
	INTEGRATED MICRO-ELECTRONICS, INC. CHARTER OF THE PERSONNEL AND COMPENSATION COMMITTEE		INITIAL ISSUE DATE April 8, 2010
			REVISION DATE September 28, 2020
	VERSION NO. 4	REVISION NO. 1	PAGE NO. 1 of 5




INTEGRATED MICRO-ELECTRONICS, INC.

**CHARTER OF THE PERSONNEL AND
 COMPENSATION COMMITTEE**

	INTEGRATED MICRO-ELECTRONICS, INC. CHARTER OF THE PERSONNEL AND COMPENSATION COMMITTEE		INITIAL ISSUE DATE April 8, 2010
			REVISION DATE September 28, 2020
	VERSION NO. 4	REVISION NO. 1	PAGE NO. 2 of 5

Contents	Page
-----------------	-------------

Section 1. Membership	3
Section 2. Powers, Duties and Responsibilities of Committee	3
Section 3. Nominations to Key Management Positions (except Chief Executive Officer and President)	4
Section 4. Meetings	5
Section 5. Miscellaneous	5

	INTEGRATED MICRO-ELECTRONICS, INC. CHARTER OF THE PERSONNEL AND COMPENSATION COMMITTEE		INITIAL ISSUE DATE April 8, 2010
			REVISION DATE September 28, 2020
	VERSION NO. 4	REVISION NO. 1	PAGE NO. 3 of 5

The Board of Directors (“Board”) of Integrated Micro-Electronics, Inc. (the “Corporation”) hereby adopts this Charter of the Personnel and Compensation Committee (the “Committee”):

Section 1. Membership

1. **Composition** – the Committee shall be composed of at least three (3) members, majority of whom shall be Independent Directors. The Board **may** from time to time increase the membership of the Committee, and appoint members therein, **all of whom shall be members of the Board. The Board may include non-directors as advisors to the Committee, who shall have no voting rights.**


The Board shall designate one (1) member of the Committee, who must be an Independent Director, as its Chairman.

2. **Term** – The Board shall appoint the members of the Committee at the annual organizational meeting of the Board and each member shall serve upon his election until the next organizational meeting of the Board unless removed or replaced by the Board.
3. **Vacancy** – Any vacancy in the Committee caused by the death, resignation, or disqualification of any member, or by any other cause, may be filled by the Board. The member elected to fill the vacancy shall hold office for the remained of the term, or until his successor shall have been duly elected and qualified.

Section 2. Powers, Duties and Responsibilities of Committee

The Committee shall have the following powers, duties and responsibilities:

1. Establish a formal and transparent procedure for developing a policy on **director and** executive remuneration and for fixing the remuneration packages of corporate officers and directors, and provide oversight over remuneration of senior management and other key personnel ensuring that compensation is consistent with the Corporation’s culture, strategy and control environment;
2. **Oversees the annual performance review of each of the members of Management appointed by the Board other than the Chief Executive Officer, Chief Operating Officer and President** and measure such performance against each of his key performance areas and objectives pursuant to the Corporation’s plans and determine his or her compensation for the approval of the Board;
3. Review the structure and competitiveness of the Corporation’s executive officer compensation programs considering the following factors: (i) the attraction and retention of executive officers; (ii) the motivation of executive officers to achieve the Corporation’s business objectives; and (iii) the


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			REVISION DATE September 28, 2020
	VERSION NO. 4	REVISION NO. 1	PAGE NO. 4 of 5

alignment of the interests of executive officers with the long-term interests of the Corporation's shareholders and other stakeholders;

4. Develop a form on Full Business Interest Disclosure as part of the pre-employment requirements for all incoming officers, which among things, compel all officers to declare under the penalty of perjury all their existing business interests or shareholdings that may directly or indirectly conflict in their performance of duties once hired;
5. Disallow any director to decide his own remuneration during his incumbent term;
6. Provide in the Corporation's annual reports, a clear, concise and understandable disclosure of compensation of its executive officers for the previous fiscal year and the ensuing year;
7. Review the existing Human Resources Development or Personnel Handbook, to strengthen provisions on conflict of interest, salaries and benefits policies, promotion and career advancement directives and compliance of personnel concerned with all statutory requirements that must be periodically met in their respective posts;
8. **Recommend and review succession plans for members of management and senior executives, except the Chief Executive Officer, Chief Operating Officer and President, and implement a process to ensure appointment of competent, professional, honest, and highly motivated individuals who will add value to the company.**
9. **Identify, review and evaluate the qualifications, skills and abilities needed for management positions below the Chief Executive Officer, Chief Operating Officer and President requiring appointment by the Board and provide guidance and advice as necessary for appointments by the Chairman or President to positions below Managing Director;**
10. **Assess the effectiveness of the Board's processes and procedures in the appointment, election or replacement of senior executives (from group heads up, except Chief Executive Officer, Chief Operating Officer and President);**
11. **Establish a performance management framework that ensures senior officers' performance is at par with the standards set by the Board; and**
12. **Perform such other duties and responsibilities that may be delegated to the Committee by the Board from time to time.**

Section 3. Nominations to Key Management Positions (except Chief Executive Officer, Chief Operating Officer and President)

1. **The Committee shall review and evaluate the qualifications of all persons nominated to key management positions in the Corporation below the Chief Executive Officer, Chief Operating Officer and President**

	INTEGRATED MICRO-ELECTRONICS, INC. CHARTER OF THE PERSONNEL AND COMPENSATION COMMITTEE		INITIAL ISSUE DATE April 8, 2010
			REVISION DATE September 28, 2020
	VERSION NO. 4	REVISION NO. 1	PAGE NO. 5 of 5

which require appointment by the Board. In conducting its review, the Committee shall consider the following factors:

- a) **Duties and responsibilities of the position/s under consideration:**
 - b) **For the nominees:**
 - (i) **level of knowledge on the Corporation's business;**
 - (ii) **potential to assume greater responsibility in the organization;**
 - (iii) **ability, integrity and expertise; and**
 - (iv) **results of previous performance assessments.**
2. **The Committee's review of the management succession plan shall also take into account relevant human resource policies of the Corporation and its vision, mission and overall corporate strategy.**

Section 4. Meetings

The Committee shall meet in person or **through remote communication such as teleconferencing or videoconferencing** at least twice a year at a time and place determined by its Chairman, with further meetings to occur when deemed necessary or desirable by the Committee or its Chairman. Actions of the Committee may also be taken by written consent (in physical, electronic, or digital format) by majority of the members when deemed necessary or desirable by the Committee or its Chairman.

Section 5. Miscellaneous

1. **Access to Information** – The Committee shall have reasonably free and full access to all relevant information, data, records properties and personnel.
2. **Technical Assistance** – The Corporate Secretary, management and personnel of the Corporation shall provide technical assistance and support to the Committee. **The Committee may also invite other persons to its meetings to secure independent expert advice as it may deem desirable or appropriate.**
3. **Reports to the Board** – The Chairman of the Committee or his designated representative shall report to the Board all actions of the Committee at the meeting of the Board following such actions.
4. **Annual Review** – This Charter shall be reviewed by the Committee annually. Any proposed changes shall be approved by the Board.
5. **Effectivity** – This Charter shall take effect when approved by the Board of Directors.



Attachment 1: Revision History

Version No.	Revision No.	Remarks	Approval by PCC	Approval by BoD
1	-	Initial issue as included in the IMI Manual of Corporation Governance		8 Apr 2010
2	1	Revision in the Corporate Governance Manual		31 July 2014
3	1	Revision in the Corporate Governance Manual		21 Jun 2017 (Executive Committee approval on May 25, 2017)
4	1	Renaming of the Compensation Committee into the Personnel and Compensation Committee and Amendment of its Charter Changes in the Composition, Power, Duties and Responsibilities and Administrative and Miscellaneous.	28 Sep 2020	8 Oct 2020