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

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

October 8, 2020

Securities and Exchange Commission
Secretariat Building, PICC Complex
Roxas Boulevard, Pasay City

Attention: Hon. Vicente Graciano P. Felizmenio, Jr.
Director, Markets and Securities Regulation Department

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

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

Gentlemen:

Please be informed that our Board of Directors ("Board"), at its regular meeting held today, ratified and approved the amendment of our By-Laws ("Amendment"), as endorsed by our Corporate Governance and Nomination Committee. The Amendment is intended primarily to align our By-Laws with the Revised Corporation Code and with recognized good corporate governance practices, and to digitalize certain governance processes. The attached Annex "A" provides a summary of the approved substantial changes.

Given that our stockholders have delegated to our Board the authority to amend the By-Laws, the Amendment will become effective upon approval by the Securities and Exchange Commission. This matter will be presented to our stockholders at their annual meeting in 2021 as part of the resolutions of our Board for ratification.

Our Board also ratified and approved the renaming of the Compensation Committee as the Personnel and Compensation Committee, and the amendment of its Charter as well as the Charter of the Corporate Governance and Nomination Committee.

Thank you.

Very truly yours,

SOLOMON M. HERMOSURA
Corporate Secretary

Annex "A"

INTEGRATED MICRO-ELECTRONICS, INC.
Amendments to the By-Laws

Article and Section Nos.	From	To
Art. III, Sec. 2	General meetings may be regular or special, and shall be held at the offices of the Corporation or at any place designated by the Board of Directors in Metro Manila. xxx xxx xxx	General meetings may be regular or special, and shall be held at the **principal office** of the Corporation or at any place **in the city where the principal office of the Corporation is located**. xxx xxx xxx
Art. III, Sec. 3	Written notice of each stockholders' meeting stating the date, time and place and, for a special meeting, the purpose(s) for which the meeting is called, shall be given by the Corporation not less than fifteen (15) business days prior to the date of the meeting to each stockholder of record, to the stockholder's address as it appears on the record of stockholders of the Corporation. The written notice may be in paper, digital or electronic medium. The notice of any meeting of the stockholders shall be deemed to have been given at the time when delivered personally or deposited in the post office, or sent electronically or by e-mail and addressed as herein provided. The Company may provide information or documents to a stockholder by e-mail or by posting the information or documents on the website of the Company or another electronic network; provided that, a separate notice is given to the stockholder of such posting. In case the Company provides information or documents by electronic posting, the information or documents shall be deemed delivered or given upon the later of (i) the posting of the information or documents or (ii) the giving of a separate notice to the stockholder of such specific posting. The Company shall give notice and provide information or documents electronically, as provided above, only to stockholders who have consented to receive notices, information or documents by e-mail or electronic transmission. A stockholder shall be deemed to have consented to receiving notices, information or documents electronically if he has provided an e-mail or electronic address to the Company and he has not notified the Company in writing that	**Regular or special meeting of stockholders shall be called by written notice. The notice shall be served to all stockholders primarily by electronic transmission, or by physical service in case no means of electronic transmission is available. For regular meetings, the notice shall be sent at least twenty-one (21) days prior to the date of the meeting, while for special meetings, at least one (1) week written notice shall be sent to all stockholders. The notice shall be deemed to have been given at the time when it has been electronically transmitted through any of the means mentioned herein, or in the case of physical service, when delivered personally or deposited in the post office.** **Notice of regular or special meeting shall contain, in addition to the date, hour and place of the meeting, a statement of the matters to be transacted at the meeting, and no business other than that specified in the notice shall be transacted at such meeting. Any stockholder may propose any other matter for inclusion in the agenda at any regular or special stockholders' meeting, subject to reasonable guidelines issued by the Board which are consistent with applicable laws, rules and regulations of the Securities and Exchange Commission, as may be amended from time to time. The notice of the stockholders' meeting shall also set the date, time and place of the validation of proxies, which in no case, shall be less than five (5) business days prior to the stockholders' meeting. The notice shall also contain the procedures to be followed when a stockholder elects to participate and vote**

	he requires notices, information or documents to be given to him in physical paper form.	<u>**through remote communication or *in absentia*.**</u> <u>**The Corporation shall also provide information or documents to all stockholders by electronic transmission. The information or documents shall be deemed delivered upon the transfer or posting by electronic means.**</u> <u>**As used herein, electronic transmission means the delivery or transfer of documents, data or information by electronic mail to the electronic address of the stockholders registered in the books of the Corporation, posting in the Philippine Stock Exchange, posting in the Corporation's website (in the subsections for stockholders' meetings or disclosures of the Governance section), or such other recognized means of electronic transfer of data or information.**</u> <u>**The Corporation shall require all stockholders to provide a valid electronic address for them to receive notices and other information or documents from the Corporation.**</u> <u>**Stockholders preferring to receive physical copies of the notice, information or documents shall make a written request to the Corporation. Upon receipt of the request, the Corporation shall send the notice, information and documents by personal service.**</u> <u>**Notice to any meeting may be waived, expressly or impliedly, including through a stockholder's attendance at a meeting unless the stockholder's presence is for the express purpose of contending that the meeting is not lawfully convened.**</u>
Art. III, Sec. 4	-	xxx xxx xxx <u>**The Corporation may opt to hold fully virtual stockholders' meetings, subject to applicable laws, rules and regulations of the Securities and Exchange Commission, as may be amended from time to time. The virtual meetings shall be conducted in such a way that the stockholder**</u>

		experience will be, to every extent possible, similar to a physical meeting. In any such instance, if stockholders holding at least ten percent (10%) of the outstanding capital stock ask for a physical meeting, the Corporation shall conduct a physical meeting unless prevented by existing rules and regulations. The request shall be made within two (2) weeks from the announcement of the holding of a virtual meeting, which shall be made ahead of the sending out of the Notice of Meeting.
Art. III, Sec. 5	-	xxx xxx xxx **Stockholders casting votes through remote communication or in absentia, electronically or otherwise, shall be deemed present for purposes of determining the existence of a quorum.**
Art. III, Sec. 6	Any stockholder entitled to vote may be represented by proxy at any regular or special stockholders' meetings. Proxies shall be in writing and signed, but no other formality is required.	Any stockholder entitled to vote **may vote in person, through remote communication, in absentia, or be represented by proxy** at any regular or special stockholders' meetings**, subject to compliance with rules and regulations as may be issued by the Securities and Exchange Commission from time to time**. Proxies shall be in writing and signed **and in accordance with existing laws, rules and regulations of the Securities and Exchange Commission. Duly accomplished proxies must be submitted to the Office of the Corporate Secretary not later than seven (7) business days prior to the date of the stockholders' meeting. Validation of proxies shall be conducted at least five (5) business days prior to the date of the stockholders' meeting.**
Art. III, Sec. 8	The election of Directors shall be by ballot and each stockholder entitled to vote may cast the votes to which the number of shares he owns entitles him, for as many persons as are to be elected as Directors, or he may give one candidate as many votes as the number of Directors to be elected multiplied by the number of his shares shall equal, or he may distribute them on the same principle among as many candidates as he may see fit, provided that the whole number of votes cast by him shall not exceed the number of shares owned by him	The election of Directors shall be by ballot and each stockholder entitled to vote may cast the **vote in person, by proxy, through remote communication, or in absentia, electronically or otherwise,** to which the number of shares he owns entitles him, for as many persons as are to be elected as Directors, or he may give one candidate as many votes as the number of Directors to be elected multiplied by the number of his shares shall equal, or he may distribute them on the same principle among as many candidates as he may see fit, provided that

	multiplied by the whole number of Directors to be elected.	the whole number of votes cast by him shall not exceed the number of shares owned by him multiplied by the whole number of Directors to be elected.
Art. III	-	**<u>Section 12 – The Board of Directors shall fix a record date for the purpose of determining the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, or entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, provided that the stock and transfer book shall be closed at least twenty (20) days for regular meetings and seven (7) days for special meetings, before the scheduled date of the meeting.</u>**
Art. IV, Sec. 1	The Board of Directors shall consist of eleven (11) members. Immediately, after their election, they shall meet and shall elect, from among themselves, a Chairman and a Vice-Chairman of the Board of Directors, the Chairman, and at least two (2) other members of the Executive Committee, a Chief Executive Officer, and a President, and they shall likewise appoint a Chief Operating Officer, a Secretary, a Treasurer, and such other officers of the Corporation. The Chairman and the Vice-Chairman of the Board of Directors, the Chairman and other members of the Executive Committee, the Chief Executive Officer, the Chief Operating Officer, the President, the Executive Vice Presidents, the Senior Vice President, the Treasurer, the Asst. Treasurers, and the Secretary and the Asst. Secretaries are officers of the Corporation.	The Board of Directors shall consist of eleven (11) members **<u>who shall be elected individually by the Corporation's stockholders entitled to vote at the annual meeting, and shall hold office for one year and until their successors are elected and qualified in accordance with these By-Laws.</u>** Immediately, after their election, they shall meet and shall elect, from among themselves, a Chairman and a Vice-Chairman of the Board of Directors, the Chairman, and at least two (2) other members of the Executive Committee, a Chief Executive Officer, and a President. **<u>The Corporation shall comply with the requirement to have such number of independent directors as may be required by law, and with the legally prescribed procedures for their nomination and election.</u>**
Art. IV, Sec. 3	No person shall qualify or be eligible for nomination or election to the Board of Directors if he is engaged in any business which competes with or is antagonistic to that of the Corporation. Without limiting the generality of the foregoing, a person shall be deemed to be so engaged: xxx xxx xxx	No person shall qualify or be eligible for nomination or election to the Board of Directors **<u>if he is in possession of any of the grounds for disqualification provided in applicable laws and the rules and regulations of the Securities and Exchange Commission, as may be amended from time to time, or</u>** if he is engaged in any business which competes

	For the proper implementation of this provision, all nominations for election of Directors by the stockholders shall be submitted in writing to the Board as Directors at least thirty (30) business days before the date of the regular meeting.	with or is antagonistic to that of the Corporation. Without limiting the generality of the foregoing, a person shall be deemed to be so engaged: xxx xxx xxx For the proper implementation of this provision, all nominations for election of Directors by the stockholders shall be submitted in writing to the **Corporate Governance and Nomination Committee** at least thirty (30) business days before the date of the regular meeting **of the stockholders**.
Art. IV, Sec. 4	In case any vacancy or vacancies should occur in the Board of Directors during the period between two annual meetings due to death, resignation or other causes, the remaining Directors, if still constituting a quorum, may fill said vacancies by election from among the stockholders, and the stockholders so elected shall act as members of said Board until the new Board of Directors is elected.	**Any vacancy due to expiration of term shall be filled no later than the day of such expiration at the annual stockholders' meeting. For any vacancy arising from removal by the stockholders, the election shall be held on the same meeting if so stated in the agenda and notice of meeting. In all other cases, the vacancy may be filled by at least a majority vote of the remaining directors, if still constituting a quorum; otherwise, the vacancy shall be filled in a special stockholders' meeting called for that purpose, in any instance no later than forty-five (45) days from the time the vacancy occurred. The director so elected shall be referred to as replacement director and act as a member of the said Board only for the unexpired term of his predecessor.** **However, when the remaining directors cannot constitute a quorum and emergency action is required to prevent grave, substantial or irreparable loss or damage to the Corporation, the vacancy may be temporarily filled from among the officers of the Corporation by the unanimous vote of the remaining directors. The designated director's actions shall be limited to any necessary emergency action and his term shall cease within a reasonable time from the termination of the emergency or upon election of the replacement director, whichever comes first.**

Art. IV, Sec. 5	The Board of Directors shall designate the days when it shall meet in session, but it shall meet at least once each quarter. It may be convened in special session by the Chairman or at the request of two (2) directors.	The Board of Directors shall designate the days when it shall meet in **regular** session, but it shall meet at least **six (6) times a year**. It may be convened in special session by the Chairman or at the request of **three (3)** directors.
Art. IV, Sec. 6	A majority of the Directors shall constitute a quorum for the holding of a meeting, and any resolution by a majority of the quorum duly convened in session shall be valid as a corporate act.	**Two-thirds (2/3) of the number of directors as fixed in the articles of incorporation shall constitute a quorum for the transaction of corporate business.** Any resolution by a majority of the quorum duly convened in session shall be valid as a corporate act. **Participation of directors, including voting, at board meetings can be in person, through remote communication, such as videoconferencing, teleconferencing or other alternative modes of communication allowed by the Securities and Exchange Commission. Participation and voting cannot be done by proxy.**
Art. IV, Sec. 9	xxx xxx xxx The compensation and remuneration committee of the Board of Directors shall have the responsibility for recommending to the Board of Directors the fees and other compensation for directors. In discharging this duty, the committee shall be guided by the objective of ensuring that the level of compensation should fairly pay directors for work required in a company of the Corporation's size and scope.	xxx xxx xxx The **Personnel and Compensation C**ommittee of the Board of Directors shall have the responsibility for recommending to the Board of Directors the fees and other compensation for directors. In discharging this duty, the **C**ommittee shall be guided by the objective of ensuring that the level of compensation should fairly pay directors for work required in a company of the Corporation's size and scope. **No director shall be involved in deciding his own remuneration during his incumbent term.**
-	-	**Section 10 – The Chairman of the Board shall have the following powers:** **a. To preside at all stockholders' meetings and meetings of the Board of Directors;** **b. To cast the deciding vote in case of a tie in the stockholders' meetings or in the Board meetings; and** **c. To exercise such other powers which are given him by these By-Laws.** **In the absence of the Chairman, the Vice Chairman shall automatically take his**

		<u>place as Acting Chairman of the Board of Directors.</u>
-	-	**<u>Section 11 - Directors with interest, potential or otherwise, in any related party transaction shall timely and fully disclose any and all material facts and abstain from deliberations on and approval of the same without prejudice to compliance with the requirements of the law and the rules and regulations of the Securities and Exchange Commission, as may be amended from time to time. Material related party contracts, as defined in applicable laws, rules and regulations of the Securities and Exchange Commission, shall be approved by at least two-thirds (2/3) of all the directors, including at least a majority of the independent directors.</u>**
Art. VI, Sec. 1	The Chairman of the Board shall, when present, preside at all meetings of the Board of Directors and shall render advice and counsel to the President.	**<u>The Chief Executive Officer (CEO), the Chief Operating Officer (COO), the President, the Executive Vice Presidents, the Senior Vice President, the Treasurer, the Asst. Treasurers, the Secretary, the Asst. Secretaries and the Compliance Officer are officers of the Corporation, all of whom shall be elected by the Board of Directors.</u>** **<u>The election of these officers shall require the vote of a majority of all the members of the Board of Directors.</u>**
Art. VI, Sec. 8	-	**<u>The Compliance Officer shall ensure compliance by the Corporation, its directors and officers with applicable laws, rules and regulations, and governance issuances of regulatory agencies, proper onboarding of new directors, identification and appropriate resolution of any compliance issues, and the integrity and accuracy of all documentary submissions to regulators, and perform all other duties which may be assigned to him by the Board of Directors.</u>**
Art. VIII, Sec. 1	xxx xxx xxx	xxx xxx xxx **<u>Cash dividend payouts shall be done through electronic means such as direct bank transfer, transfer to an electronic wallet account and the like as may be</u>**

		<u>**decided by the Board of Directors. The Corporation shall request stockholders to provide the account details where the dividend payout shall be transferred or remitted to. Stockholders who fail to provide account details shall receive their dividend payout by check, which will be available for pick-up at a designated office as announced in the Corporation's website and in regulatory disclosures.**</u>
-	-	<u>**ARTICLE IX**</u> <u>**ARBITRATION**</u> <u>**Section 1 – Any dispute, controversy or claim between the Corporation and its stockholders arising from, relating to, or in connection with the implementation of the articles of incorporation or by-laws, or from intra-corporate relations, except those involving criminal offenses and interests of third parties, may be referred to and resolved by arbitration in accordance with prevailing Philippine Dispute Resolution Center, Inc. (PDRCI) Arbitration Rules and Securities and Exchange Commission Rules and Regulations.**</u> <u>**Section 2 – The number of arbitrators shall be three (3) appointed by the Philippine Dispute Resolution Center, Inc. (PDRCI) and the place of arbitration shall be in Metro Manila, Philippines. The language to be used for the arbitral proceedings shall be English.**</u> <u>**Section 3 – The parties shall be bound by the award rendered by the Arbitral Tribunal and confirmed by the appropriate Regional Trial Court. Arbitration shall not be available for disputes involving claims in excess of One Million Pesos (Php1,000,000.00) or involving the determination of the fair valuation of shares in appraisal proceedings.**</u>