can reduce its environmental impact.

Imec's ambition to make a substantial contribution to a sustainable society through research and technology is reflected in four policy areas. Behind each policy area is an ambitious action plan.

The below overview highlights the four areas with the latter focusing on societal impact. This area will be further explained in the social section of this report.

Objectives of the imec R&D pillar	Ambitions
Develop technologies to accelerate the decarbonization of the power sector, industry, the built environment, and the transport sector	Reduce the cost of green hydrogen through electrolysis based on imec nanomaterials
	Reduce CO_2 emissions in industrial processes with imec nanomaterials
	Contribute to the electrification of the transport sector through solid-state battery technology
	Help to ensure that photovoltaics (PV) become a dominant (and green) energy source
Conduct research on enhancing the ecological efficiency of chip production	Measure the environmental impact of future technology production for all imec research programs
	Integrate environmental impact studies into all current research programs
	Share knowledge with partners and the public about the environmental impact of semiconductor technology production within imec
	Integrate material circularity principles and chip life cycle analysis into program management, with the aim of increasing recycling and reuse
Develop solutions that use energy more efficiently	Set the stage for increased energy efficiency in semiconductor products and systems
	Develop new hardware and software to improve energy efficiency in artificial intelligence (AI)
Leverage imec's digital and nanoelectronics competences, developing smart applications that contribute to a sustainable society	Develop disruptive applications that contribute to a more sustainable society
	Develop applications that help deliver on the climate objectives of the European Green Deal
	Develop applications for more fine-grained monitoring of sustainability parameters

What did imec do in 2024?

2.1.1 | Develop technologies to accelerate decarbonization

Within the EnergyVille framework, imec collaborates with its partners KU Leuven, Vito, and UHasselt to advance sustainable **energy technologies and smart energy systems**. Imec's R&D in this field includes PV technology and systems (interconnection technologies, energy yield modelling, and seamless integration in the environment), smart grid solutions, battery storage (lithium metal batteries and next generation battery materials), and conversion technology (novel technologies to convert water and carbon dioxide into valuable feedstock and fuels).

Bifacial Solar Cells at EnergyVille

While solar power stands as a vital player in the quest for sustainable energy, its unpredictable nature challenges accurate energy (and financial) yield predictions. As part of their collaboration within EnergyVille, imec and UHasselt have tackled this challenge by developing a bottom-up **Energy Yield Model** that considers light, temperature, and electrical dynamics within solar panels to offer unparalleled precision in yield prediction.

Within the imec.icon project BIPV4ALL, AGC Mirodan, IPTE Factory Automation, Soltech, VdS Weaving, and VK Architects + Engineers, together with researchers from imec/Energyville – and supported by VLAIO – have worked on ways to make **building-integrated PV** more affordable and widely applicable. Examples include a software tool that allows architects to custom design building-integrated panels at their drawing table and send them almost directly to the production facility, an innovation in the technical fabrics of the panels to improve performance under shading, and increased automation of production.

In collaboration with the University of Cyprus, imec demonstrated long-term outdoor stability of **perovskite** solar cell modules, with a power efficiency retention of 78 percent after one year. These promising findings are among the first real-world results to address the current stability issues that have hindered perovskite solar cells from commercialization.

As the coordinator of the H2020 SOLiDIFY consortium, imec, together with 13 European partners, presented a high-performance lithium-metal solid-state battery, manufactured by imec in the state-of-the-art battery assembly lab at EnergyVille. The prototype pouch cell battery features a unique 'liquid-to-solid' processed solid electrolyte, jointly developed by imec and the partners. It boasts an energy density of 1070 Wh/L, compared to 800 Wh/L for state-of-the art lithium-ion batteries. The manufacturing process, which is both cost-effective and adaptable to existing lithium-ion battery production lines, paves the way for commercially viable solid lithium batteries for **electromobility**.

Pioneers team

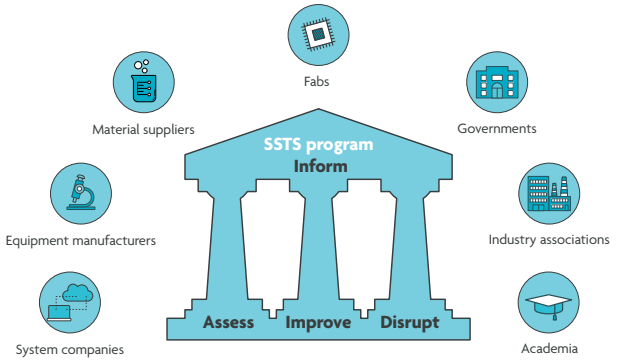
Pioneers is a European project contributing to the Green Deal. In this project, innovations are tested and implemented with the goal of reducing emissions. Imec is leading the construction of two large demonstrators: improved perception for the benefit of teleoperated and **autonomous shipping** and better decision-making around train operations in the port area. A peak moment came in 2024, with the construction and delivery of the demonstrator. The project runs from October 2021 to September 2026. The main goal of this demonstration is to present the results of the actual remote control of inland vessels. This technology results in a reduction of crew on ships and thus provides a solution to the crew shortage on the labor market. By increasing the operational hours of ships on waterways, there is less need for trucks for transportation. Since one standard inland vessel can replace 53 trucks, and the CO_2 emissions of a truck are 105 g per ton-kilometer while a standard inland vessel emits only 41 g per ton-kilometer, there is a significant reduction in CO_2 emissions by increasing the operational hours of ships. This increase in operational hours can be realized by centralizing the necessary labor for navigation. It is also important to note that a standard inland vessel can carry 400-600 tons, while an average truck can only carry 20 tons.

"The SSTS program has laid the foundations for a better understanding of the environmental impact of semiconductor manufacturing. Today we are translating these insights into an environmental score (e-score) methodology that will be used to make environmental impact visible to those who are developing next generation microchips. This transparency will empower us and, eventually our partners, to create more sustainable technologies."

Emily Gallagher, director SSTS programme

2.1.2 | Leverage research to reduce footprint of chip production

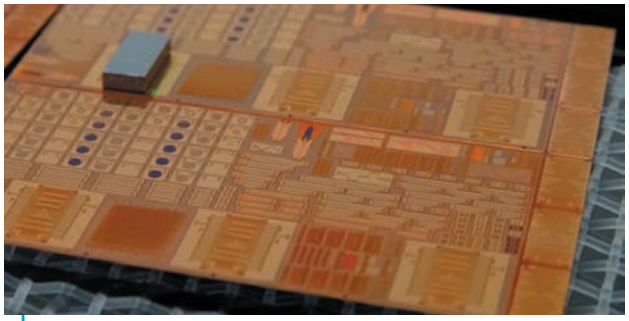
Another sector where imec is bringing value to its partners is in the integrated circuit (IC) manufacturing supply chain, by conducting research to reduce the carbon footprint of semiconductor production processes. This is becoming increasingly significant given the growth of the information and communications technology (ICT) industry that is matched by its environmental footprint. Imec tackles this challenge within its Sustainable Semiconductor Technologies and Systems (SSTS) program, aiming to assess, improve and disrupt fab processes to minimize their overall environmental impact. The program has over 25 partners throughout the supply chain, with recent additions including Intel Corporation and Micron. Within its SSTS program, imec has launched the **imec.netzero** virtual fab model and is working towards making its methodology a standard in the industry.



The imec.netzero web app is a bottom-up model of a generic high volume manufacturing fab that enables granular analysis to identify high impact processes and can project future nodes for pathfinding. Imec has determined that lithography, etch and deposition-related processes are the biggest contributors to climate change, accounting for over 70% of advanced logic node scope 1 and scope 2 emissions. This result motivates targeted emission-reduction integration schemes and unit process development. Given the importance of lowering its environmental impact, imec also embraces the mission of informing the broader semiconductor ecosystem, the imec community, and the public on the environmental impact of chip technology. In September 2024, imec launched a new initiative, called **SSTS scouts**, that provides training and coaching and supports specific sustainability projects driven by people who are not directly involved in the SSTS program activities. Through this initiative the impact from the SSTS program can be further scaled into adjacent fields where people working within their own area of expertise help to further reduce environmental impact.

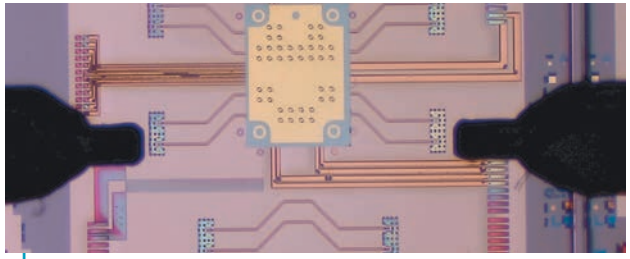
2.1.3 | Develop solutions to reduce energy consumption

In imec's advanced radio frequency (RF) program, scalable and energy-efficient solutions are being explored for these future networks, with an emphasis on frequencies higher than 6GHz. Unique to this program is the focus on gallium nitride (GaN) and indium phosphide (InP), and their heterogeneous integration with complementary metal–oxide–semiconductors (CMOS). Based on this, imec has outlined a roadmap that will enable the required performance, cost, and power.



Imec's RF Si interposer platform for RF and mixed-signal chiplets

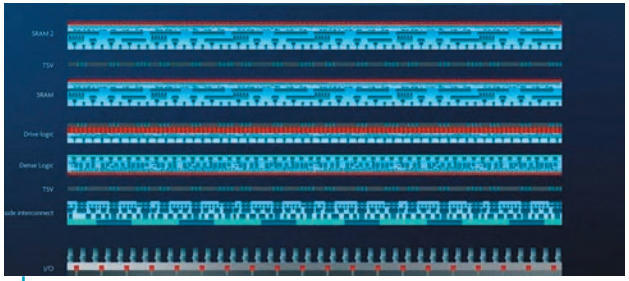
In 2024, imec achieved significant results in this program. At the International Microwave Symposium, imec demonstrated the higher efficiency (up to 70%, transistor data) of GaN-on-Si transistors at low voltages for frequencies from 6 to 28 GHz, making the technology very interesting for use in smartphone applications. Additionally, imec showed that GaN-on-Si technology can compete in performance with the more expensive GaN-on-SiC (gallium nitride on silicon carbide) technology even at voltages up to 20V, making this technology very attractive for wireless infrastructure applications. With these GaN-on-Si transistors, imec initially focuses on frequencies below 100 GHz. The focus of the RF GaN research in the program further aims to understand all non-idealities that can impact performance and find solutions for them at the technology, design, or system level. An example of this is understanding the effects that influence losses in the GaN-on-Si substrate. In a paper published in 2024, imec proposes an optimized process that results in higher effective resistivity and lower RF losses.



Hetero-integrated InP (III-V) chiplet on a 300 mm RF Silicon Interposer for Mm-Wave / Sub-THz Applications

For frequencies above 100 GHz, imec is looking at demonstrating a hybrid InP/CMOS technology. Driven by the system requirements of the 6G scenarios, imec's research focuses on the various building blocks needed to make these 6G modules possible. At the International Electron Devices Meeting (IEDM), imec presented groundbreaking results of the co-integration of InP chiplets on a 300mm RF silicon interposer. The integration is accompanied by a negligible loss of 0.1dB at 140GHz. This makes this RF interposer technology an essential building block for the development of compact, scalable, and energy-efficient modules for communication above 100GHz. Imec is also developing a mass production process for InP, where sustainability is an important parameter in the evaluation process to select the various integration options. In 2024, the first InP-on-Si HBL transistors were demonstrated on a 300mm silicon substrate with electrical performance comparable to that on native substrates, a significant milestone in scaling up this technology.

Finally, imec has also realized a 140 GHz CMOS beamforming transceiver that supports extremely high data rates (>56Gb/s) with low power consumption. These results pave the way for next-generation short-range wireless applications that require super-fast internet, such as Extended Reality. This result was presented in 2024 during the Radio Frequency Integrated Circuits Symposium.



Example of a possible partitioning of a SoC in the CMOS 2.0 era

Research into computer and system architecture in 2024 has found a place in the 'Connected Computing' sector, sub-sector 'System Scaling'. The goal of this sub-sector is to combine the different technologies needed to scale systems ('high performance compute' or supercomputers) while simultaneously improving energy efficiency. Applications include artificial intelligence (large language models), but also simulations for molecular dynamics, finite element simulations, or DNA sequencing. The research builds on the results of 2023 and consists of three major activities: (1) set up and maintain software for the design and analysis of systems and their applications, (2) research into the scalability of systems, and (3) research into disruptive technology (digital superconducting logic).

For more R&D highlights, please visit our website: www.imec-int.com/en/articles/imec-2024-overview

2.2 | Climate change (E1)

The 2024 DMA shows that imec's operational context generates a significant climate-related impact across its entire value chain. Semiconductor manufacturing processes are energy-intensive and contribute to greenhouse gas emissions. The industry thus has a large ecological footprint, but climate change is also creating various financial risks for the industry. This section elaborates on imec's current performance and how it manages its energy consumption and emissions.

The two sustainability priorities that cover these matters are:

1. Reduce imec's carbon footprint
2. Manage climate change risks

2.2.1 | Reduce imec's carbon footprint

Why is this material to imec?

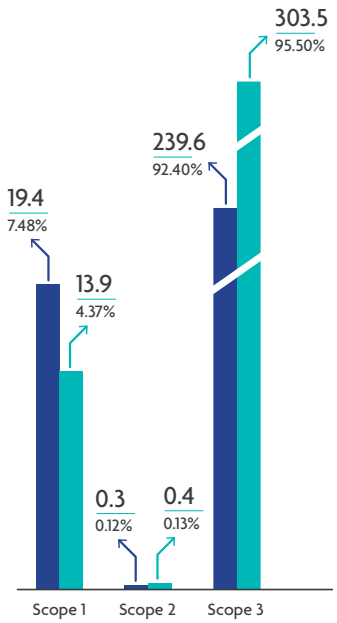
4 Energy consumption and GHG emissions

Imec's R&D operations have a significant environmental impact, given the consumption of large amounts of electricity in the microchip manufacturing processes, the use of natural gas for heating and abatements, and the emission of gases with significantly higher global warming potentials than carbon dioxide (such as NF_3 and SF_6).

Related metrics and targets

Imec sets an overall target of reducing the total scope 1 and 2 emissions **to 9 kton** CO_2e by 2030. The main contributors of imec's scope 1 and 2 emissions are energy consumption and Greenhouse Gas (GHG) emissions. Two separate sub-targets include a reduction of process gas emissions **to 5.15 kton** CO_2e in 2030 (coming from 10.30 kton in 2018) and a reduction of natural gas consumption for heating **to zero** by 2035.

Market-based GHG emissions - [in kton of CO_2e]

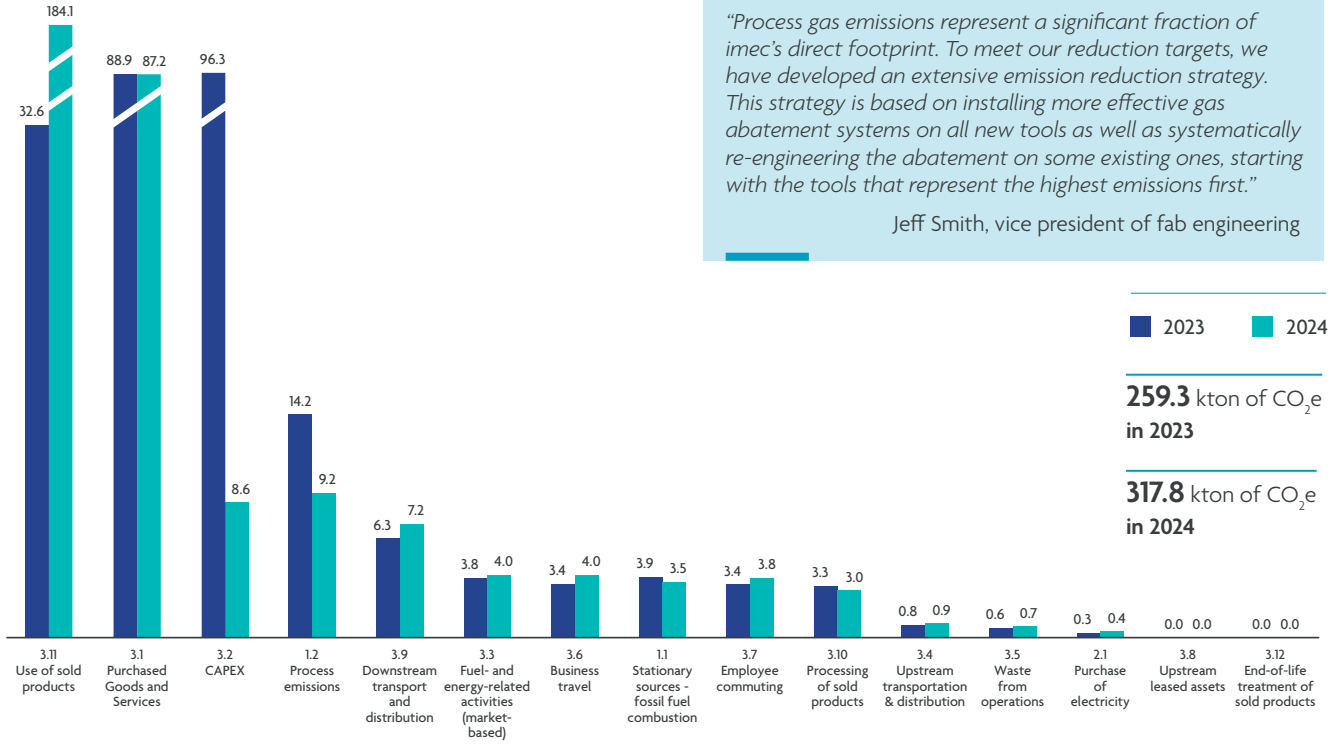


GHG emissions intensity (total GHG emissions per net revenue)

0.256 kton of CO_2e/mioEur **in 2023**

0.296 kton of CO_2e/mioEur **in 2024**

Total GHG emissions breakdown (market-based) - [in kton of CO_2e]



259.3 kton of CO_2e **in 2023**

317.8 kton of CO_2e **in 2024**

"Process gas emissions represent a significant fraction of imec's direct footprint. To meet our reduction targets, we have developed an extensive emission reduction strategy. This strategy is based on installing more effective gas abatement systems on all new tools as well as systematically re-engineering the abatement on some existing ones, starting with the tools that represent the highest emissions first."

Jeff Smith, vice president of fab engineering

Methodology for the calculation of imec's carbon footprint

With a focus on data quality improvement, imec refined the methodology and scope of its carbon footprint calculations. In comparison to the figures reported in 2023, several updates were made to enhance the accuracy of reporting and alignment with EFRAG and GHG guidance:

- The organizational boundaries were expanded and now include entities in Belgium (i.e. the Leuven campus and EnergyVille), the Netherlands, the U.S. (California), and representation/foreign entities in China, India, Florida and San Francisco (U.S.).
- All categories that are relevant to the GHG protocol and applicable to imec are included, such as 3.2 Capital goods, 3.8 Upstream leased assets, 3.10 Processing of sold products, 3.11 Use of sold products, 3.12 and End-of-life of sold products.
- Emissions from used ICs (3.11 Use of sold products) were calculated based on their hardware profile, the estimated share of sold dies, and their electricity consumption during the use phase.
- Both market and location-based emission factors for scope 2 emissions were included, as required by the GHG protocol.
- Other scopes are calculated using the market-based approach.

The emissions of joint ventures that need to be accounted for in scope 3 category 15 as investments have not yet been included in imec's carbon footprint for 2024.

Scope 2 emissions in graphics are calculated using the market-based approach, whereas location-based scope 2 emissions can be found in the figure below in line with the GHG Protocol.

Location-based vs market-based scope 2 emissions

ESRS ID	Metric (in kton of CO_2e)	2023	2024
E1-6_09	**Gross scope 2 GHG emissions (location-based)**	14.3	15.7
E1-6_10	**Gross scope 2 GHG emissions (market-based)**	0.3	0.4

Main contributors to imec's carbon footprint

- Category 3.11 - Use of sold products accounted for more than 60% of scope 3 emissions.
- After use of sold products, Category 3.1 - Purchased goods and services dominates the scope 3 footprint. Within purchased goods and services, wafers purchased by imec are the highest emitters, representing 39% of emissions. They are followed by expenses incurred by the Facilities and Infrastructure (FAIN) department. Emissions from 2023 and 2024 are comparable in this category.
- In scope 1, 1.2 Process emissions, originating from gases such as SF_6, CF_4 and NF_3, are still the most significant contributors to scope 1 emissions.
- Between 2023 and 2024, mobility* consistently accounts for 5% of imec's total emissions.

Evolution from 2023 to 2024

The most significant trends for the different scopes were:

- **Scope 1:** in 2024, imec reduced emissions through lower stationary combustion, along with decreased process emissions and fuel consumption for its vehicle fleet compared to 2023.
- **Scope 2:** emissions from purchased electricity for imec Belgium and imec Netherlands increased by 40% compared to 2023 (calculated using the market-based approach), primarily due to higher electricity consumption in imec's Belgian buildings.
- **Scope 3:** improved data for the Use of Sold Products led to an increase of approximately 150 kton CO_2e. In the Capital Goods category, the investments of capital expenses initiated in 2023 were carried out through 2024 without significant expenses in the latter, resulting in a decrease of around 90 kton CO_2e. Emissions in other categories remained mostly stable, with minor fluctuations.

* Mobility: sum of 3.1 Mobile combustion (fuelled company cars); 2.1 purchased electricity (electrical company cars); 3.3 Fuel- and energy-related activities not included in scope 1 & 2 (extraction, production and transport of fuels, generation and transmission and distribution losses of electricity); 3.6 Business travel; 3.7 Employee commuting; 3.9 Downstream transportation and distribution (only visitors mobility)

Energy consumption

ESRS ID	Metric (in MWh)	2023	2024
E1-5_02	**Total energy consumption from fossil sources**	20,109	18,380
E1-5_03	**Total energy consumption from nuclear sources**	0	0
E1-5_05	**Total energy consumption from renewable sources** Broken down as follows	122,912	133,864
E1-5_06	• **Fuel consumption from renewable sources**	0	0
E1-5_07	• **Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources**	122,629	133,585
E1-5_08	• **Consumption of self-generated non-fuel renewable energy**	283	279

All data in MWh and based on internal calculations with data provided by suppliers

Metrics on mobility

Next to on-site operational related emissions, employee commuting also accounts for a considerable share of emissions. This part of imec's carbon footprint is explained in further detail in the section on commuting.

ESRS ID	Metric	2023	2024
Additional metrics to the ESRS	**Modal split (%)**	53	55
	Number of bike lease contracts	731	1,032
	Number of new lease bike orders	476	434
	Car fleet emissions (in gCO_2/km)	60	30
	Own workforce opt-out of benefit in kind company car	17%	20 %
	Number of cars in fleet Broken down as follows	646	704
	• **Full electric vehicles**	136 (21%)	290 (41%)
	• **Other (hybrid or plug-in hybrid)**	288 (45%)	348 (50%)
	• **Fossil fuel cars**	222 (34%)	66 (9%)

How is imec engaging with this material topic?

Carbon footprint reduction is a clear sustainability priority for imec.

One area imec is focusing on is the reduction of process emissions in **fab process chambers**, which significantly contribute to its overall carbon footprint. Each year, a dashboard is created to account for all process chambers using greenhouse gases, with emissions calculated according to the Intergovernmental Panel on Climate Change (IPCC) standards (2019, Volume 3 Chapter 6). The main greenhouse gas contributors for imec are gases such as NF_3 and SF_6 and, to a lesser extent, CF_4 and C_4F_8. The Greenhouse Gas emissions strategy is implemented at the Leuven site across all fabs and involves collaboration with abatement systems vendors, tool vendors, recipe owners, process chamber owners, and measurement partners.

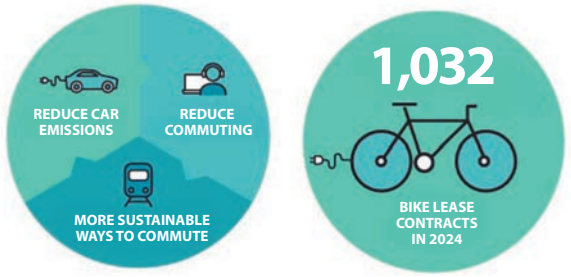
Additionally, imec is involved in two voluntary initiatives:

- Imec has made an ambitious commitment to mitigate negative impacts and create positive impacts on the nearby community, incentivized by Leuven 2030, a City of Leuven initiative. Along with other local partners, imec signed Leuven's 'Climate City Contract', which sets out the city's ambitious efforts to reduce its carbon emissions by at least 80% in 2030, with 2019 as the reference year. As one of the 100 cities chosen by the European Commission from 400 cities for the mission '100 Climate-Neutral and Smart Cities by 2030', Leuven is also the first Belgian city to sign such a contract. With this mission, Europe supports the selected cities with expertise and (financial) resources in their journey towards climate neutrality by 2030. Imec will contribute to achieving this goal through its approach to process emission reductions, circularity in construction projects, participation in an urban lab, and research into efficient local energy exchange using a local heat network. As such, the Climate City Contract commitments are also related to sections 2.5 Resource use (E5) and 3.4 Affected communities (S3).
- Imec also signed a formal energy policy agreement (energiebeleidsovereenkomst, EBO) with the Government of Flanders for its Leuven site in 2023, which focuses on improving energy efficiency and reducing energy consumption. This voluntary commitment for 2023-2026 involves developing an energy plan that includes strategies for greening energy sources and optimizing energy management. The agreement aims to ensure that energy-intensive enterprises continue to embrace energy efficiency leadership practices, contributing to the realization of the Flemish CO_2 and energy efficiency goals.

What did imec do in 2024?

Reduce greenhouse gas emissions

- In 2024, imec installed two PoC (proof of Concept) **plasma abatement** systems, one for a lab tool and another for a fab tool, resulting in a 3.1 kton CO_2e reduction for the fab tool. These abatements, placed after the process chamber, effectively reduce emissions while ensuring upstream process quality. Measurements are done by the Original Equipment Manufacturer (OEM) of the abatements and the in-house **Gas Emission Monitoring** (GEM) system to confirm the IPCC values for process utilization and destruction removal efficiency (DRE). In 2025, additional abatements, including prototypes in cooperation with the abatement OEMs, are planned. In addition to the new gas abatements, imec also activated gas monitors on some existing and new process tools to monitor greenhouse gas emissions.
- Building on previous actions, imec's procurement team plans further action in **sustainable sourcing** as part of its Greenhouse Gas emissions strategy. Focusing specifically on scope 3 emissions, they are transitioning from a spend-based calculation to a quantity-based carbon footprint. In addition to providing training sessions for buyers and awareness sessions for internal stakeholders on the importance of sustainable sourcing and how they can contribute, the procurement team has also included a KPI for local sourcing in its balanced scorecard. Other actions on sustainable procurement can be found in section 4.1 Business conduct (G1).



Reduce energy consumption and improve energy efficiency

Actions related to the EBO

The EBO that imec signed with the Government of Flanders took effect on January 1, 2023 and runs until 2026. Following an energy audit, an energy plan was submitted in April 2024 to the EBO commission (Flemish energy policy agreement committee) for review. The energy plan comprises ten profitability measures and two measures to be tested as part of the energy management system in accordance with EBO requirements. It also includes a planning schedule for implementation of these measures over the duration of the EBO period (2023-2026).

In anticipation of the committee's approval, execution of these actions has already started in 2024:

- The **pump motors** of the process cooling water circuit (in FAB2) will be upgraded from efficiency class IE1 to IE4 in 2025, yielding 19 MWh/year expected energy savings. To date, all pump motors of FAB1 have been replaced, with expected energy savings of 29.5 MWh electricity per year.
- Additional savings can be achieved by replacing the pumps of the cooling towers in FAB1. Currently, the potential energy savings of 3.1 MWh of electricity per year are being evaluated against the required investment for new pumps.
- **LED systems** with presence detectors were installed in the smart workplace office spaces of the imec 4 building, leading to a reduction in energy consumption.

The following actions are scheduled for implementation in 2025:

- Imec installed its first **heat pumps** in two fabs in 2019 and 2021 respectively. These efforts have led to a 26% reduction in gas consumption in 2024 compared to 2022. A heat pump for FAB3 is expected to be operational in 2025.
- In Q3/4 of 2025, the focus will be on defining an **energy policy declaration** as well as the role and tasks of the energy coordinator.

Additional actions that are not related to the EBO

Imec's production and facilities

- To gain a better insight into the fabs' use of consumables such as water and electricity, a project was launched to retrofit them with **Internet of Things** (IoT) devices. This initiative focuses on three main aspects: IoT hardware, communication protocols, and the integration of edge servers and data leaks. The project, which is currently in the exploration phase, aims to present its findings to internal sponsors by mid-2025. The 2025 actions include investigating sensors, communication protocols, and edge server translation, as well as data lake ingestion.
- As part of its data center imec 5 project, imec is replacing the DX cooling system with a **water cooling** system for energy recovery. This transition reduces freon usage across the imec site and recovers heat that is used to heat the imec tower, minimizing energy loss in the process. The new system replaces water-cooled climate cabinets with in-row cooling, which operates more efficiently at higher cooling water temperatures. Currently, 50 kW of heat is lost to the outside through two condensers. In the future, heat pumps in the imec tower will recover 50 kW of heat. Moreover, imec has replaced a chiller with an improved energy-efficient version, boasting an EER of 2.58 compared to the previous 2.3 in 2024. This upgrade reduces refrigerant usage. Additionally, eliminating the chiller in imec 2 further decreases freon usage by 41.8 kg.

Imec's offices and catering

- For imec 6 (imec's new office building), the organization has also opted for **responsible energy and heat management**. The building will be connected to the planned campus-wide heating and cooling network. Imec is also using the latest building insulation techniques and is working on creating a 'marketplace', the beating heart of this building and of its entire Leuven campus.
- In 2024, the organization re-evaluated **catering services** to elevate them and provide a genuine hospitality experience worthy of the future marketplace in imec 6. An RFP (request for proposal) will be concluded in 2025 in view of implementing catering innovations in the current cafeteria leading up to the marketplace. Additionally, in 2025, imec wants to focus on less waste and rebalance the offering/menu (e.g., protein shift) to reduce the carbon footprint of its catering services.

Commuting

- Imec took an important step towards reducing CO_2 emissions and a much-needed modal shift in 2023 with its ambitious mobility plan. The organization even won the **'Beweeg mee naar minder CO_2' award** with this plan. In 2024, imec built on this previous success:
  - 5% of the workforce now walk, cycle, or take public transport as their chosen form of transport for their commute into work. However, there is a difference between the commuting behaviors of payroll employees and imec's extended workforce: 60% of employees on imec's payroll prefer a green commute, compared with 37% of imec's extended workforce.
  - This means that commutes by car of payroll employees dropped from 47% to 40% between 2021 and 2024.
  - Green cars accounted for 98% of new orders. Today, 84% of imec's fleet is green. In January 2024, imec launched its mobility budget, with 127 employees signing up for it. Most of them traded in their (eligibility for a) company car, opting for a sustainable mobility or even housing solution instead.
- In 2024, imec once again participated in the **mobility week**. New in 2024 was that imec partnered with Leuven 2030 to launch the 'Shift your mobility' challenge through the Scone app. There were more than 100 participants from imec.

2.2.2 | Manage climate change risks

Why is this material to imec?

3 Climate change adaptation

The 2024 DMA identified climate change as a potential trigger of financial effects on imec because of

- business continuity risks due to disruptions in the supply chain or a natural disaster (e.g., floods)
- price increases of incoming materials.

As this is the first time that imec has conducted a financial materiality assessment, further research is required to assess imec's resilience against these climate change effects, quantify the financial consequences in further detail, and define effective mitigation measures.

Mock-up imec 6 building, to be built at imec Leuven

2.3 | Pollution (E2)

The 2024 DMA covers various pollution-related matters. Imec's R&D activities require the intensive use of hazardous chemicals and water. It is therefore vital that imec closely monitors and controls the most significant EHS risks. Preventing any related pollution or health & safety incidents is thus a crucial theme for imec, its employees, customers, and the wider community.

This section covers two domains that are of material importance for imec:

1. Manage hazardous materials responsibly
2. Ensure proper water effluent management

2.3.1 | Manage hazardous materials responsibly

Why is this material to imec?

5 **Substances of (very high) concern**

The semiconductor industry and imec use legally designated substances of concern and very high concern that are being targeted by legislative measures. Proper management to prevent pollution or health incidents and further legislative pressure make this a double material topic for imec.

How is imec engaging with this topic?

As a low-threshold Seveso establishment — handling, using, or storing hazardous substances — imec must comply with all relevant EHS laws and regulations. The organization must also anticipate new legislation and any changes to current legislation in a timely manner including, for example, new legislation relating to the use of fluorinated gases. Imec stays informed about these changes as a result of its close cooperation with sectoral organizations such as SEMI and ESIA.

As part of the risk mitigation process, a robust safety culture for **hazardous chemicals i**s supported by policies and driven by imec's management:

- Imec's **safety, health and environmental management manual** aims to minimize the use of hazardous chemicals and maximize environmental protection. It defines imec's safety culture, raising awareness of key responsibilities and behavior through safety campaigns. Imec manages risks by keeping an accurate inventory of any chemical products it uses in its operations and through its compliance with Belgian and European environmental safety regulations.

The process hazard assessment is a policy that focuses on the review of chemical processes that are run on cleanroom tools to ensure safety and environmental compliance. This involves evaluating the introduction of or changes to processes, with the objective of defining risk mitigating measures. The processes are described in process definition sheets that are kept in a central tool database. These process definition sheets are reviewed annually. With major expansion projects in the pipeline in the coming years, a lot of time has already been spent in 2024 on preparing the required environmental permits, submitting them on time, and monitoring them. This effort will continue in 2025.

What did imec do in 2024?

- Since imec is a research center, a wide range of chemical products are stored on site, with each chemical subjected to an EHS pre-screening. A new **chemical life cycle management system** was implemented as part of imec's safety, health and environmental management policy. It includes a new database, processes for approving new chemicals, and inventory management. After tests in December 2024, full roll-out will be completed in Q1 2025.
- A new procedure for labeling EHS-critical materials on wafers was introduced in 2024. It sets out **guidelines for handling** these materials, with decisions made by the material introduction board. The objective is to ensure the safe processing of wafers with dangerous chemicals, both by employees and external workers.

"The new chemical life cycle management system is a major step up to get a better overview of all chemicals used on site as well as the intended usage of these products, allowing us to continuously optimize our safety procedures."

Nausikaä Van Hoornick, EHS manager

2.3.2 | Ensure proper water effluent management

Why is this material to imec?

6 **Water pollution**

Since imec operates in a green and sensitive environment, new and stricter regulations relating to water pollution might require further water treatment investments. That is why water pollution is considered a potential financial risk for imec in the 2024 DMA.

How is imec engaging with this topic?

Imec's EHS management system also focuses on wastewater management with special attention to the purification of wastewater from R&D production processes. Imec monitors various parameters of industrial wastewater to remain compliant with European and Belgian regulations (e.g., permits).

Further information on this topic in general can be found in E3 Water use.

What did imec do in 2024?

- By reusing water, less wastewater is discharged, but concentrations of the residual substances in this wastewater increase. In 2024, an **extensive study** was conducted to investigate the future wastewater management approach for the Leuven site. This study takes into account the load increases due to the re-use of water as well as a much more stringent legal framework that will come into force in 2025.
- In 2024, a student of KU Leuven wrote a master's thesis in collaboration with imec, which consisted of a **review of the wastewater management** of EnergyVille 2.
- A large-scale study was conducted in 2024 to **optimize rainwater infiltration and re-use**. This study takes into account current and future facilities and will be submitted as part of the environmental permit renewal process in 2025.

2.4 | Water use (E3)

Climate change and water are two global issues that are inextricably linked. Semiconductor manufacturing is a water–intensive industry. Since imec's main activities mainly take place in Flanders, which is a water-scarce region, efficient use and reuse of water and effluents is consequently a priority.

2.4.1 | Use and reuse of water and effluents efficiently

Why is this material to imec?

7 Own water use

The microchip manufacturing process uses a lot of water during several stages of production, including for cleaning. All products must have high purity levels. Imec mainly relies on municipal water (drinking water) for the production of high-purity water (HPW).

Related metrics and targets

Every year, imec draws up a water balance report, which takes the following into account:

1) Municipal (city) water withdrawal is based on a water counter.
2) Water discharge broken down as follows:
   - Water discharge into surface water
   - Water discharge into sewer
   - Water discharge through external treatment, including liquid waste
3) Water evaporation

   Water evaporation at the cooling towers and exhaust scrubbers is calculated as the difference between the total of withdrawals and the total of discharges, which are both measured using meters in imec's facilities.

In the ESRS, the definition of water consumption covers what imec reports as evaporated water. Unless specified otherwise, readers should understand 'water consumption' as municipal water withdrawal in this report.

ESRS ID	Metric	2023	2024	Unit
E3-4_11	**Total water withdrawal**	768,296	751,951	m³
E3-4_03	**Total water recycled and reused**	214,016	243,581	m³
E3-4_12	**Total water discharged** Broken down as follows	650,130	639,420	m³
	• **Total water discharged into surface water**	620,503	598,160	m³
	• **Total water discharged into sewer**	28,300	24,884	m³
	• **Total water discharged through external treatment, including liquid waste**	1,327	1,552	m³
E3-4_01	**Total water evaporation (ESRS: water consumption)***	118,166	112,532	m³
E3-4_08	**Water intensity**	816	731	m³/mioEur

* Total water evaporization in areas at water risk, including areas of high-water stress (metric E3-4_02) is the same as E3-4_01 Total water evaporization because data is only reported for Leuven, which is located in an area at water risk.

Closed loop local abatement

"We are very conscious about the natural resources we use at imec, such as water. For that reason, we have already been investing many years in the development and testing of new approaches to reduce our city water intake leading to proven concepts to purify our wastewater and reclaim it in our processes."

Bart Van Boxel, projectleader water technology, facilities and infrastructure

Imec's water balance shows that its annual water withdrawal amounts to approx. 750,000 cubic meters from which it discharges about 80% back to surface water. The share of vaporization, defined as 'consumption' in ESRS, is just 15% of the volume it withdraws. Taking into consideration the expansion plans on the imec Leuven site, which involve doubling the floor space of imec's 300-mm cleanroom, imec's ambition is to reduce annual withdrawal from 800,000 cubic meters in 2017 **to less than 650,000 in 2030**.

How is imec engaging with this topic?

One of the strategic priorities of imec's sustainability strategy is the efficient use and reuse of water and effluents (water discharge falls under E2) as part of its commitment to reduce municipal water withdrawal by reusing wastewater.

Imec's long-term goal to reduce withdrawal considers both the effects of water-saving projects and planned expansions.

Water recovery plant (WRP)

What did imec do in 2024?

Significant efforts have been made since 2018 to reduce imec's high-purity water (HPW) consumption. Three actions were defined in 2023, with one relating to water pollution (see section E2 Pollution), and work on these continued in 2024:

- **Closed loop local abatement devices:**

  A pilot project was set up on the existing wastewater installation in FAB3 to reduce permeate consumption for local abatement systems by 80%. During the test period, online measurements monitored critical contamination parameters, and the effective amount of reused water was calculated. The FAB3 pilot was successfully completed in 2024 and expansion to the full FAB3 wastewater installation and the start of further expansion to the FAB2 wastewater installation are scheduled for 2025.

- **Water recovery plant (WRP) pilot:**

  In 2023, imec built a WRP as part of the pilot project to reduce water intake and sewer discharge. Long-term operationality still needs to be checked using the test installation. In 2024, the focus was therefore on ensuring that installation settings met the proposed design parameters, as defined in a study from 2021. The water is used for technical installations such as cooling towers, water scrubbers, and air scrubbing. It is perfectly suitable for reuse in technical installations where permeate water specs are less critical. In 2025 and 2026, imec will conduct research into which treatment components need to be installed to be able to reuse this water in HPW installations. Ultimately, the organization's intention is to maximally reuse industrial wastewater in the technical installations from the fab within the designed efficiency.

2.5 | Resource use and circular economy (E5)

Most of imec's production capabilities are focused on R&D activities, with only a limited amount dedicated to low volume production. In view of the type and volume of incoming materials required and the waste streams imec generates as part of this R&D and production, two domains are considered key for its sustainability performance in the 2024 DMA:

1) Increase responsible and circular use of materials
2) Minimize and repurpose waste streams

"In an innovative environment like imec, we are constantly building and renovating. In those projects, we always put circularity and sustainability at the forefront. We do this by optimizing recycled content, with novel building approaches, and by connecting in our local ecosystem to optimize reuse of materials."

Els Leen, projectleader facilities and infrastructure

2.5.1 | Increase responsible and circular use of materials

Why is this material to imec?

8 **Incoming resources**

Even if imec is not a mass producer, its R&D activities require high-quality and scarce materials. The requirement to use high-quality materials in the processing of wafers makes the integration of recycled materials a challenge. Scarce materials and the related risks of availability and cost price increases mean efficient use of these materials is of seminal importance in imec's wafer processing activities.

Imec also continuously invests in maintaining and growing its state-of-the-art infrastructure, which also consumes considerable amounts of natural resources, resulting in environmental impacts.

Given imec's expanding activities, the potential for increased impact, and rising costs due to material scarcity and new regulations, incoming materials are considered material factors.

How is imec engaging with this topic?

The scope of procurement activities encompasses all three ESG pillars. Imec uses the principle of sustainable sourcing as guideline when purchasing materials for research activities, construction, and renovation, as well as catering supplies and office materials. Imec's supplier selection, qualification, and evaluation procedures reflect this commitment. Further details on the procedures can be found in Section 4.1. Business conduct (G1).

What did imec do in 2024?

In 2024, imec focused on:

- The **reuse of wood** from trees at the imec 6 site: in the next few years, imec will be constructing a new office building (imec 6). This building will host imec's metrology activities, which are linked to the cleanroom operations. The Flemish regulatory stakeholders advised that the best location for this new building was in the green space (green heart) of the imec campus. That way, the flooding area on the imec campus would remain unbuilt. Furthermore, this facilitated a better connection with the adjacent protected area of the Flemish ecological network. As this resulted in the loss of trees, imec has provided for forest compensation, with every m2 felled being compensated threefold. The car park at imec 2-3 will also become a green area. Moreover, imec has also taken steps to reuse the timber as construction material (e.g., furniture) on the site in the near future.
- The selection of **circular materials** for renovations: the smart workplace initiative was established to design workplaces where any colleague can work, increasing flexibility in the office environment and making more efficient use of the available space. In 2024, imec continued to expand this concept with the renovation of 2 floors in the imec 4 office building. Imec also applies circular principles in this concept, among others in the selection of materials, such as PET felt for acoustic walls and fully recyclable raised floors. Repurposing materials and making future-proof, sustainable, design choices continue to be a priority.

2.5.2 | Minimize and repurpose waste streams

Why is this material to imec?

9 Waste creation and its management

Even if imec is not a mass producer, its R&D process generates hazardous waste streams that demand permanent attention.

How is imec engaging with this topic?

The most impactful location for materials and waste is our Leuven site where we have a materials and stock management policy and an extensive waste management system. In other locations, where imec is mainly a tenant, employees follow the guidelines set by the site owners.

For solid waste, imec distinguishes between chemical (industrial) waste and household waste. The more research activities imec conducts, the more waste it generates. Imec's ambition is to increase the responsible and circular use of materials in its own operations, mobility, and infrastructure.

In 2023, imec launched an adapted waste procedure, in line with VLAREMA guidelines, which is published on the imec intranet, with clear guidelines for waste management and sorting. Employees can also contact the EHS department for queries relating to waste management.

What did imec do in 2024?

As part of its waste management efforts in 2024, imec focused on:

- The creation of a **waste inventory** for EnergyVille 2: imec updates the inventory of all waste that leaves the EnergyVille 2 site on a monthly basis.
- **Donation of old furniture**: during the smart workplace renovations, imec donated old furniture to the Atlas College, a secondary school in Genk (Belgium).

The decision was also made to conduct a pilot study in 2025 to validate different options for significantly reducing or even eliminating the use of single use paper cups on its Leuven site.

Related metrics

Waste

ESRS ID	Metric (in tonnes)	2023	2024
E5-5_07	**Total water discharged** Broken down as follows	754.4	798.9
	• **Total water discharged into surface water**	440.8	463.65
E5-5_10 and E5-5_11	• **Total non-recycled waste**	313.57	335.25
E5-5_16	**Radioactive waste**	**0**	**0**
E5-5_15	**Hazardous waste**	**221.3**	**253.95**
E5-5_08	**Hazardous waste diverted from waste disposal** Broken down as follows	114.4	119.2
	• **Preparation for reuse**	0	0
	• **Recycling***	0	0
	• **Other recovery operations**	114.4	119.2
E5-5_09	**Hazardous waste directed to waste disposal** Broken down as follows	106.9	134.75
	• **Incineration (without energy recovery)**	5.4	8.5
	• **Landfill**	55.3	68.58
	• **Other disposal operations**	46.2	57.67
	Non-hazardous waste	**533.1**	**544.8**
E5-5_08	**Non-hazardous waste diverted from waste disposal** Broken down as follows	326.4	344.3
	• **Preparation for reuse**	0	0
	• **Recycling***	0	0
	• **Other recovery operations**	326.4	344.3
E5-5_09	**Non-hazardous waste directed to waste disposal** Broken down as follows	206.7	200.5
	• **Incineration (with energy recovery)**	206.7	200.5
	• **Landfill**	0	0
	• **Other disposal operations**	0	0

All data provided in tons and without taking into account liquid waste. Calculations are based on official data received from recognized waste collectors (E5-5_17).
* *The data for recycled waste is included in other forms of recovery.*

3. Social disclosures

3.1 | R&D with a positive impact on society

3.1.1 | Enable smart applications that contribute to a thriving society

Why is this material to imec?

2 R&D with societal impact

As explained in the environment chapter of this report, imec's mission is to leverage its digital and nanoelectronics competences to enable smart applications that contribute to improved quality of life in a thriving society (in compute technologies & systems, health, automotive, energy, infotainment, industry, agrifood and security).

1. Develop applications that have a **disruptive impact** on society, thereby rendering it **more sustainable**.
2. Develop applications that contribute to the **climate goals** set by the **European Green Deal**.
3. Develop applications that facilitate a more fine-tuned **monitoring** of **sustainability parameters**.

How is imec engaging with this topic?

The social policy area sets forth three ambitions as shown below.

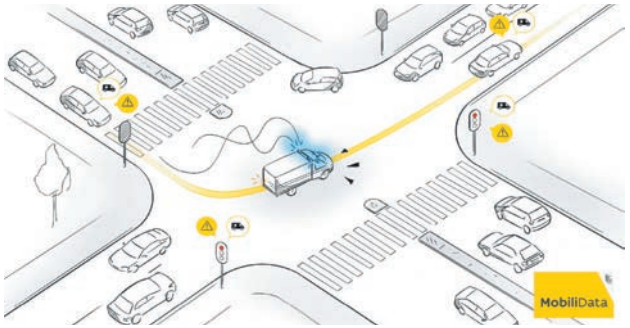
Objectives of the imec R&D pillar	Ambitions
Leverage our digital and nanoelectronics competences, developing smart applications that contribute to a sustainable society	Develop disruptive applications that contribute to a more sustainable society
	Develop applications that help deliver on the climate objectives of the European Green Deal
	Develop applications for more fine-grained monitoring of sustainability parameters

What did imec do in 2024?

At ISSCC2024, imec presented a unique, **low-power ultra-wideband (UWB)** receiver chip that is ten times more resilient against interference from Wi-Fi and (beyond) 5G signals than existing, state-of-the-art UWB devices. Imec's breakthrough chip was a major step forward in developing and deploying next-generation UWB applications, which are becoming increasingly safety-critical. This includes child presence detection systems in the automotive sector, where reliability and assured availability are paramount, or manufacturing environments, where UWB's precise localization capabilities could ensure the safety of human workers operating near robotic arms, AGVs, and other automated machinery.

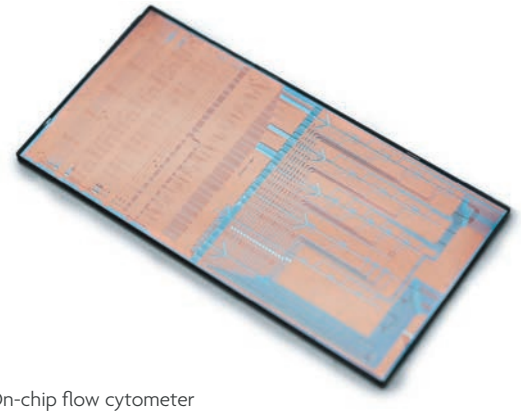
Low-power UWB receiver chip

In May 2024, Mobilidata, a program of the Flemish Government and imec to develop smart mobility solutions in Flanders, launched a pilot study with **autonomous and remotely operated cars**. After the first tests, on a closed circuit, tests on public roads followed. The tests took place within the framework of the Flemish task force autonomous transport, set up by the Flemish Minister of Mobility and Public Works. With this initiative, the government wanted to gather insights that could contribute to a legal framework for remotely controlled and self-driving vehicles. In this way, Flanders wanted to support the arrival of these vehicles in a well-founded, safe and future-oriented manner.



Semiconductor technologies are transforming all aspects of healthcare, from research and pharma manufacturing, to prevention, diagnostics, and therapeutics. By developing technology for next-generation health solutions, imec paves the way to more personalized precision medicine for better prevention, diagnosis, or cure. Cell therapy, for example, involves a significant amount of manual labor, making it a time-consuming and costly therapy, that is only available to very few patients. With automated and highly parallelized **flow cytometers** that accurately identify immune cells at high throughput and with advanced in-line sensors that monitor and adjust process steps in real time during production, manufacturing time and costs will decline, while the quality will improve.

In 2024, imec and Sarcura GmbH, an Austrian early-stage technology start-up, presented a proof-of-concept of an on-chip flow cytometer using CMOS technology, integrated photonics, and fluidics. The innovation offers a unique platform for the detection and discrimination of human leukocytes and marks a significant stride towards cost-effective, scalable, and highly parallelized cell analysis.



On-chip flow cytometer

Also in 2024, imec successfully miniaturized and combined various inline sensors into one single probe. This integrated, miniaturized, and multi-parametric **Process Analytical Technology (PAT) sensor** can simultaneously measure temperature, dissolved oxygen, electrical conductivity, glucose, lactate, and even cell density in real-time in, for example, a bioreactor. It enables biological or chemical processes to be monitored more closely, with higher product yields and improved quality.

Leveraging its semiconductor expertise to drive **brain research**, imec introduced an innovative ultrasound-based proof-of-concept for wireless powering of implantable neural devices at ISSCC2024. The proposed solution of just 8mm x 5.3mm enables precise beam steering (up to a 53-degree angle) and requires 69 per cent less power consumption - making it the smallest, lowest power consuming, wireless ultrasound powering unit among state-of-the-art systems. And at VLSI 2024, imec presented three breakthroughs in its R&D for brain research: (1) a high-density readout IC for multiplexed channels enabling large-scale recordings of brain-surface activity; (2) its latest neural probe for deep-brain recordings, featuring a record-high channel count and improved performance compared to the state of the art; and (3) a novel technique to suppress stimulation artifacts in brain recordings holds promise for combined stimulation/recording implants.

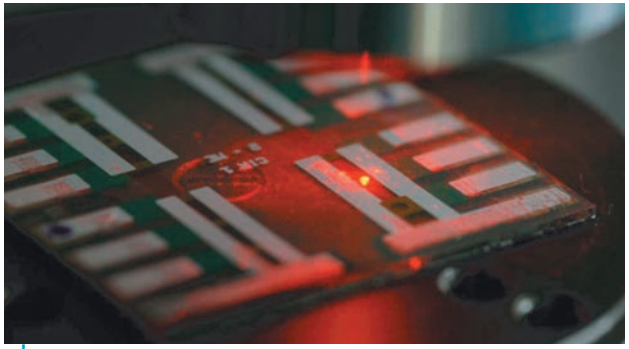
"At imec, our application-oriented R&D is creating next generation health solutions such as minimally invasive gut health monitoring devices that have been validated through human pilot studies this year. The high TRL paved the way for several patient studies that will be executed next year."

Chris Van Hoof, vice president R&D and general manager OnePlanet Research Center

Imec's ingestible sensor

At OnePlanet Research Center - a collaboration between imec, Wageningen University & Research, Radboud University, and Radboudumc - advanced **ingestible devices** to measure multiple markers along the human gastrointestinal (GI) tract have been developed. End 2023 – start of 2024, the first sensors were used in a clinical trial to measure redox balance, pH along the complete digestive tract. Moreover, a proof-of-concept ingestible gut sampling device that can take liquid samples at a specific point along the GI tract was developed in 2024.

In 2024, imec presented a perovskite LED stack, emitting light a thousand times brighter than state-of-the-art OLEDs. This result, published in Nature Photonics, is a milestone towards a perovskite injection laser, promising exciting applications in image projection, environmental sensing, medical diagnostics, and beyond.



Transparent perovskite light emitting diodes on sapphire substrate with scaled emission area for injection of ultrahigh current densities

Imec also added a **new hyperspectral sensor** to its portfolio. The new hyperspectral sensor contains a line-based filter on chip, featuring a broad spectral range (450-900 nm) and high, uniform light sensitivity. It is suited to meet stringent signal-to-noise ratio requirements for earth observation from small satellites. Moreover, the optimized process technology ensures a very low sensor-to-sensor variability making these sensors ideal for satellite constellations. The new sensor enables high quality images for a range of multi- and hyperspectral imaging applications from space, including monitoring of food systems, agriculture, biodiversity, water and air quality, and mining.

3.2 | Own Workforce (S1)

Imec has a workforce of over 6,000 people, representing about 100 nationalities. The success of its R&D activities is highly dependent on this human talent. It is therefore evident that the 2024 DMA identified multiple employee-related matters as being material.

This section covers these matters and their related IROs starting from imec's priority domains:

1. Invest in engaged and talented employees
2. Offer optimal economic and social working conditions
3. Support a solid health and safety culture
4. Promote a healthy work-life balance
5. Stimulate diversity and inclusion

Exceptional people should be enabled to deliver exceptional results. This is the starting premise of imec's human resources (HR) strategy, which is founded on the following pillars:

1. Colleagues are resilient. Imec prioritizes their health and well-being and enables every talent — especially critical and vulnerable talent — to grow.
2. Management leads as one team, facilitated by solid support and cross-departmental collaboration.
3. The organization is effective and agile, ready for sustainable multinational growth.

This is also reflected in the organization's four core values as explained in 'about imec'. They combine an intense focus on results, through passion and excellence, with an equally intense focus on people and culture through connectedness and integrity, encouraging employees to give their best every day.

Related metrics and targets

Imec uses reports and other software to accurately measure its performance and related KPIs for its own and extended workforce. In 2023, imec implemented interactive PowerBI reports that are updated daily. Dashboards track statistics in real time, combining SAP success factors or Cornerstone data with survey results. In 2024, the following reports in PowerBI were delivered and rolled out to HR and/or management:

- Performance and Talent Enablement PowerBI report
- Exit Analysis report
- Diversity & Inclusion report
- Corporate workforce report
- In & Outflow report
- Manager Hiring report

In 2025, a Learning & Development and PhD student dashboard will be developed, along with further deployment of reports for managers.

It is important to understand the different types of workers at imec.

Below is an overview of the composition of imec's workforce:

Total headcount

Imec payroll employees are not the only people working on imec's premises. Collaborations with assignees, university staff and students, as well as a flexforce are vital to what imec does. To grant this extended workforce access to buildings and/or information systems, imec registers them in its HR database.

Among the workers at imec, 55% are own employees and 45% work off-payroll. The latter group is imec's 'extended workforce', which mainly consists of:

1. PhD students from universities
2. Assignees from industrial partners and paid by the partner, participating in collaborative programs
3. A flexforce to cover temporary workforce needs in the different imec teams.
4. The remaining share of the extended workforce comprises temporary positions, such as job students, contractors and consultants.

ESRS ID	Metric (in headcount)	2023	2024
Additional to ESRS	**Total workforce**	5,607 (100%)	6,061 (100%)
S1-6_09	**Own workforce (on payroll)**	3,081 (55%)	3,304 (55%)
E1-5_05	**Extended workforce** Broken down as follows	2,526 (45%)	2,727 (45%)
S1-7_01 until S1-7_03 and S1-7_05	• **PhD**	789 (14%)	788 (13%)
	• **Flexforce**	576 (10%)	788 (13%)
	• **Assignees**	658 (12%)	727 (12%)
	• **Other**	503 (9%)	424 (7%)

Imec is as inclusive as possible when it comes to policies and related actions for all the different types of workers at imec. In terms of metrics, unless otherwise specified, data refers to on-payroll staff only.

On-payroll regional split

ESRS ID	Metric (in headcount)	2023	2024
S1-6_02	**Own workforce** Broken down as follows	3,081 (100%)	3,304 (100%)
S1-6_05	• **Belgium**	1,619 (53%)	2,946 (89.2%)
	• **Netherlands**	193 (6%)	281 (8.5%)
	• **Other**	1,269 (41%)	77 (2.3%)

3.2.1 | Invest in engaged and talented employees

Why is this material to imec?

14 15 **Talent attraction & retention combined with talent development & training**

In view of imec's position as a high-volume recruiter, dedicated actions are needed to continuously fulfil the organization's specific recruitment needs. To fulfil its mission, imec has to make a large number of hires but also requires top talent to lead its R&D for the semiconductor industry. The talent shortage is real and has been compounded by recent geopolitical evolutions. This may result in an insufficient influx of top-tier and international talent to imec, drying up the pipeline of talent it needs for disruptive R&D developments.

Attracting talent is not sufficient, however. Retaining top talent and developing colleagues in imec's ecosystem is of material importance to the success of imec and its partners.

Related metrics and targets

Hiring

With more than 500 closed payroll vacancies and more than 450 new payroll starters processed and welcomed, 2024 was another busy hiring year.

Imec has also set two targets relating to the hiring process itself:

- 80% of vacancies filled in less than 16 weeks – Result: 72%
- Score of at least 90% for the quality of the hiring process, both from the manager and the hired employee – Result: 96%

Turnover

ESRS ID	Metric	2023	2024	Unit
S1-6_11	**Employees who left the organization**	241	278	Headcount
S1-6_12	**Rate of employee turnover**	8.4	8.7	%

It is worth noting, in the context of imec's growth in number of employees, that turnover has remained quite stable over the last two years, with a rate of 8.7% for 2024.

Learning

At imec, talent development encompasses a much broader scope, focusing on the overall development of an employee. While imec has not set a target for training, 60 hours of conscious and active learning per year per employee is considered a best practice.

Training hours/Full Time Employee (FTE)

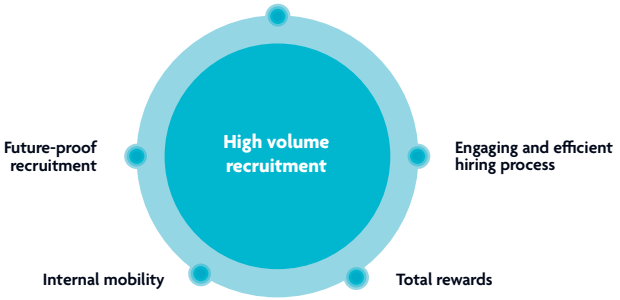
ESRS ID	Metric (in hours per FTE)	2023	2024
S1-13_04	**Average number of training hours**	39.4	22

This result only pertains to training registered in imec's HR learning management system (LMS). This does not reflect how much learning takes place within imec through other learning formats (learning on the job, assignments, etc.). Moreover, a lot of (externally) attended training is not registered in imec's LMS.

How is imec engaging with this topic?

Imec's total employee count is continuously growing. A **High Volume Recruitment plan** based on five building blocks was activated to better manage the high volume of hires:

- **High-quality influx:** this requires targeted employer branding, sourcing, and networking to expand the current and future talent pipeline. Imec offers a bonus to employees that successfully refer a candidate in their network for a vacancy.
- **Engaging and efficient hiring process:** imec strives to provide an excellent candidate experience and a fast selection process, educating recruitment managers to prioritize selections and give feedback. Imec's people managers within teams are supported through the recruitment and selection process with a step-by-step plan created by HR.
- **Total rewards:** imec is a non-profit organization and pays its employees a fair and market-competitive salary (see 2. Offering optimal economic & social working conditions)
- **Internal mobility:** retention is the new recruiting, supporting internal candidates and offering clear opportunities for advancement. Imec implements an internal mobility policy to activate and maximize current talent at imec by offering them challenging jobs and environments.
- **Future-proof recruitment:** imec emphasizes the importance of sustainable talent acquisition to bridge the skills gap in the European semiconductor industry.



"The imec values drive our people strategy. We hire passionate people, we develop excellent talent in all domains, we connect colleagues and teams to optimal collaboration, and we are respectful and inclusive towards one another and towards the environment we work in."

Lisbeth Decneut, executive vice president & chief human resources officer

What did imec do in 2024?

Attract international talent

- Access to a broader international talent pool is one of the drivers behind global expansion. In 2024, HR developed a new approach for imec's **international employment strategy**, with a focus on attracting and retaining top talent, regardless of location, structured around three strategic pillars:
  1) Engage talent pools abroad;
  2) Enable cross-border employment for employees; and
  3) Facilitate global mobility for employees moving between imec locations.

Policies, processes and compliance frameworks for each of these pillars will be developed and rolled out in 2025. In the meantime, decision trees and cost simulation tools are available to guide management decisions.

- In 2024, a **new talent acquisition partner**, namely DT4E – Displaced Talents for Europe, came on board. The project helps match recognized asylum seekers from Jordan and Lebanon with the right skills to jobs at imec. Imec hopes to see a first positive match in 2025.
- Additional **employer branding** actions in 2024 were directed towards attracting fab profiles and PhD students. Examples include activating new platforms (such as Euraxess, Jobteaser or SeekOut), running external campaigns (on LinkedIn or Facebook) in parallel with internal campaigns and recording new testimonials to this end, as well as an enhanced referral bonus for positions that are particularly challenging to fill. For the first time, imec organized an 'Afterwork imec job event'. With 173 visitors and positive feedback from many attendees interested in joining imec, this was quite successful. This included a corporate presentation, cleanroom tour, and demos, while arcade games, a cleanroom suit challenge, a photobooth, and hotdogs added a fun vibe.
- On October 4, 2024, imec hosted the **'Student Excellence Day'**, welcoming over 40 exceptional students from ETH Zürich University. The event featured an inspiring opening address by imec's CEO, insightful presentations by senior scientists, a networking lunch, a guided tour of cleanroom facilities, and an interactive poster session. This initiative underscores imec's commitment to fostering the next generation of innovators.

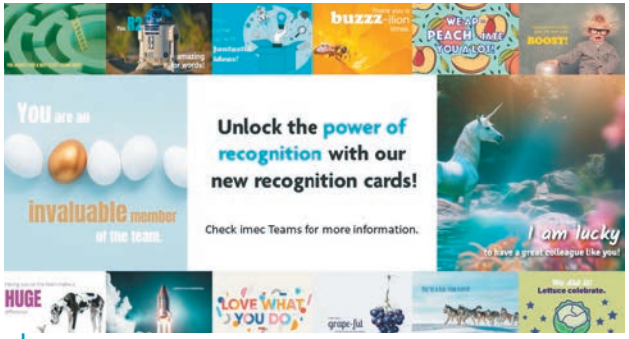
Retain talent

- To improve the candidate experience, psychological safety, and quality of **assessment (or development) centers**, imec partnered with a new provider in 2024. An evidence-based, data-driven, and digital approach leads to better reports and faster feedback. Imec launched guidelines on consistent use of these services and, in 2025, will continue to design a real development journey as a follow-up to the assessment & development centers (AC/DC). Imec conducts about 70 assessments each year, mainly for team leaders.
- Every CHRO (HR and EHS) team member participated in **feedback training**, including cross-team sessions. This initiative supports imec's goal of promoting open communication and cultivating a shared habit of regularly giving and seeking impactful feedback—within imec's teams, across departments, and with external stakeholders. To sustain these efforts, three key follow-up actions have been identified: (1) organize retrospectives for each cross-team project to reflect and improve collaboratively; (2) engage more actively in social events to strengthen connections and team cohesion; and (3) celebrate positive feedback practices through imec's digital communication platforms. These steps aim to embed a culture of continuous feedback in CHRO.
- Starting from the double ambition to become a sustainable, future-oriented campus and provide an attractive and flexible environment for the organization's employees, imec offices are designed as a **smart workplace**. The underlying idea is to align the imec Leuven campus with modern workforce expectations and sustainability goals, based on the concept of Activity-Based Working. The next leap will be the new building - with a central marketplace. Imec is already preparing a new catering contract in anticipation of this change. Imec also considers this to be part of being an 'irresistible workplace', enhancing the employee experience to attract and retain employees.
- Several initiatives are in place to recognize and celebrate the contributions of imec employees as a key aspect of talent retention. Besides several smaller internal events that foster acknowledgment, imec organizes the **open.minds** event at the end of the

Imec awards ceremony at imec's personnel event open.minds

Participants in imec Climate Fresk workshop for managers

year. During this event, imec presents awards to honor outstanding achievements across various domains such as innovation, collaboration, and sustainability. Additionally, colleagues can express their appreciation for each other throughout the year with recognition cards, offering a simple yet meaningful way to highlight day-to-day contributions. Imec also places great importance on celebrating work anniversaries during jubilee events, recognizing long-term commitment and positive impact.



Selection of imec's recognition cards

Invest in learning & development

In 2024, Belgian labor legislation also introduced a right to individual training. In line with imec tradition, imec's is set at 60 hours of learning instead of the legally required 40 hours of training. Moreover, imec is implementing this internationally, not just in Belgium.

The below overview shows how the right to individual training is translated into a Learning for All approach at imec in 2024:

The accompanying **Learning plan** includes:

1) The **imec.academy** training offer, which is open to all employees, tailored to specific strategic themes or target groups, and communicated internally through different channels. Themes include cross-team collaboration, vitality, and diversity and inclusion, while target groups include new employees, PhD students, and people managers. Some of the trainings in the imec.academy offer can also be followed as a team to improve overall effectiveness in achieving shared objectives.
2) **Specific learning tracks, curriculums and certificates** to increase the time2competence of specific target audiences (e.g., people managers or first line support agents), to address specific risks (e.g., safety) or to increase specific knowledge (e.g., knowledge to handle tools in the cleanroom).

The Learning plan is updated yearly. **The Learning Week** will return starting January 20, 2025. This time, it will extend over two weeks. Feedback from the 2023 edition has been incorporated to refine the program. Short one-hour 'training bytes' will provide employees with a glimpse of the available courses, helping them decide whether to enroll in full sessions.

Other actions in 2024 included:

- **Coursera** was piloted as an online learning platform, giving access to more than 5,000 high-quality courses from top universities and renowned industry players in diverse technical skills. Coursera thus facilitates self-paced learning. The pilot demonstrated Coursera's ability to support skill acquisition and showed high imec user engagement: 8.65/10 Net Promotor score, 10.2 learning hours per user (compared to the industry average of 4.2), and a 359% utilization rate (compared to the industry average of 80%). Imec deservedly won the Coursera Engagement Excellence Award! Following the pilot's success, Coursera's offer has been expanded to 500 full user licenses and 500 'Future of work' licenses. It will be further integrated into imec's learning management system Cornerstone in 2025 to track learning hours effectively.
- **Imec.academy** has worked hard to get its 'Learning matters' message across. Imec's ability to learn is strategically important to the organization, its partners, the EU, and the world. Imec contributed to the Erasmus+-funded METIS4Skills project, which addresses Europe's semiconductor skills gap by identifying key training needs to bridge it. Additionally, an imec working group was established to explore external initiatives to help alleviate the shortage of semiconductor-skilled talent. Addressing these skill

gaps and formulating strategies for them is a central component of the EU Chips Act. Imec is also the coordinator of the EU NanoIC project consortium, which includes the installation of a pilot line at imec and aims to enhance semiconductor expertise in Europe. A dedicated workstream with extensive deliverables is focused on developing a larger, highly skilled workforce for the semiconductor sector, tracking KPIs such as the number of PhD students and interns, training initiatives for designers, and offering workshops, bootcamps, and expert courses.

- **The imec school** was organized for the third time in 2023. In 2024, imec laid the groundwork for transforming this program into an umbrella concept with different technical learning tracks for cleanroom purposes. One of these tracks is the first-line support (FLS) track, a guided self-study course for internal candidates only, supervised by in-house imec trainers. After their graduation, FLS track students are engaged as first-line support assistants in the cleanroom. Other tracks include the Operator school to train new cleanroom operators, and the Cleanroom Basics training to train new cleanroom users.
- Approximately 100 new people managers followed **the imec people management track**, to increase their knowledge of imec people processes and practice their people management skills.

3.2.2 | Offer optimal economic and social working conditions

As the world's leading research center in nanoelectronics, imec has a strong compensation package.

Beyond the traditional benefits package, it also offers challenging but flexible jobs with ample opportunities to take initiative, show responsibility, and thus develop and grow. Employees get to work for a stable, growing employer in teams that share a strong purpose, shaping the technology and improving the society of tomorrow. Employees' work is recognized with a market-appropriate salary in conjunction with a strong benefits package.

Celebration of imec's 100th manager following the people managent track

Why is this material to imec?

12 **Economic & social working conditions**

In a demanding and high-skill industry, good working conditions are a key success factor for attracting and retaining top talent. Imec achieves this by offering its employees a strong benefit(s) package that goes beyond salary.

The following topics were identified as having a positive impact in the 2024 DMA:

- **secure employment**
- **working time**
- **adequate wages**

Related metrics

Permanent vs. temporary FTEs

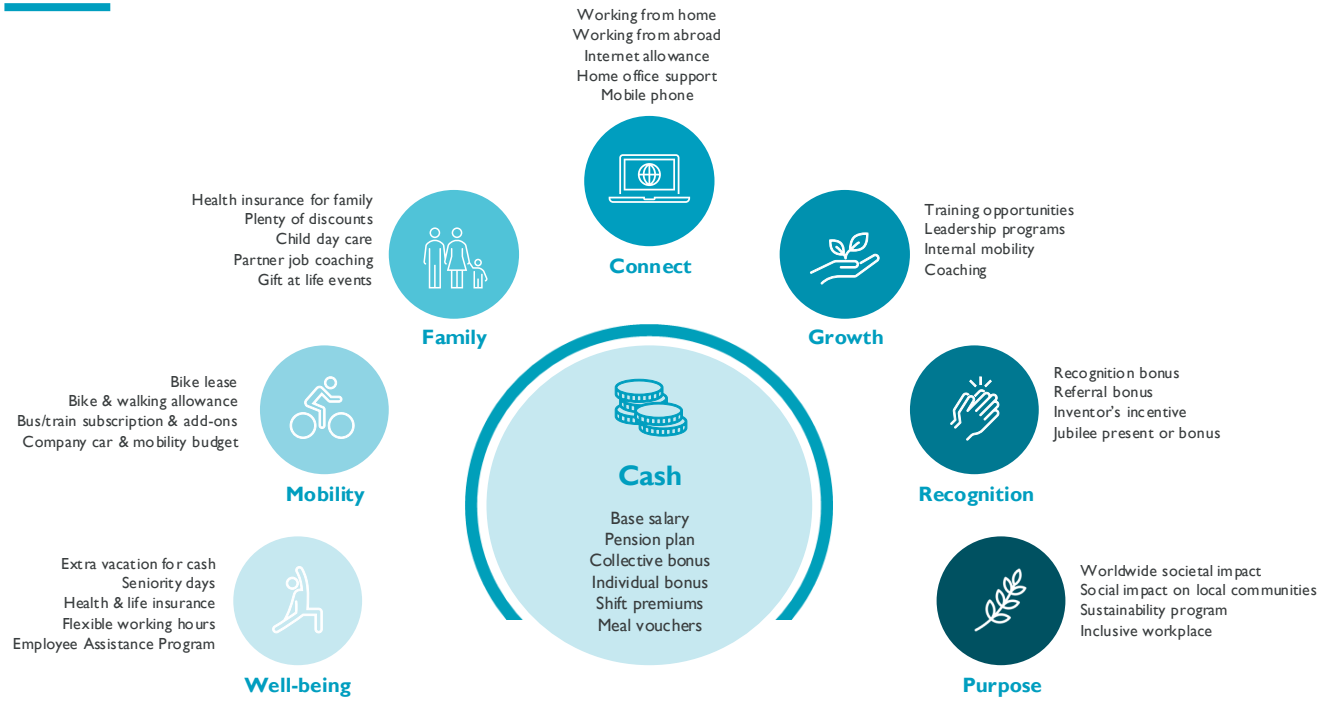
ESRS ID	Metric	2023	2024	Unit
S1-6_09	**Own workforce** Broken down as follows	3,081 (100%)	3,304 (100%)	Head-count
S1-6_05	• **Permanent male**	2,064 (67%)	2,219 (67%)	
	• **Permanent female**	832 (27%)	902 (27%)	
	• **Temporary male**	123 (4%)	129 (4%)	
	• **Temporary female**	62 (2%)	54 (2%)	
Additional to ESRS	**Employees older than 60 years that use time credit at end of career**	46	13	%

How is imec engaging with this topic?

In the various countries where imec employs people, different employment regulations or handbooks apply. These are in accordance with local legislation and appended to each individual employment contract. They outline imec corporate policies, clarifying the rights and responsibilities of imec and its employees. The works council is authorized to propose changes to the working regulations and to approve them. Imec employees are covered by a number of insurances.

As a non-profit organization, imec pays its employees a fair and competitive salary, but does not want to be, and cannot position itself as, a high-paying employer (metric S1-10_01). Since compensation consists of much more than just salary, a renewed compensation strategy has been communicated. The different components of employee compensation combined form an attractive package for employees. Imec provides comprehensive group insurance, for example, which extends and deepens the level of European and Belgian social protection that employees enjoy in the event of loss of income, illness, unemployment, accident, disability, parenthood, or retirement. Details on the different components are communicated to employees in the Total Rewards policy, and various other policies such as the Collective Bonus plan and Flex Premium policy (for employees in all possible positions for which imec expects the described additional flexibility). All these initiatives demonstrate imec's commitment to employee well-being and work-life balance.

Total rewards



An overview of the standard employee benefits package in Belgium (similar at other sites)

The job framework provides an overview of the jobs and roles that exist within imec. In the imec job framework, two career ladders are defined, with jobs classified in the 'Management' ladder on the one hand and in the 'Individual Contributor' ladder on the other. Roles are defined within these two career ladders and linked to salary ranges and individual bonuses. Each year, base salaries are reviewed to ensure market-based pay for the job, considering the employee's performance and the available budget. For employees and teams not eligible for the performance bonus, a recognition bonus is available to recognize and reward their exceptional performance.

What did imec do in 2024?

The current **job framework** was considered outdated, complex and inconsistent in use. In 2024, a new framework and new families were therefore designed, in line with clear principles. This should make the growth steps more visible in addition to removing obstacles and guaranteeing fair compensation. In 2025 this initiative will be continued, including some changes that resulted from the reorganization exercise.

Imec's **matrix reorganization in R&D** aims to introduce new business models, enhance operational efficiency, and uphold technical excellence. It aims to solidify imec as a secure employer. HR played a central role in defining and implementing this reorganization. Two program leads, who are both HR business partners, spearheaded the transition efforts.

There were multiple related workstreams:

- Imec's CHRO oversees the first **R&D Matrix** definition workstream, which includes defining sectors, expertise centers, roles, and operating processes.
- A second workstream, **People and Data**, is also led by an HR project lead and focuses on translating the matrix structure into implemented organizational charts and reporting lines. This workstream also addresses the future allocation of budgets and personnel and the integration of international offices with the new Regional Managing Director roles. As of November 2024, imec has successfully implemented 100% of the structural and reporting lines in SAP SF.
- The Change and Communication workstream has prepared and distributed all digital and in-person

communications about the reorganization. This track engaged with management and employees by conducting two **Change-to-Matrix pulse surveys** in 2024, capturing feedback on the change process. Using the Connected Minds survey platform, imec achieved 46% participation in the first survey and 49% in the second, just shy of its 50% target. The second survey results indicate that more imec employees understand the rationale for the reorganization, grasp its impact, and feel supported in addressing any questions. However, there is a need for further clarity on how these changes affect daily roles and workloads. This work will continue into 2025.

In 2024, imec implemented novelties following changes in payroll legislation. For instance, vacation can now be converted into sick leave for those who become ill when on holiday.

To complete imec's **ERP transition roadmap**, in January 2025, time requests and approvals will shift to 'imec people', a new SAP application with more advanced functionalities. This means imec people will now handle all time-off requests, leave management, and offer team absence views, creating a more seamless experience without altering current conditions and processes. Part-time and shift workers will benefit from an intuitive schedule management feature, including shift swaps, while a new extra time sheet will simplify the submission of overtime or priority calls. In the meantime, project time tracking will remain in 'imec time', with future updates planned, which is relevant for employees and managers alike. After arduous system work in 2024, everything is set for launch in January 2025.

Extending and improving the research infrastructure is a very important goal for imec. With the expansion of FAB3, which is now operational, and the construction of a new cleanroom (FAB4) underway, imec is focusing on **enhancing shiftwork**. Key goals include supporting health, well-being, and increased flexibility for shift workers without any negative financial impact. Following a thorough evaluation of various scenarios, imec decided not to introduce new shift patterns. Instead, imec will implement a team-based self-scheduling system, giving employees more control over their working hours while meeting imec's coverage requirements. In 2025, imec plans to procure and configure the necessary tools to support this initiative. Two pilot programs, one each in Operations and Fab Engineering, will help identify what is needed for successful implementation.

3.2.3 | Support a solid health and safety culture

Why is this material to imec?

13 **Health & safety for imec's employees and its partners**

Given the nature of imec's activities, the Health & Safety of imec's own employees as well as that of the workers in its value chain is a top priority. That is why imec wants to maintain and ensure the proper application of strict H&S rules.

Related targets and metrics

Health & safety metrics

ESRS ID	Metric	2023	2024
S1-14_01	**People in its own workforce who are covered by health and safety management system based on legal requirements and (or) recognized standards or guidelines**	100%	100%
S1-14_02 and S1-14_03	**Number of fatalities in own and extended workforce as result of work-related injuries and work-related ill health**	0	0
S1-14_04	**Number of recordable work-related accidents for own workforce**	4	2
S1-14_05	**Rate of recordable work-related accidents for own workforce**	0.96	0.44
S1-14_06	**Number of cases of recordable work-related ill health of employees**	0	0
S1-14_07	**Number of days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health related to employees**	20	10
Additional to ESRS	**Severity** (Total days lost x 1000)/Total hours worked	0.004	0.002

"The large expansion works at our Leuven site are a great opportunity for the organization to put the learnings from the safety campaigns into practice."

Roel Scheys, director EHS

How is imec engaging with these material topics?

Imec's EHS policy focuses on the prevention of major accidents, categorized as serious injury fatality (SIF) incidents and legal compliance. To be successful in this area, imec needs to build a robust and efficient EHS management system and a culture based on leadership, commitment and trust.

To embed this policy in the organization, safety campaigns are rolled out every year. These are developed and prepared by imec's multi-departmental Safety Steering committee. Imec's management is, and will continue to be, closely involved in safety campaign rollouts across all imec sites.

The **medical surveillance program** at imec Belgium is designed to ensure legal compliance and promote a healthy workforce. It includes:

- the organization of legal medical surveillance
- voluntary lifestyle screenings
- an ergonomics campaign

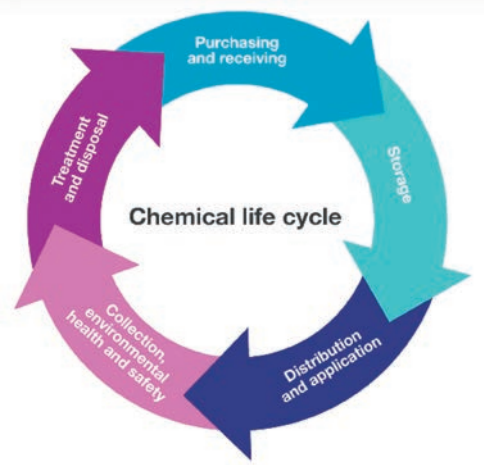
The program is monitored through monthly review meetings, covering both upstream and downstream processes, and involves various geographies and stakeholder groups.

What did imec do in 2024?

In 2024,

- A new incident investigation software called Zenya was launched.
- Imec organized safety campaigns on incident investigation, imec's 15 safety critical behaviors, giving feedback on (un)safe behavior and internal transport.
- For several major construction projects, the environmental permits were prepared and submitted to the authorities.
- An EHS screening method for major capital projects was developed and launched..
- The access management improvement plan (AMIP) was rolled out for all labs at the Leuven site.
- A large emergency exercise was set up with the local fire department of Leuven and a new evacuation sweeping system was rolled out.
- The Leuven EHS team was further reinforced with two new colleagues.

- The further implementation of the medical surveillance provider at imec Belgium includes a new planning system for legal medical surveillance, an employee portal, and an ergonomic awareness program. Some initiatives will be extended into 2025.
- A Chemical Life Cycle program was implemented to manage the use of chemicals on the Leuven site



3.2.4 | Promote a healthy work-life balance

Why is this material to imec?

10 **Work-life balance**

Imec operates in a global, fast and deadline-sensitive industry where top talent is scarce. As such, imec's operating context and its impact on human capital as well as its dependence on it require permanent attention to offering a healthy work-life balance.

Imec seeks to be a committed and inspiring workplace, which is challenging in an international context and amid rapid growth. Imec also wants to increase individual resilience and cultivate a sustainable, stable workplace. This requires particular attention to workload, outdated procedures and tools, and any unclear agreements or communications. Imec gathers feedback from its employees through surveys and, where there is stress, discomfort, or undesirable behavior, sets up easier access to assistance through a range of channels, contacts, and communication.

How is imec engaging with these material topics?

Imec has three key policies relating to work-life balance:

- Imec's **productive and healthy hybrid working framework** consists of policies on remote working for all sites. It also includes the right to digitally disconnect and the possibility to work from home abroad for a maximum of six weeks in agreement with the people manager. This is very important for the many expats at imec, enabling them to return to their home country for longer periods of time.
- All sites have **leave policies** that cover various types of leave (metric S1-15_04). The policies are intended to provide guidelines on when employees may take leave, and which types of leave are appropriate at which times.
- Every year, imec employees in Belgium have the opportunity to convert part of their year-end bonus into additional **vacation days**. A full-time employee is entitled to a maximum of 40 vacation hours per year (EP hours). In the context of sustainable employability, employees aged 55 and older (based on year of birth) can convert up to a maximum of 80 vacation hours (full-time employment), in addition to the additional days of "seniority leave" they receive on top of their regular vacation hours. In the Netherlands, a similar leave scheme is in place.

What did imec do in 2024?

- In 2024, 528 Belgian employees bought **additional holidays** with their year-end bonus.
- Imec changed its external **employee assistance program**. The previous program covered individual therapy for alarming situations. The new program has many additional features including preventive resources and actions, coaching in worrying situations, and offers online therapy which extends its coverage internationally.
- Thanks to the migration to imec people instead of imec time, imec people will be able to buy additional vacation hours in a very flexible way, year-round (instead of during just two slots as is the case today).
- In Leuven, all imec employees with children can apply for **child-care** at a local day care center. Additionally, imec also offers an ironing service to its employees in Leuven.
- Imec has created a **silent room** at imec Leuven. A silent room is a space that is free from noise, distractions, and interruptions. It is a place where people can enjoy silence, solitude, and serenity. A silent room can accommodate various needs and purposes, such as:
  - **Mental recharge:** people who have a need for a stimuli-free break to either recharge, cope with a difficult situation they encountered, and/or create more mental clarity before proceeding with their work.
  - **Neurodiversity:** people who have different neurological or cognitive characteristics can use the silent room to cope with sensory overload, hyperactivity, etc.
  - **Meditation:** people who practice meditation or other forms of mindfulness can use the silent room to enhance their awareness, attention, and compassion.
  - **Religion:** people who follow a faith or a spiritual path can use the silent room to pray, meditate, or perform other rituals that are meaningful to them.
- Imec also organizes sporting initiatives such as the recurring 'Move More' program stimulating a healthy lifestyle and connections with colleagues. From yoga to 'start-to-run', bootcamps and Levensloop, the program is diverse and is drawn up in collaboration with employees. Newly added in 2024: meditation, imec sailing days, support to participate in running challenges (like a marathon).

Imec's silent room

3.2.5 | Stimulate diversity and inclusion

Why is this material to imec?

11 **Diversity - Equity - Inclusion (DE&I)**

As an international organization that takes a leading role in bringing together the global semi-conductor ecosystem, fostering Diversity Equity and Inclusion (DE&I) is a key priority for imec. The organization has a diverse workforce, with employees representing more than 100 different nationalities. The increasing diversity is noticeable at all levels, including the highest, with imec continuing to attract researchers from every part of the world. At the same time, its workforce of 29% women reflects the continued under-representation of women in Science Technology Engineering and Mathematics (STEM) research worldwide.
That is why the 2024 DMA has identified the following matters as important, with imec already making a positive impact on this level:

- **Diversity**
- **Gender equality and equal pay for work of equal value**
- **Measures against violence and harassment in the workplace**

DE&I is also becoming important from a financial risk perspective. More and more partners include DE&I performance criteria in their agreements which can require specific action at imec to reach the requested levels.

Related targets and metrics

DE&I metrics

ESRS ID	Metric	2023	2024	Unit
S1-9_01 and S1-9_02	**Gender distribution at top management level** Male	73	73	%
	Gender distribution at top management level Female	27	27	%
S1-9_03	**Age distribution own workforce** Under 30	355 (12%)	369 (11%)	Headcount
S1-9_04	**Age distribution own workforcel** Between 30 and 50	2122 (69%)	2203 (67%)	Headcount
S1-9_05	**Age distribution own workforce** Above 50	604 (19%)	732 (22%)	Headcount

How is imec engaging with this topic?

Imec's vision, mission, and values are based on respect and diversity. The organization launched an **inclusive workplace policy** in January 2021, outlining imec's vision of diversity and inclusion. Additionally, a Gender Equality Plan was developed in 2022 and a corporate KPI on growth in % of women in leadership at imec defined. Today, women account for 22% of the leadership, meaning imec did not reach its goal of 24% women in T7 and up positions in 2024.

In 2024, the matrix leadership team drafted a **new three-year DE&I strategy**, starting 2025, which will be integrated into the 2025 Balanced Scorecards. New goals, clear ambitions, new target groups and accompanying actions will all be part of this.

At imec, the aim is to guarantee work environments where all employees always share the responsibility to treat others with respect and on an equal basis, whether coworkers, applicants, vendors, contractors, partners, or customers. To support this commitment, imec encourages everyone to seek immediate action when any kind of unwanted behavior occurs. The inclusive workplace policy includes step-by-step plans and channels, in the event of undesirable behavior. Everyone is also protected by the more general code of conduct and whistleblower policy, each with their own measures and channels. On the internal level, employees can rely on their manager, the official confidential counsellors, and their HR business partner. On the external level, they can rely on the company doctor, prevention advisers for psychosocial matters, and the Employee Assistance Program. Channels and procedures are described and documented very specifically for Belgium, the Netherlands, and the U.S.:

Belgium:

- Psychosocial Problems at Work
- Age-related Personnel policy

The Netherlands:

- Regulation on Unwanted Behavior

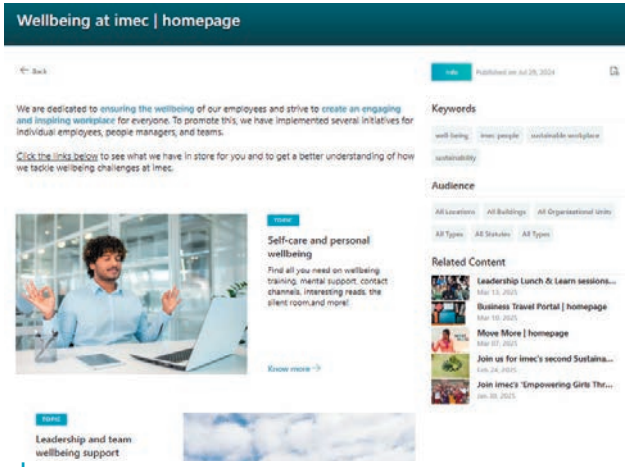
US:

- Unlawful Harassment and Discrimination
- Workplace Accommodations

What did imec do in 2024?

Within HR, imec has many internal customers, and while imec strives to serve them to the best of its abilities, it is not always possible to fully satisfy everyone. Imec therefore organized CHRO Customer-Oriented communication training, to teach employees how to handle difficult situations or negative behavior from internal customers.

Imec took action to provide adequate well-being support to as many people as possible through the right combination of internal, external, online, and personal channels, including a SharePoint, new training courses, e-learnings, and online and offline psychological support, such as self-help and therapy sessions. The internal confidential counsellors received training and support through peer assistance in 2024. An example of such a channel is **BloomUp**, the new employee assistance program (See section 3.2.4 Promote a healthy work-life balance). In 2024, two individuals were appointed and trained as new confidential counsellors within imec.



Wellbeing SharePoint on imec's intranet

"We welcome the reality and potential of a diversifying workforce. Our new DE&I strategy expands its focus to address different needs, introducing new topics like inclusive infrastructure and strengthening collaboration with partners and universities. With this, we've set a course for lasting, meaningful change."

Evelien Kippers, HR project lead

3.3 | Workers in the value chain (S2)

Given imec's central role in the semiconductor ecosystem and the fact that 45% of people working on imec's premises are not on imec's payroll, the 2024 DMA distinguishes between two types of value chain workers:

- The extended workforce as explained in S1 Own workforce
- Employees of imec's goods and services suppliers

The type of impact is different and therefore each type is covered separately.

Extended workforce

More than 2,500 employees of partners work daily on collaborative projects at imec.

Imec respects their independent employment status but considers

1) talent development & training
2) health & safety

as being equally material for these employees and imec's own workforce.

Further information about how imec engages with this topic and what imec did in 2024 can be found in the relevant sections of S1 Own workforce.

One example of how imec considers health and safety to be just as important for contractors as for its own employees is the in-depth review of the existing safe work permit and contractor site access system in 2024. These reviews will be concluded in 2025.

Employees of imec's goods and services suppliers

The 2024 DMA indicates that imec sources a vast range of goods and services from various partners worldwide. It is evident that sustainable procurement is material for imec.

As explained in the section on SBM, however, the knowledge to determine which matters under S2 Workers in the value chain are of the highest importance for imec is lacking. The decision was therefore made to study this topic further before confirming other topics in more detail.

Nevertheless, **sustainable procurement** remains a priority domain for imec. As explained in section G1 Business conduct, imec's supplier selection, qualification and evaluation procedures cover all three ESG pillars including workforce conditions at suppliers. When a supplier accepts imec's Purchase Terms and Conditions, they are expected to adhere to imec's Code of Conduct. This means respecting human rights by prohibiting child labor and forced labor, upholding the right to trade unions, and promoting human treatment and non-discrimination.

"Regarding sustainability criteria in supplier agreements, balancing environmental impact with social responsibility is key to achieving a holistic approach."

Giselle Villegas Bourgoing,
PhD researcher in sustainable procurement

3.4 | Affected communities (S3)

As a good corporate citizen, imec's commitment to solidarity and engagement is reflected in various initiatives and collaborations. This section focuses on how imec engages with the local communities in which it operates.

3.4.1 | Enhance community stewardship

Why is this material to imec?

16 **Impacts on nearby communities**

Since its inception over 40 years ago as a spin-off of KU Leuven, imec has grown into the chip lab of the world with a workforce of over 6,000 talented minds. As one of the largest employers in the greater Leuven region, its activities obviously have an impact on the nearby community.

Various sections in the Environmental disclosure (E1 Climate change, E2 Pollution, E3 Water use) and Social disclosure (S1 Own workforce) discuss transversal aspects with possible impacts on the nearby community.

However, these do not cover all possible impacts. Although there are various positive impacts thanks to imec's collaboration with various community stakeholders, a workforce of over 6,000 colleagues also has a significant impact on the local housing market and mobility due to commuters.

"Giving back to our community has been in imec's DNA since its inception. In Flanders, where we started, but also in all other locations where we are active, we strive to make maximal positive impact on local communities."

Katrien Marent, executive vice president & chief communication and marketing officer

How is imec engaging with this topic?

Imec's 'Community Stewardship' priority domain covers these impacts.

Imec's commitment to local communities is demonstrated through various actions that focus on education and giving back to the community. In the greater Leuven region, imec is involved in various initiatives and has long-term partnerships with several local authorities and organizations.

In addition to the commitments arising from Leuven's Climate City Contract, as explained in E1, the section on climate change, imec has launched several initiatives such as:

- Research projects with University Hospitals Leuven (UZ Leuven).
- A collaboration in the context of EnergyVille with partners (KU Leuven, VITO, and UHasselt) to advance sustainable energy technologies and smart energy systems.
- Donation of depreciated office furniture to schools in the local community.
- Donation of repurposed office and construction materials to the Leuven materials bank where they are given a second life as building and insulation materials.

To give back to the community and help foster curiosity in science and STEM profiles, imec took part in several public events:

  - o Open Technology & Innovation Day, part of the Flanders Technology & Innovation festival;
  - o Nerdland Festival;
  - o Dag van de Wetenschap/Science Day.

Next to these activities, imec organizes information sessions for neighbors about ongoing construction on the imec campus (the why, how & when + Q&A). Imec also asks them to share their contact details to send them updates about this project. Finally, imec has also added a section on its website with detailed information on the works: www.imec.be/nl/geplande-werken-imec-site-heverlee.

What did imec do in 2024?

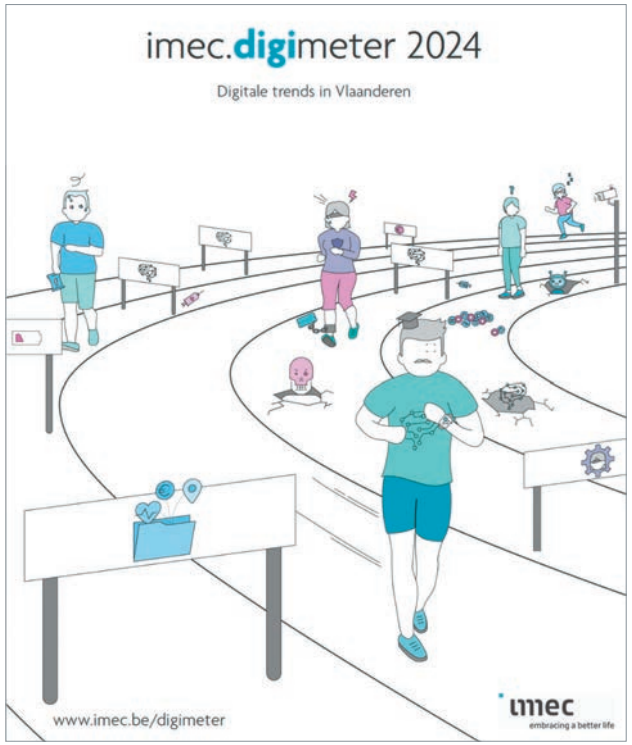
This section discusses some of the key activities in 2024 in further detail. Next to activities in Belgium, imec also launched initiatives abroad.

Actions in Flanders

Giving back to the communities in which we work and live is a priority at imec.

The imec community actively engages in fundraising activities for **Levensloop**, an initiative of the Belgian Foundation against Cancer. Imec's participation in Levensloop, a 24-hour running/walking event, demonstrates its solidarity with people living with cancer. Through these efforts, imec aims to raise awareness and funds to support cancer research and patient care.

Imec colleagues at the Levensloop fundraising event



As part of its annual Saint Nicholas festivities, imec supports several solidarity projects each year through its **Saint Nicholas Fund**. This year, the recipients of several €2500 grants included Hippo and Friends, Zorgboerderij Boskanthoeve, Contactclowns Talking Stick, and Stichting Speelgoedcadeau. These organizations work tirelessly to improve the lives of individuals and families in need, and imec's contributions help these charities, ensuring they can continue their essential work. The scope of the Saint Nicholas Fund extends beyond support to underprivileged young people. It also aims to recognize employees who dedicate their time as volunteers for these causes.

Comon is an open laboratory where researchers and technologists collaborate with citizens to address societal challenges using technology as part of the solution. This initiative is part of imec's commitment within the framework of the Leuven Climate Contract. In 2024, the focus was on 'How can we make moving through the city more enjoyable?'. Comon is a collaborative effort involving the City of Gent, imec, Ghent University, and the De Krook Library. Together with Comon, imec aims to create innovative solutions that enhance city residents' quality of life. By working closely with the community, imec strives to address urban challenges and promote sustainable living.

Lastly, the **Digimeter** is an annual study conducted by imec to map trends in the ownership and use of media and technology in Flanders. Since 2009, it has provided valuable insights into how Flemish people interact with digital technologies. The latest results highlight the growing familiarity with AI, concerns about privacy, and the widening digital divide. This initiative helps imec understand and address the technological needs and challenges of the Flemish community, fostering informed and inclusive digital innovation.

RVO-Society is an educational organization that was founded by imec in 2001 with the aim of inspiring young people with educational and leisure activities relating to science and technology. The non-profit organization was founded in commemoration of imec's founder Roger Van Overstraeten. Since 2019, RVO-Society has 2 divisions, i.e., Scivil and Brightlab.

- **Scivil** (www.Scivil.be) is the knowledge center for citizen science in Flanders working with all universities and other research centers across Flanders to promote and facilitate citizen science in Flanders. It also develops guidelines on topics relating to citizen science such as how to apply citizen science in education. Scivil also serves as the project lead for the AMAI project. AMAI! is a program that identifies societal challenges and develops AI-based solutions in consultation with citizens and tech for good consortiums. At the same time, it also seeks to raise the public's awareness and knowledge of AI and enhance expertise in 'AI for good'.
- **Brightlab** (www.Brightlab.be) is an educational organization that develops STEM activities for young people (6-18yrs). These activities are aligned with the educational attainment targets in Flanders and shared with all teachers and schools through the Brightbib (www.Brightbib.be), and through teach-the-teacher activities and educational fairs and festivals. Brightlab develops online courses for pupils and teachers on topics such as chip technology, Internet of Things, and energy transition in collaboration with imec researchers. It also develops STEM activities, provides guidelines and professionalization initiatives for STEM academies (organizations that inspire children in their leisure time with STEM activities). Other activities include workshops and cleanroom tours at imec for pupils. Brightlab works with a broad network of partners such as universities, research centres, teacher education institutes, and all educational umbrella organizations.

To strengthen brand awareness in Flanders and highlight imec's role in the global semiconductor industry, imec launched its **Chiplab campaign** at the end of Q1 2024. Titled 'The world's chip lab is located in Flanders', the campaign featured videos, infographics, articles and more, all compiled in a scrollytelling website. These materials were shared through targeted social media posts and newsletters. A second wave of this social media campaign was launched in Q4.

Chiplab campaign

Actions worldwide

As part of its corporate citizenship, imec also strives to make a meaningful difference in communities worldwide with disaster relief and targeted support for communities in need.

- In response to the devastating **floods in Spain**, imec organized fundraising initiatives to support the victims. Efforts were directed towards providing immediate relief and assistance to people affected by the natural disaster, helping them rebuild their lives and communities.
- Imec provided financial support to enable 35 girls in **Kenya** to continue their education. This initiative ensures that these young girls can pursue their studies and build a brighter future. Additionally, the organization launched a crowdfunding campaign to establish a library in a primary school and a shelter for young girls in Kenya. This project aims to create a safe and conducive learning environment for these children, fostering their educational growth and personal development.

Kenyan girls supported by imec for their education

4. Governance disclosures

4.1 | Business conduct (G1)

Responsible business conduct is one of the cornerstones of imec's sustainability strategy, in view of its position at the heart of the semiconductor ecosystem and in accordance with its values of connectedness, excellence, integrity and passion.

Based on the material topics resulting from the 2024 DMA, this section covers the following priority domains:

1. Adopt ethical behavior
2. Strengthen sustainable procurement
3. Encourage responsible conduct and effective partnerships
4. Maximize data security and customer privacy

4.1.1 | Adopt ethical behavior

Why is this material to imec?

17 **Corporate culture including ethical behavior**

18 **Political engagement**

Drawing on its core values of connectedness, excellence and integrity, fostering a strong corporate culture of excellence and ethical behavior is a key priority for imec. As a global player with hundreds of partners and a diverse community, collaborations and relations are built on trust, respect, transparency, and honesty, creating long-lasting relationships. Imec makes the highest degree of ethical choices in its research and business practices (more on imec's core values in the section 'About imec').

Political engagement

Imec is recognized as a global player in the semiconductor industry. Engaging with governments is thus a key element of the organization's stakeholder management process.

(see key stakeholder list section 1.2 SBM)

How is imec engaging with this topic?

Good governance is a strategic priority and part of the organization's sustainability strategy.

The **Good Governance Charter** shapes imec's corporate governance policy, outlining its principles of good governance and how to monitor them and serving to strengthen the imec group's long-term development and growth. The Charter is a roadmap to a balanced, clear, and transparent division of authority and responsibility, outlining accountability and responsibility processes. Referring to the general Governance disclosures, two types of committees - audit and nomination and remuneration - were set up within the board of directors of imec International. The committees meet regularly to determine the items to be included on the board's agenda. Provisions are included in the Charter to avoid potential conflicts of interest.

Imec's **Ethics Code of Conduct** aligns with the organization's vision, mission, and values, and outlines imec's ethical standards of conduct. These reflect imec's ethical principles and govern the actions and behaviors of imec employees in accordance with the applicable laws and regulations. The Code of Conduct serves as a guideline, helping the organization to make the right decisions in difficult situations and ensuring that it navigates ethical dilemmas with confidence. The Code also refers to the reporting channels for ethical challenges arising from research projects, such as issues relating to bioethics, data management and privacy, the importance of scientific integrity, and the whistleblowing mechanism.

> *"The world is becoming more complicated every day. The ethical committee addresses ethical dilemmas relating to artificial intelligence, new biotechnologies, or human rights sensitivity. We consider the ethical aspects of every research project or individual researcher to find the best answers for the organization, working with our legal advisors to make sure we are aligned with regulations and with external ethical advisors who are used to dealing with complicated ethical matters on a day to day basis."*
>
> Liesbet Lagae, fellow and chair of the ethical committee

Related bodies & policies are:

- The **ethics committee**: deals with ethical issues relating to research and monitors implementation of ethical principles.
- Imec's **policy for research involving human subjects or human body material**: deals with issues such as consent, biobank, GDPR, and the approval of the (external) ethics committee.
- Imec's **policy for research involving animals**: includes the principles of the 3 Rs (replacement, reduction, and refinement) and the need for prior approval by the external ethics committee (KU Leuven ethical committee for animal experiments).
- Imec's **policy on export control and sanctions**: outlines the procedures on dual-use and military use and misuse of research. For export control and sanctions related questions, employees can contact the Export Control Office.

The **Whistleblower policy** has links to the Code of Ethics (imec employees are asked to report any violations of the Code of Ethics using the reporting channels outlined in the whistleblowing policy), but also covers topics such as harassment, sexual harassment, violence, discrimination, and other inappropriate or prohibited behaviors. Imec's Whistleblower policy is aligned with the EU whisteblowing directive (Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019), as transposed into the Belgian Act of 28 November 2022.

Imec's **policy on Research Misconduct** outlines the procedures for handling incidents of research misconduct. This policy is part of imec's effort to maintain the integrity of research practices. It aims to provide support to and remediation for respondents. If research misconduct is established, it may lead to disciplinary or legal procedures in accordance with applicable regulations. Procedures are monitored by the Commission of Research Integrity and apply to all individuals engaged in research at imec. For scientific integrity issues, employees can contact imec's Committee for Scientific Integrity.

Imec has a separate **policy on Conflicts of Interest**, which is implemented through various preventive measures. The risk of misuse or errors is minimized by segregating duties, though strict access control, and with the four-eyes principle for sensitive processes and transactions. Employees must report potential conflicts with a form, to be submitted to their manager or the vice president HR. Approval is granted by the manager, with assistance from the HR business partner if needed, or by the vice president HR for higher management. The ethical code of conduct also stipulates that employees may not make improper payments in cash, or offer valuable gifts to government officials, political parties, candidates for public office, or any other person. The prohibition extends to facilitating payments intended to speed up or secure the execution of a routine government procedure.

What did imec do in 2024?

Corporate core values are the central, underlying philosophies that guide a business and its employees. Highlights of 2024 in terms of corporate culture and political engagement:

- Imec has developed a **value-based leadership model** in 2021, which is now part of imec's regular training programs. Whether as people managers or scientific leaders, everyone at imec strives to lead the people around them effectively. But what does leadership mean at imec? Recognized leaders at imec engage in an exercise to clarify their vision on leadership, starting with the question: 'How can we lead ourselves and our people to achieve the imec mission while creating an environment where everyone is encouraged to be their best?' The result is a clear set of leadership expectations. This training is open to all people managers and scientific leaders at imec who want to grow in situational leadership, empowerment, and motivation. Participants gain in-depth knowledge of imec's leadership expectations and learn key leadership frameworks to put these expectations into practice. The training covers how to motivate people, effectively empower and delegate work, coach for better performance, connect as a leader, and adapt leadership styles to individual and contextual needs.
- As part of its 40th anniversary celebrations, imec hired a local artist to create a **mural** on the outside of its fab, visible from the adjacent sky bridge passage. The mural portrays the story of the interdependence of humans, technology, and the natural environment and serves as a reminder to passers-by of imec's core values.
- In 2024, imec engaged with stakeholders during eight **Imec Technology Forums (ITFs)** and two partner technical weeks (PTWs). These events included 2 ITFs and 2 PTWs in Belgium, and 6 ITFs abroad. The aim was twofold: to strengthen business growth on strategically important topics in key regions and to support partner and stakeholder relations. Imec created a strong branding for the ITFs, which were organized during its 40th anniversary year, reflecting imec's global leadership in semiconductor R&D.

4.1.2 | Strengthen sustainable procurement

Why is this material to imec?

19 Relationships with our direct partners

Sustainable procurement is a key priority for imec, given the wide range of goods and services it sources and the large carbon footprint of the semiconductor industry. Imec's supplier selection, qualification, and evaluation procedures reflect this commitment. The scope of procurement activities encompasses all three ESG pillars, focusing on key themes such as climate impact (i.e., carbon footprint) (E1), pollution (use of substances of very high concern, including PFAS, and REACH compliance) (E2), incoming resources (E5), workforce conditions at suppliers (respect for human rights, including the prohibition of child labor, forced labor, and the right to trade unions) (S2), and data security (G1).

Imec has strengthened its efforts to procure responsible minerals which are conflict-free. As part of its procurement policy, imec ensures that its strategic suppliers comply with internationally accepted standards on conflict minerals, specifically tin (Sn), tungsten (W), tantalum (Ta), and gold (Au). It also requires suppliers to disclose whether these minerals are present in their products or services and, if so, to submit a **Conflict Minerals Reporting Template (CMRT)**.

"In our procurement function at imec we have the unique opportunity to drive change and lead by example."

Wouter Machiels, procurement director

How is imec engaging with this topic?

Sustainable procurement is a strategic priority within the organization's broader sustainability strategy. In recent years, the procurement department has implemented actions to address environmental, social, and governance (ESG) risk areas.

Supplier management

A supplier management policy has been implemented, which includes a risk-based selection and qualification process for new suppliers as well as management of the existing supplier process (supplier evaluation process). Imec introduced a supplier manual, which clarifies its sustainability ambitions and expectations for suppliers, both on a corporate level (decarbonization targets, sustainability quality systems, etc.) and on a goods/service specific level (embodied carbon, usage mapping, information about use of certain substances such as PFAS, etc.). The manual sets out clear guidelines to strengthen ethical sourcing and maintain strong partnerships while enforcing high-quality standards within imec.

The steps in imec's supplier management process

Imec's supplier management process is characterized by a risk-based approach. Every new need is first checked against the Approved Supplier List. If no approved supplier can fulfil the new need, the supplier selection and qualification process is launched, with the first step being the segmentation of the supplier/product or service combination. Depending on the segment, imec defines the different steps of due diligence in the supplier onboarding, always taking into account the minimal standards it imposes on third parties. After successful and cross-functional qualification, a supplier can be awarded a contract and added to the approved supplier list.

Supplier evaluations

Depending on the segment, suppliers undergo regular re-evaluations—either annually or every three years. This underlines imec's commitment to maintaining high standards and driving continuous improvement across its supply chain through performance-based decision-making. As part of these evaluations, internal customers also assess the supplier's performance on sustainability.

What did imec do in 2024?

Since 2024, a fixed working group with members of the sustainability and procurement department holds bi-weekly meetings dedicated to the integration of ESG principles and actions to be implemented in procurement strategies. In 2024, the dedicated working group focused on:

- Actions to reduce GHG emissions from all purchased goods and services (scope 3 – category 1).
- Improved data quality for scope 3.1 reporting: the goal is to transition from a spend-based approach to an approach that incorporates both quantity-based information and footprint data from suppliers.
- Compliance of existing suppliers: all Tier 1 suppliers have completed the supplier questionnaire. This questionnaire assesses supplier GHG emissions, fair trade, and other ESG topics.
- Organization of training sessions for buyers by Studio D, a consulting company in sustainability: this training session invites buyers to reflect upon past and present sustainable procurement endeavors, and to brainstorm and develop future potential endeavors.
- Organization of information sessions for the imec community on sustainable procurement: this initiative aims to stimulate learning and interaction about sustainable procurement and invite the imec community to become involved.
- Hosting of a PhD focused on sustainable procurement: a PhD student is researching sustainable procurement practices in the semiconductor industry, both from a private and public procurement point of view. The objective is to develop and reinforce connection with academia and other institutions to generate knowledge on the latest state-of-the-art initiatives on sustainable procurement from a research approach.

For 2025, imec's procurement team has set itself the following priorities:

- Be inspirational in its sustainability efforts as a procurement department towards suppliers, customers and imec's ecosystem in driving the sustainable procurement roadmap.
- Integrate Internal Carbon Pricing (ICP) in procurement: as a proof of concept, the team will actively implement an ICP in three separate procurement processes. In this framework, the team will compare the purchase with/without an ICP and will report on the results of the ICP assessment.
- Structurally integrate carbon footprint as a selection or award criterion in standard RFI/RFQ templates, both in private and public procurement tracks.
- Enhance scope 3.1 reporting methodology by further refining the shift to quantity-based calculations and improving supplier engagement to obtain more precise footprint data.
- Reintroduce local sourcing as a KPI into the procurement team's Balanced Scorecard, by strengthening the percentage of purchase orders that originate within a 300-km radius of imec Leuven.

> *"Because of our central role in the ecosystem, with longterm embedded partnerships, we must ensure that we, and our partners, conduct our business according to the highest standards."*
>
> Rudi Cartuyvels, executive vice president and chief operations officer

4.1.3 | Encourage responsible conduct and effective partnerships

Why is this material to imec?

21 **Responsible conduct in the ecosystem**

As a leading actor in the global semiconductor ecosystem, imec's key priority is to adopt responsible business practices with all its partners. The organization is a trusted partner of companies, start-ups and academia, bringing together talent from around the world in a creative and stimulating environment.

Imec distinguishes between:

1. **Responsible conduct in the ecosystem** – Because of its central role in the global semiconductor industry, due diligence and managing responsible business conduct in the ecosystem with multi-partner interactions is very important. Relevant aspects for imec are its conduct towards venture or R&D partners as well their conduct, including e.g., ethical use of imec's R&D solutions.
2. **Relationships with direct partners** – This refers to 1:1 relations with imec's direct partners such as R&D partners/customers, banks and governments. These relationships increasingly require imec to focus on sustainability topics such as climate change action, DE&I, or due diligence process implementation. Because of imec's partnership-based business model, managing these requests from its key relations is therefore of material importance.

How is imec engaging with this topic?

Responsible partnership management is a strategic priority and part of imec's sustainability strategy.

As mentioned in the section on sustainable procurement, imec partners are asked to adhere the **Code of Conduct for imec's partners**. This document outlines the values, mission, vision, and ethical principles based on imec's expectations for all partners, regardless of the type of partnership.

What did imec do in 2024?

To support its leading role in the ecosystem, imec focused on expanding its infrastructure and set up a sub-2nm pilot line (the NanoIC pilot line) as part of the European Chips Act. This initiative will enable the European industry to enhance its competitiveness, boost the global chip value chain, and offer companies the opportunity to explore the most advanced chip technology solutions for their future applications. Furthermore, imec will advance its internationalization efforts through the NanoIC pilot line, as well as by partnering in other European pilot lines, competence centers and the design platform, extending its European footprint.

To keep up to date on evolutions in the market, imec also actively participates in several industry network initiatives, such as:

1. **SAC** – the Sustainability Advisory Council of SEMI, an international consortium of semiconductor companies
2. **SCC** – SEMI's Semiconductor Climate Consortium, of which imec is a founding member
3. **SMCC** - SEMI Cybersecurity Consortium, a working group developing sector-based solutions to better protect the microchip industry against cyber threats.
4. **SEMI export control** - a working group ensuring that export controls on technology are narrowly tailored to specific national security concerns.
5. **IEEE IRDS** – the International Roadmap for Devices and Systems of the Institute of Electrical and Electronics Engineers
6. **ESIA** – the European Semiconductor Industry Association
7. **SIA** – the Semiconductor Industry Association, which represents the microchip industry in the U.S.
8. **GSA** – the Global Semiconductor Alliance.

4.1.4 | Maximize data security and customer privacy

Why is this material to imec?

20 **Data security and customer privacy**

In view of imec's unique role at the heart of the semiconductor R&D ecosystem, its partners expect the utmost adherence to data security and customer privacy. R&D information, and information in general, are crucial imec assets. They are exceptionally valuable and must be well protected against an ever-increasing number of risks. Imec takes into account risks such as information leaks or the incorrect application of legislation, as well as espionage. Continuously monitoring and managing these risks is of great importance to the various imec stakeholders. Imec wants to be a reliable partner for start-ups and the academic world, guaranteeing the availability, confidentiality, and integrity of data and personal information of its partners.

"In the age of AI, the challenge lies in teaching people to use critical thinking skills when using artificial intelligence instead of solely relying on the artificial intelligence to solve problems."

Klaas Ghesquire, data protection and healthcare compliance manager

How is imec engaging with this topic?

- Imec's **Information Security policy** defines the purpose and principles of its security policies. It aims to reduce risks relating to the confidentiality of sensitive research data, the integrity of research data and findings, and the continuous availability of information and information systems. The policy applies to all information, whether digital or non-digital, owned by imec or received from business partners, and processed by imec ICT-managed systems or non-ICT-managed systems. The organization's security and privacy teams ensure that partners can rely on imec for data security and privacy. The policy is based on an in-depth risk analysis, focusing on the following themes:
  - principles for risk analysis, governance, and management, roles and responsibilities, actions, and information security resources;
  - standards for systems;
  - document management standards and processes;
  - principles and codes of conduct for internal employees, and subsequent training and awareness campaigns; and
  - partner and vendor policies.

- The **Personal Data Protection policy** was developed by imec's data protection officer (DPO). It covers potential risks, emphasizing awareness and knowledge building and formalizing internal processes. The policy sets out the ground rules for processing personal data, by or on behalf of imec regardless of the data subject whose data is being processed. It also provides a framework that ensures compliance and a trustworthy environment for all stakeholders. Employees and partners working for imec must adhere to this policy, which ensures correct use of the data of customers and research subjects by imec. Controls are also conducted by the privacy office in accordance with applicable regulations such as the GDPR, and these checks are carried out for employees as well as for customers and participants in research projects. The results of monitoring compliance with the policy are reported to imec's management.
- Imec has created the **Privacy, AI, & Healthcare Compliance Office (PAHCO)** to manage and harmonize the three compliance areas. In light of AI adoption and the AI Act, PAHCO has created a new policy on AI compliance. This AI policy is part of the overall framework that imec has established for AI compliance to ensure trustworthy, fair and responsible use of AI in line with imec's values and regulatory requirements. This policy and framework define the governance principles, usage guideline and compliance measures, serving as framework for future AI programs.

What did imec do in 2024?

In 2024, the organization further developed **security** protocols, focusing on the following points for action:

- Obtention of TISAX certification, a security certification aimed at the automotive industry.
- Launch of NIS2 compliance initiatives.
- Implementation of security by design principles into imec's project management methodology.

On the **privacy** level, the following actions were taken in 2024:

- Develop frameworks for collecting real-life data in a compliant and practical way to be used in new AI development in the automotive and health sectors
- Define a governance structure for managing new AI development.

5. KPI table

1. General disclosures

Section in sustainability statement	ESRS Identification	KPIs related to the imec board of directors on December 31, 2024
1.1 Governance of sustainability (GOV)	GOV-1_01, GOV-1_02	All members of the boards of directors at imec International and imec vzw are non-executive directors.
	GOV-1_05,	The gender distribution among male and female directors on the imec International board of directors is 71% – 29% (10 men – 4 women).
	GOV-1_06	The gender distribution among male and female directors on the executive board is 73% – 27% (8 men – 3 women).
	GOV-1_07	64% of imec International directors are independent directors (9 of 14).
		The directors and chairs of the board of directors receive attendance allowances of €1,000 and €2,000 respectively per meeting. Total remuneration for directors of imec International, including committees and subsidiaries within the scope of consolidation, amounted to €177,500

2. Environmental disclosures

Section in sustainability statement	ESRS ID	Metric	2023	2024	Unit
2.2.1 Reduce imec's carbon footprint	E1-6_13	**Gross Total GHG emissions (market-based)** Broken down as follows	259.3	317.8	kton of CO_2e
	E1-6_07	○ **Gross Scope 1 GHG emissions**	19.4	13.9	kton of CO_2e
	E1-6_10	○ **Gross Scope 2 GHG emissions (market-based)**	0.3	0.4	kton of CO_2e
	E1-6_11	○ **Gross Scope 3 GHG emissions (market-based)**	239.6	303.5	kton of CO_2e
	E1-6_30/31	**GHG emissions intensity (total GHG emissions per net revenue)**	0.256	0.296	kton of CO_2e/mioEur
	E1-6_11	**Gross Total GHG emissions (market-based)** Broken down as follows	239.6	303.5	kton of CO_2e
	E1-6_11	○ **Cat 1 - Purchased Goods and Services**	88.9	87.2	kton of CO_2e
		○ **Cat 2 - CAPEX**	96.3	8.6	kton of CO_2e
		○ **Cat 3 - Fuel- and energy-related activities (market-based)**	3.8	4.0	kton of CO_2e
		○ **Cat 4 - Upstream transportation & distribution**	0.8	0.9	kton of CO_2e
		○ **Cat 5 - Waste from operations**	0.6	0.7	kton of CO_2e
		○ **Cat 6 - Business travel**	3.4	4.0	kton of CO_2e

2. Environmental disclosures

Section in sustainability statement	ESRS ID	Metric	2023	2024	Unit
2.2.1 Reduce imec's carbon footprint	E1-6_11	○ **Cat 7 - Employee commuting**	3.4	3.8	kton of CO_2e
		○ **Cat 8 - Upstream leased assets**	0	0	kton of CO_2e
		○ **Cat 9 - Downstream transport and distribution**	6.3	7.2	kton of CO_2e
		○ **Cat 10 - Processing of sold products**	3.3	3.0	kton of CO_2e
		○ **Cat 11 - Use of sold products**	32.6	184.1	kton of CO_2e
		○ **Cat 12 - End-of-life treatment of sold products**	0	0	kton of CO_2e
		○ **Cat 13 - Downstream leased assets**	Not calculated	Not calculated	kton of CO_2e
		○ **Cat 14 - Franchises**	Not calculated	Not calculated	kton of CO_2e
		○ **Cat 15 - Investments**	Not calculated	Not calculated	kton of CO_2e
	E1-6_09	**Gross scope 2 GHG emissions (location-based)**	14.3	15.7	kton of CO_2e
	E1-6_10	**Gross scope 2 GHG emissions (market-based)**	0.3	0.4	kton of CO_2e
	E1-5_02	**Total energy consumption from fossil sources**	20,109	18,380	MWh
	E1-5_03	**Total energy consumption from nuclear sources**	0	0	MWh
	E1-5_05	**Total energy consumption from renewable sources** Broken down as follows	122,912	133,864	MWh
	E1-5_06	○ **Fuel consumption from renewable sources**	0	0	MWh
	E1-5_07	○ **Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources**	122,629	133,585	MWh
	E1-5_08	○ **Consumption of self-generated non-fuel renewable energy**	283	279	MWh
	Additional metrics to the ESRS	**Modal split**	53	55	%
		Number of bike lease contracts	731	1,032	-
		Number of new lease bike orders	476	434	-
		Car fleet emissions (in gCO_2/km)	60	30	gCO_2/km
		Own workforce opt-out of benefit in kind company car	17	20	%

2. Environmental disclosures

Section in sustainability statement	ESRS ID	Metric	2023	2024	Unit
2.2.1 Reduce imec's carbon footprint	Additional metrics to the ESRS	**Number of cars in fleet** Broken down as follows	646	704	-
		○ **Full electric vehicles**	136 (21%)	290 (41%)	-
		○ **Other (hybrid or plug-in hybrid)**	288 (45%)	348 (50%)	-
		○ **Fossil fuel cars**	222 (34%)	66 (9%)	-
2.4.1 Use and reuse of water and effluents efficiently	E3-4_11	**Total water withdrawal**	768,296	751,951	m^3
	E3-4_03	**Total water recycled and reused**	214,016	243,581	m^3
	E3-4_12	**Total water discharged** Broken down as follows	650,130	639,420	m^3
		○ **Total water discharged into surface water**	620,503	598,160	m^3
		○ **Total water discharged into sewer**	28,300	24,884	m^3
		○ **Total water discharged through external treatment, including liquid waste**	1,327	1,552	m^3
	E3-4_01	**Total water evaporation (ESRS: water consumption)***	118,166	112,532	m^3
	E3-4_08	**Water intensity**	816	731	m^3/mioEur
2.5.1 Minimize and repurpose waste streams	E5-5_07	**Total waste generated** Broken down as follows	754.4	798.9	Tonnes
		○ **Total recycled waste**	440.8	463.65	Tonnes
	E5-5_10 and E5-5_11	○ **Total non-recycled waste**	313.57	335.25	Tonnes
	E5-5_16	**Radioactive waste**	0	0	Tonnes
	E5-5_15	**Hazardous waste**	221.3	253.95	Tonnes

* Total water evaporization in areas at water risk, including areas of high-water stress (metric E3-4_02) is the same as E3-4_01 Total water evaporization because data is only reported for Leuven, which is located in an area at water risk.

2. Environmental disclosures

Section in sustainability statement	ESRS ID	Metric	2023	2024	Unit
2.5.1 Minimize and repurpose waste streams	E5-5_08	**Hazardous waste diverted from waste disposal** Broken down as follows	114.4	119.2	Tonnes
		○ **Preparation for reuse**	0	0	Tonnes
		○ **Recycling***	0	0	Tonnes
		○ **Other recovery operations**	114.4	119.2	Tonnes
	E5-5_09	**Hazardous waste directed to waste disposal** Broken down as follows	106.9	134.75	Tonnes
		○ **Incineration (without energy recovery)**	5.4	8.5	Tonnes
		○ **Landfill**	55.3	68.58	Tonnes
		○ **Other disposal operations**	46.2	57.67	Tonnes
		Non-hazardous waste	533.1	544.8	Tonnes
	E5-5_08	**Non-hazardous waste diverted from waste disposal** Broken down as follows	326.4	344.3	Tonnes
		○ **Preparation for reuse**	0	0	Tonnes
		○ **Recycling***	0	0	Tonnes
		○ **Other recovery operations**	326.4	344.3	Tonnes
	E5-5_09	**Non-hazardous waste directed to waste disposal** Broken down as follows	206.7	200.5	Tonnes
		○ **Incineration (with energy recovery)**	206.7	200.5	Tonnes
		○ **Landfill**	0	0	Tonnes
		○ **Other disposal operations**	0	0	Tonnes

All data provided in tons and without taking into account liquid waste. Calculations are based on official data received from recognized waste collectors (E5-5_17).
* *The data for recycled waste is included in other forms of recovery.*

3. Social disclosures

Section in sustainability statement	ESRS ID	Metric	2023	2024	Unit
3.2 Own Workforce (S1)	Additional to ESRS	**Total workforce**	5,607 (100%)	6,061 (100%)	Headcount
	S1-6_09	**Own workforce (on payroll)**	3,081 (55%)	3,304 (55%)	Headcount
	S1-7_01 until S1-7_03 and S1-7_05	**Extended workforce** Broken down as follows	2,526 (45%)	2,727 (45%)	Headcount
		○ **PhD**	789 (14%)	788 (13%)	Headcount
		○ **Flexforce**	576 (10%)	788 (13%)	Headcount
		○ **Assignees**	658 (12%)	727 (12%)	Headcount
		○ **Other**	503 (9%)	424 (7%)	Headcount
	S1-6_02	**Own workforce** Broken down as follows	3,081 (100%)	3,304 (100%)	Headcount
	S1-6_05	○ **Belgium**	1,619 (53%)	2,946 (89%)	Headcount
		○ **Netherlands**	193 (6%)	281 (9%)	Headcount
		○ **Other**	1,269 (41%)	77 (2%)	Headcount
3.2.2 Offer optimal economic and social working conditions	S1-6_09	**Own workforce** Broken down as follows	3,081 (100%)	3,304 (100%)	Headcount
	S1-6_07	○ **Permanent male**	2,064 (67%)	2,219 (67%)	Headcount
		○ **Permanent female**	832 (27%)	902 (27%)	Headcount
		○ **Temporary male**	123 (4%)	129 (4%)	Headcount
		○ **Temporary female**	62 (2%)	54 (2%)	Headcount
	Additional to ESRS	**Employees older than 60 years that use time credit at end of career**	46	13	%
3.2.1 Invest in engaged and talented employees	S1-6_11	**Employees who left the organization**	241	278	Headcount
	S1-6_12	**Rate of employee turnover**	8.4	8.7	%

3. Social disclosures

Section in sustainability statement	ESRS ID	Metric	2023	2024	Unit
3.2.1 Invest in engaged and talented employees	S1-13_04	**Average number of training hours**	39.4	22	Hours per FTE
3.2.3 Support a solid health & safety culture	S1-14_01	**People in its own workforce who are covered by health and safety management system based on legal requirements and (or) recognized standards or guidelines**	100%	100%	%
	S1-14_02 and S1-14_03	**Number of fatalities in own and extended workforce as result of work-related injuries and work-related ill health**	0	0	-
	S1-14_04	**Number of recordable work-related accidents for own workforce**	4	2	-
	S1-14_05	**Rate of recordable work-related accidents for own workforce**	0.96	0.44	-
	S1-14_06	**Number of cases of recordable work-related ill health of employees**	0	0	-
	S1-14_07	**Number of days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health related to employees**	20	10	-
	Additional to ESRS	**Severity**	0.004	0.002	(Total days lost x 1000) / Total hours worked
3.2.5 Stimulate diversity & inclusion	S1-9_01 and S1-9_02	**Gender distribution at top management level** Male	73	73	%
		Gender distribution at top management level Female	27	27	%
	S1-9_03	**Age distribution own workforce** Under 30	355 (12%)	369 (11%)	Headcount
	S1-9_04	**Age distribution own workforce** Between 30 and 50	2122 (69%)	2203 (67%)	Headcount
	S1-9_05	**Age distribution own workforce** Above 50	604 (19%)	732 (22%)	Headcount
3.2.4 Promote a healthy work-life balance	S1-15_04	All sites have **leave policies** that cover various types of leave.			-
3.2.2 Offer optimal economic and social working conditions	S1-10_01	As a non-profit organization, imec pays its employees a fair and competitive **salary**, but does not want to be, and cannot position itself as, a high-paying employer.			-

6. Content index with reference to ESRS

ESRS disclosure requirements		Section Level 1	Section Level 2	Page
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BP-1	General basis for preparation of the sustainability statements	**About this report**	About this report	76
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SBM-1	Strategy, business model and value chain	**1.2 Strategy, business models and materiality (SBM)**	1.2.1 Strategy and business models 1.2.2 Value chain and stakeholder engagement	14-15
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Environmental disclosures				
E1-2 **E1-3** **E1-4**	Policies, actions and targets related to climate change mitigation and adaptation	**2.2 Climate change (E1)**	2.2.1 Reduce imec's carbon footprint	29-33
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FINANCIAL STATEMENT

1. Consolidated balance sheet

The consolidated balance sheet total of imec International sees a significant increase of 39% to EUR 1.45 billion in 2024. The explanation of this increase can be found in several balance sheet headings.

Property, plant and equipment

Tangible fixed assets increased by EUR 74.79 million to EUR 441.30 million in 2024 at a depreciation cost of EUR 100.34 million. Imec invested a total of EUR 174.74 million in property, plant and equipment in 2024.

The main acquisitions are in scientific infrastructure and equipment.

The balance of 'Assets under construction' even increased to EUR 96.67 million at the end of 2024. This relates exclusively to R&D equipment to be put into service in 2025.

The many long-term collaborations with the top equipment suppliers on the world stage of the chip industry are vital from a strategic point of view.

A key player is the Dutch company ASML, with which imec has a long-standing strategic collaboration. A new strategic partnership was signed on March 11, 2025, with a focus on research and sustainability. The cooperation agreement with ASML, in the framework of the Advanced Patterning Center (APC), expired at the end of 2024. In the next five years, Imec and ASML aim to deliver valuable solutions in two areas by bringing together their respective knowledge and expertise.

In addition, the collaboration with ASML on High NA EUV Lithography is in full swing. The leading chip manufacturers are offered early access to this prototype tool in order to introduce it into the chip production process as quickly as possible.

(Multi-year) contracts have been signed with several other important and strategic equipment suppliers. Depending on their delivery time and application, these tools will be installed in the current 300mm cleanroom or its extension, which recently became operational.

Without claiming to be exhaustive, we provide insight into some collaborations below.

The strategic cooperation with equipment supplier LAM Research, whose tools are used worldwide for virtually all leading edge devices, extended through 2024. The value of the 2024 contract with LAM Research was nearly EUR 20 million. With this, a number of tools were purchased, including the Extreme_3 (MACH IV) Platform system with a number of chambers, which will contribute to Complementary Field Effect Transistor (CFET) developments at imec.

In addition, imec and LAM continue to collaborate on the new patterning approach. LAM Research has chosen imec to further develop and perfect it.

The contract with KLA, which took effect on January 1, 2021, was further extended in 2024 until 2026 for a total value of around EUR 31 million. The cooperation between imec and KLA has created significant added value for both parties since 2015. Under this collaboration, imec has access to KLA's industry-leading inspection and metrology tools, thus supporting program development at imec. On the other hand, KLA also has access to the imec programs, enabling it to develop exclusive KLA vehicles and obtain advanced samples to further improve their metrology and inspection tools in the ever-evolving chip manufacturing processes.

Various collaborations with equipment supplier TEL were also continued. The purchase of the Tel_episode PM2 is part of the research into contact materials for CFET.

Ebara, on the other hand, is an important supplier for equipment for Chemical Mechanical Polishing (CMP). For the most advanced technology nodes, the number of steps and the necessary processes with strict process specifications of CMP are increasing. With these tools and the joint research around it, these different processes are further evaluated and applied in the context of logic, nanointerconnects and 3D technologies.

Finally, imec's capacity of measuring tools was further expanded with the purchase of a GT2000_2 from Hitachi. This kind of CDSEM tool is used to measure the dimensions of fine patterns on a wafer. As the output of the fab grows every year, the need for measurement capabilities is also growing, not just for imec, but also for the many partners that conduct pioneering research at imec.

In addition to these examples of the past year's most significant equipment purchases, discussions with the most reputable equipment suppliers continued, in order to understand each other's needs and work together to strengthen partnerships in each other's interests.

It is important to mention that in the framework of the EU Chips Act, imec intends to further increase its investment plan in the coming years, in terms of R&D tools and with the planned construction of a new office building, a cleanroom and supporting infrastructure works.

Financial fixed assets

Financial fixed assets increase by EUR 5.20 million to EUR 59.91 million. This is an increase of 9.5% compared to 2023.

The main investments in 2024 were those in the istart Future Fund (EUR 5 million of which EUR 0.75 million was paid in full), the spin-off Vertical Compute (EUR 4 million) and an investment in Swave Photonics (EUR 0.5 million).

At imec's subsidiary Fidimec, the largest investments in 2024 were the capital payments (EUR 3 million) into the imec.xpand I fund, filling 90% of the total investment commitment (EUR 30 million). Imec also made a continued investment of EUR 1.5 million in 2024 in the imec.xpand II fund.

Imec.xpand I continues to have a very promising portfolio and the first exits are targeted over the next years.

Imec.xpand II is also fully operational. The fundraising was closed in early 2024 with a total capital of EUR 300 million. By the end of 2024, the fund held 13 companies in its portfolio; 7 investments were entered into in 2024.

Some significant write-downs were also recorded on the portfolio, totaling EUR 7.88 million, both on imec.xpand and on various participations. The net valuation of the participations aligns with the current state of affairs within the portfolio due to these write-downs. This takes into account the principle of prudence and the specific risks considered for each file, such as growth potential, product development and exit expectations. The latter is particularly important when valuing venture capital funds.

Current assets

Current assets increased by EUR 323.02 million to EUR 944.55 million. This is an increase of 52.0% compared to 2023.

There are no long-term trade receivables at the end of 2024.

Other long-term receivables decreased by EUR 3.45 million to EUR 30.42 million. Long-term receivables are related to capital subsidies granted by the European Commission and the Flemish government (EUR 19.67 million).

There is also a receivable for the R&D tax credit in the amount of EUR 10.46 million.

Inventories increased by EUR 1.67 million to EUR 12.07 million. As of 2024, this account not only covers wafers, gases and chemicals, but also real estate (office building) intended for sale. Imec will act as the responsible builder for a new office building (imec 6), which will be sold upon completion as part of the underlying financing structure (sale and lease back). This item will therefore increase significantly over the next few years.

Amounts receivable within one year increased by EUR 10.22 million to EUR 181.97 million.

Trade receivables increased by 8.0% to EUR 138.74 million.

Taking into account the increased turnover of 10% and thorough monitoring of customer receivables, an increase of 8% in trade receivables is acceptable.

Other short-term receivables amount to EUR 43.24 million. This heading mainly includes the receivable recorded for the balance of the Flemish grant (up EUR 1.81 million to EUR 16.72 million) but also short-term receivables (down 10% to EUR 9.21 million) from the Flemish Government and the European Commission relating to subsidies under the Flemish Resilience plan. There is also a receivable relating to taxes that decreased by EUR 1.41 million to EUR 8.63 million. The decrease mainly relates to a reduction in the calculation base of the R&D tax credit from 20.5% to 15.5%.

Cash investments and liquid assets together increased by EUR 312.46 million to EUR 694.07 million. An important part of the increase is a consequence of the advances received in the context of the EU Chips Act (EUR 90 million) as well as the capital increase at imec EU Pilot Line NV (EUR 187.81 million). The cash investments consist firstly of cash at bank and secondly of term deposits of various short-term maturities. The available cash is committed to a very large extent to ongoing commitments. The plan under the EU Chips Act, in particular, is a multi-year plan for which advances have been received but the underlying investment plan will materialize in the period up to 2029. There are also a lot of other commitments, including obligations to public funding partners and also to university groups.

Deferred charges increased by EUR 2.56 million to EUR 26.23 million. This item mainly includes costs to be carried forward around maintenance contracts, licenses and software.

Equity

Consolidated equity increased by EUR 47.41 million to EUR 430.68 million, which is attributable to the profit for the fiscal year (group share) of EUR 53.53 million.

Minority interests increased by EUR 187.80 million. This heading contains the minority shareholders' share in the consolidated equity of imec international but more specifically in the subsidiaries of imec vzw in which Flanders is a co-shareholder. This concerns FIDIMEC NV and Finlab NV historically and, in 2024, the new entity imec EU Pilot Line NV, with a capital contribution from the Flemish Government of EUR 187.55 million. Fidimec's loss in 2024 amounted to EUR 0.97 million and Finlab's profit in 2024 amounted to EUR 1.23 million.

Total debt in 2024 increased by EUR 167.27 million to EUR 646.38 million. This is an increase of 34.9%.

Regarding long-term debts, there is a decrease of EUR 5.79 million, mainly due to the transfer of repayment obligations to short-term debts (EUR 6.17 million).

Other long-term debts include the long-term covenant obligations. There is a slight increase in these long-term obligations by EUR 0.38 million to EUR 10.32 million in 2024.

Amounts payable within 1 year increased by EUR 57.73 million to EUR 307.20 million.

Trade payables increased by EUR 15.49 million and advance payments received increased by EUR 23.91 million. The 47% increase in advance payments received is mainly due to an increase in advances relating to EU projects and the EU Chips Act in particular.

Social debts increased by EUR 8.72 million to EUR 93.09 million. This increase results from an increase in the workforce due to the growth of imec's activities

Accrued liabilities and deferred income increased by EUR 115.33 million to EUR 300.55 million. This increase has several causes:

- There was a significant increase of EUR 97.96 million in 'cash' income to be carried forward. This is due to advances received from Horizon Europe. Imec will execute the projects in the next years and will recognize the related revenue at that time. These deferred revenues 'in cash' evolve according to the status of ongoing projects and related commitments.
- The earmarked grants to be carried forward increased by EUR 8.37 million in 2024 to EUR 42.07 million. This amount represents funds, to be spent from already received earmarked grants.
- Transferable revenues 'in kind' increased by EUR 13.05 million. The R&D tools have already been delivered to imec, and imec will deliver the contractually agreed upon services accordingly.

2. Consolidated income statement

In its R&D strategy, imec focuses on the development of nanoelectronics and its impact on major societal challenges. Global socio-economic priorities, such as healthcare and aging, transport, communication, renewable energy, etc. can only be solved by innovative technologies. From this social vision, imec selects the technological challenges that fit within its mission and which also offer significant interdisciplinary leverage. This allows optimal use to be made of imec's unique infrastructure, competences and technology platforms. This selection is further elaborated on the basis of the market-oriented growth potential of the technology and is tested against the local economic added value. On the one hand, the key challenges are translated into research platforms and related research programs that are rather scale and performance-driven and generic in nature. On the other hand, they are translated into function-driven and application-specific domains. Increasingly, imec is trying also to build bridges between both major technological directions. In doing so, a distinction is made between platform research, which is mainly focused on industrial applications on the one hand and exploratory and proactive research that strives for fundamental progress on the other.

All imec entities have a specific focus on the local industry of the country where they operate. Further elaboration on the cooperation with Flemish companies and the broader ecosystem is provided in the annual report for the Flemish Government.

Total operating income, including government grants, increased by 9.8% to EUR 1,033.93 million. Operating profit stood at EUR 40.90 million compared to EUR 20.26 million in 2023.

Turnover stood at EUR 753.31 million, or 72.9% of total operating income. This is an increase of 10.1% compared to 2023. JDP revenues, which mainly represent in kind collaborations with equipment and material suppliers, amounting to EUR 144.74 million, represent 19.2% of total revenues and increased by 14.9% (EUR 125.94 million in 2023).

In 2024, the grant drawn from the Flemish Government amounted to EUR 135.09 million while subsidized 'funded' projects amounted to EUR 89.27 million. In addition, the foreign entities received subsidies totaling EUR 14.84 million; together they account for EUR 239.21 million.

Other operating income amounts to EUR 41.42 million, including an amount of EUR 34.31 million to cost reductions obtained, specifically the exemption from withholding tax on professional income for scientific personnel.

2024 was the third operational year of the covenant with Flanders. Under this covenant, both the Flemish Region and imec made important commitments. The grant for imec for 2024 amounted to EUR 151.92 million. This grant is split into basic funding (EUR 86.37 million) and further earmarked funds (EUR 65.55 million).

Imec on its part accepted both strategic and specific operational objectives. Those operational objectives partly correspond to the predefined KPIs (Key Performance Indicators).

Amounts (x 1000 euros) TY 2024				
	Committed resources	Utilization P&L	Outstanding commitments end of 2024	Reserves carried forward end of 2024
Non labeled grant	86,370	86,166	741	739
Demand-driven research imec.icon	16,126	9,287	13,253	22,818
iStart	4,608	4,417	1,692	81
Edit	5,760	4,910	150	4,807
Basic strategic research with the core groups	6,910	6,094	25	2,450
Strategic projects with Flemish knowledge centers PhD	4,608	4,241	5,723	773
Budget system demonstration	26,974	19,556	3,023	10,079
Care and health	561	415	-	325
Total	**151,917**	**135,087**	**24,607**	**42,071**

Grant from the Flemish Region for imec and overview of its use

Base funding in the amount of EUR 86.17 million is recognized in the 2024 income statement, given that the predetermined targets were met for all KPIs.

In the context of proper reporting of specific activities, operating costs and investments related to them are allocated to those earmarked funds. To the extent that the allowance is not fully drawn or committed, it is carried forward to the next operating year. This applies to all earmarked grants, for a total reserve of EUR 42.07 million. The transfer increased by EUR 8.37 million compared to last year. The utilization is lower than the committed amounts, especially on ICON.

Imec also has outstanding commitments under the ongoing projects of imec.icon to the amount of EUR 13.25 million. For the strategic PhD projects, the amount is EUR 5.72 million, for system demonstration it stands at EUR 3.02 million (see table for all amounts). When the projects were awarded and the PhD contracts signed, these amounts were included under the various short-term debts and under the long-term debts for the long-term part. In so doing, imec seeks to provide a complete and true overview of its commitments.

Local governments in Flanders, the Netherlands and Florida continue to support imec. Government financial support for the activities of imec the Netherlands and imec Florida amount to EUR 11.68 million and EUR 3.82 million, respectively.

Total operating expenses increased in 2024 by EUR 71.96 million to EUR 993.03 million. This is an increase of 7.8%.

Total operating expenses increased by EUR 41.34 million to EUR 508.97 million.

At the level of purchases of materials, there is an increase of EUR 15.9 million due to the increased output of lotturns in the cleanrooms and an increase in the general level of activity.

The cost of services and other goods increased by EUR 25.44 million to EUR 273.95 million. This is an increase of 10.2%. There are higher 'in kind' costs related to rental equipment (EUR 6.38 million), which partly relate with increased 'in kind' revenues (EUR 144.74 million). Other cost categories that increased are computer costs (EUR 5.22 million) as well as higher consulting costs (EUR 4.97 million) due to increases in IT projects. For electricity, there is an increase of EUR 2.86 million, both from increased consumption and from price increases.

Flexforce costs increased by EUR 4.30 million. Flexforces remain an important factor of flexibility in the current labor market to realize imec's commitments.

The increase in scholarships is in line with the funds received from the covenant. Scholarships remain an important asset for imec to attract new scientific talent.

Total personnel costs increased by EUR 34.58 million (9.1%) to EUR 379.53 million.

The growth in staff numbers from 2,909 to 3,174 and the indexation of wages (1.48% in 2024) explain this.

Depreciation on property, plant and equipment amounted to EUR 100.34 million and decreased by 4.8% compared to 2024. Investments in 2024 totaled EUR 174.74 million.

Other operating expenses are mainly write-downs or reversals of write-downs on trade receivables (increase of EUR 2.20 million) but also taxes such as property tax.

The recurring financial result gives a net profit of EUR 16.09 million compared to a net profit of EUR 15.33 million in 2023. Recurring financial income mainly includes interest income and received capital grants. The utilization of these capital grants is recorded in proportion to the depreciation recorded. Recurring financial expenses include mainly interest.

The non-recurring financial loss amounts to EUR 3.85 million and is mainly a result of various impairments on participations. Pharrowtech (EUR 1.18 million) and Pulsify Medical (EUR 0.90 million) stand out in particular.

On the other hand, there were also some realized capital gains and reversals of previously recorded impairments (EUR 0.74 million)

Through its innovative activities and because imec also makes environmentally friendly investments in tangible fixed assets for research and development, the imec group has accumulated an additional net tax credit of EUR 4.16 million.

The consolidated profit for 2024 stands at EUR 53.77 million compared to a profit of EUR 28.59 million in 2023. The share of the imec group in the consolidated profit for 2024 is EUR 53.53 million.

Acronym List

AC/DC	Assessment & Development Centers
ACP	Automotive Chiplet Program
AI	Artificial Intelligence
AMIP	Access Management improvement plan
APC	Advanced Patterning Center
CFET	Complementary Field Effect Transistor
CMOS	Complementary metal–oxide–semiconductor
CMP	Chemical Mechanical Polishing
CMRT	Conflict Minerals Reporting Template
DE&I	Diversity Equity and Inclusion
DMA	Double Materiality Assessment
DPO	Data Protection Officer
DRE	Destruction Removal Efficiency
EBO	Energy Policy Agreement (energiebeleidsovereenkomst)
EFRAG	European Financial Reporting Advisory Group
EHS	Environment, Health & Safety
ERM	Enterprise Risk Management
ESG	Environmental, Social and Governance
ESRS	European Sustainability Reporting Standards
FAIN	Facilities and Infrastructure
FTE	Full Time Equivalent
GEM	Gas Emission Monitoring
GHG	Greenhouse Gas (Protocol)
GI	Gastrointestinal
GOV	Governance (of sustainability)
GRI	Global Reporting Initiative
HBT	Heterojunction Bipolar Transistor
HPW	High-purity Water
HR	Human Resources
IC	Integrated Circuit
ICP	Internal Carbon Pricing
ICT	Information and Communications Technology
IEDM	International Electron Devices Meeting
IoT	Internet of Things
IP	Intellectual property
IPCC	Intergovernmental Panel on Climate Change
IRO	Impacts, Risks and Opportunities
ITF	imec Technology Forum
KPI	Key performance indicator
LMS	Learning Management System
NGO	Non-governmental organization
OEM	Original Equipment Manufacturer
PAHCO	Privacy, Artificial Intelligence and Healthcare Compliance Office
PAT	Process Analytical Technology
PoC	Proof of Concept
PTW	Partner Technical Week
PV	Photovoltaics
R&D	Research and Development
RF	Radio Frequency
RO	Reverse Osmosis
SBM	Strategy & Business Models
SIF	Serious Injury Fatality
SSTS	Sustainable Semiconductor Technologies and Systems
STEM	Science Technology Engineering and Mathematics
TRL	Technology Readiness Level
UN SDG/ SDG	United Nations Sustainable Development Goals
UWB	Ultra-wideband
VCA	Value Chain Aggregator
WOS	Web of Science
WRP	Water Recovery Plant

About this report

Publication date

25 April 2025

Reporting period

January 1, 2024 – December 31, 2024, corresponding to the financial year of all the entities of the imec group. All KPIs fall within this reporting period, unless stated otherwise. The annual and sustainability report can be consulted online at www.imec-int.com/sustainabilityreport. This report is published annually to provide information in a transparent and public manner about the ambitions and progress toward achieving imec's objectives.

Reporting standard and approach

As a public utility foundation and not-for profit association, imec International and imec vzw have no legal obligation under Belgian law to adhere to the EU CSRD and hence to comply with the ESRS. However, as a mark of the importance it attaches to sustainability reporting and transparency, imec has chosen to voluntarily align its reporting with the ESRS. To this end, imec has conducted a DMA, selected material datapoints from the ESRS, and followed EFRAG guidance on data collection.

The content index with reference to ESRS can be found on pages 68 to 69. The report's structure and content are based on imec's sustainability policy and material topics. The management approach is included in the description of each material topic.

In this report 'imec' or 'imec group' is used for convenience in contexts where reference is made to imec International and/or any of its subsidiaries, as the context may require.

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Disclaimer

The information and materials contained in this report are provided 'as is' without any explicit or implied guarantee of any kind. Imec shall not be liable for any damages whatsoever due to the use of or inability to use the information or materials contained in this report.

External safeguarding

This report has not obtained external assurance. However, internal verification and recommendations were performed and applied with internal and external experts and management. This report provides an accurate insight into imec's social, environmental, and ethical performance, relevant to both imec's stakeholders and imec itself.

Trademark

The imec group holds a global trademark portfolio, including word marks and combined figurative registered and unregistered trademarks, across national, regional, and international territories. Its lawful use requires prior written consent of imec in compliance with the imec branding guidelines, which may be updated periodically. The latest version is available upon written request.

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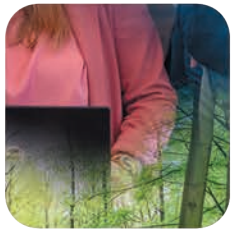


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