

GlobalWafers Co., Ltd.

Corporate Social Responsibility

Evaluation Item	Implementation Status			Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	NO	Abstract Explanation	
1. Corporate Governance Implementation				None
(1) Does the company declare its corporate social responsibility policy and examine the results of the implementation	V		(1) The Company has established “Corporate Social Responsibility Best Practice Principles”, including social responsibilities, environmental protection, health and safety..., and continuously to execute.	
(2) Does the company provide educational training on corporate social responsibility on a regular basis?	V		(2) The Company carries out regular trainings sessions in consistence with its employees’ needs every year. Training courses include laws, management, communication, professional ethics, labor safety and environment protection, and advocates CSR policies.	
(3) Does the company establish exclusively (or concurrently) dedicated first-line managers authorized by the board to be in charge of proposing the corporate social responsibility policies and reporting to the	V		(3) We have established the Sustainable Development Committee (SDC) and designated chairperson as committee leader with members from all relevant departments to legislate relevant policies and strategies, such as environmental protection, corporate	

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<p>board?</p> <p>(4) Does the company declare a reasonable salary remuneration policy, and integrate the employee performance appraisal system with its corporate social responsibility policy, as well as establish an effective reward and disciplinary system?</p>	V		<p>service and social responsibility. Regular examination and continuous improvement are performed, chairperson reports implementation status and performance to Board of Directors in an effort to pursuit corporate sustainable development and social responsibility.</p> <p>(4) The Company declares a reasonable salary remuneration policy, and integrates the employee performance appraisal system in compliance with Labor Act with reference of rivals in same industries.</p>	
<p>2. Sustainable Environment Development</p> <p>(1) Does the company endeavor to utilize all resources more efficiently and use renewable materials which have low impact on the environment?</p> <p>(2) Does the company establish proper environmental management systems based on the characteristics of their</p>	<p>V</p> <p>V</p>		<p>(1) The Company endeavors to escalate utilization of all resources and recycle scrapes so as to use materials more efficiently.</p> <p>(2) The Company is certified by ISO 14001:2015 and OHSAS 18001:2007. Via advocacy and execution on environmental protection, training courses, internal</p>	None

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industries? (3) Does the company monitor the impact of climate change on its operations and conduct greenhouse gas inspections, as well as establish company strategies for energy conservation and carbon reduction?	V		<p>carbon reduction and establishment of labor safety department to execute relevant measures.</p> <p>(3) The Company has implemented all kinds of energy-saving measures to reduce operational impact to natural sources. Apart from energy-monitoring over manufacturing process, garbage recycle, we also incept carbon and greenhouse gas reduction into operational mindset for sustainable development. In 2017, we are certified with ISO 50001:2011, ISO 14064:2006, ISO 14046:2014 and Green Plant evaluation, and fairly examined by third party.</p> <p>Green House Gas Exhaustion :</p> <p style="text-align: right;">Unit: CO2e ton/year</p> <table><tr><td>2015</td><td>2016</td><td>2017</td></tr><tr><td>10,990</td><td>10,464</td><td>12,108</td></tr></table> <p>Our main green house gas exhaustion is electricity, which is our top priority for energy saving and efficiency improvement. Through environment management system and implementation of all correction measures (air-conditioning, cooling water, LED) we strive to</p>	2015	2016	2017	10,990	10,464	12,108	
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			<p>achieve green production. Our total electricity usage target is to reduce 1% in 2017~2018, which is 195,779 Kwh/year. Converted in the basis of 0.529 (2016 electricity discharge coefficient), we lowered green house gas exhaustion by 103,567 CO2e/Wh °</p> <p>We save water by recycle polishing and LTO cleaning water, 548CMD is saved according to our estimation.</p>	
<p>3. Preserving Public Welfare</p> <p>(1) Does the company formulate appropriate management policies and procedures according to relevant regulations and the International Bill of Human Rights?</p>	V		<p>(1) GWC not only complies with local regulations to formulate working regulations and personnel management policy, but also legislates “Employment Code” with reference of internationally-recognized the United Nations Universal Declaration on Human Rights to avoid discrimination and protection of human rights. The Company complies with Labor Standards Act to define working hours, recess, holidays, pension, labor and health insurance, occupational hazard compensation.</p>	None
<p>(2) Has the company set up an employee hotline or grievance mechanism to handle complaints with appropriate solutions?</p>	V		<p>(2) We offer an Employee Relations Email and Mail Box that provide a channel for employees to express their</p>	

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<p>(3) Does the company provide a healthy and safe working environment and organize training on health and safety for its employees on a regular basis?</p> <p>(4) Does the company set up a communication channel with employees on a regular basis, as well as reasonably inform employees of any significant changes in operations that may have an impact on them?</p> <p>(5) Does the company provide its employees with career development and training sessions?</p>	<p>V</p> <p>V</p> <p>V</p>		<p>opinions. HR department ensure all cases are handled with care and Labor-Management Meeting are convened periodically.</p> <p>(3) The Company dedicates to provide healthy and safe working environment for all employees. We perform periodic facility and health examination for all staffs, and the Company is certified by ISO 14001:2015 and OHSAS 18001:2007.</p> <p>(4) Continuous efforts are made to reinforce mutual and timely employee communications, based on multiple channels and platforms (Ex: Labor-Management Meeting, Welfare Committee), which, in turn, fosters harmonious labor relations and creates a win-win situation for the Company and its employees.</p> <p>(5) The Company provides various training courses and employees are encouraged to participate external curriculums to strength professional skills and</p>	

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(6) Does the company establish any consumer protection mechanisms and appealing procedures regarding research development, purchasing, producing, operating and service?	V		competitiveness. (6) The Company constructs smooth communication channel with clients to provide transparent and efficient customer service by legislating and strictly following “Customer Complaint Procedure”	
(7) Does the company advertise and label its goods and services according to relevant regulations and international standards?	V		(7) The Company advertises and labels its goods and services according to relevant regulations and international standards in this industry.	
(8) Does the company evaluate the records of suppliers’ impact on the environment and society before taking on business partnerships?	V		(8) The Company has “Procedure of Supplier Management and Evaluation” for periodic and random audit on our suppliers.	
(9) Do the contracts between the company and its major suppliers include termination clauses which come into force once the suppliers breach the corporate social responsibility policy and cause appreciable	V		(9) The Company signs “Ethical Corporate Management Best Practice Principles” with our suppliers. The	

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impact on the environment and society?			Company may terminate contracts if the supplier violates social responsibility and causes adverse impact on environment and the society	
4. Enhancing Information Disclosure Does the company disclose relevant and reliable information regarding its corporate social responsibility on its website and the Market Observation Post System (MOPS)?	V		The Company has set up corporate website to disclose relevant and reliable CSR information.	None
5. If the Company has established the corporate social responsibility principles based on “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies”, please describe any discrepancy between the Principles and their implementation: The Company has established the corporate social responsibility principles based on “the Corporate Social Responsibility Best-Practice Principles and dedicates to realize the actual practice.				
1. Other important information to facilitate better understanding of the company’s corporate social responsibility practices : (1) Environmental Protection Apart from energy-monitoring over manufacturing process, the Company also endeavors to recycle garbage, advocate and invest carbon-reduction equipments. (2) 2017 Charity Events 1. Dream Come True Program- donate 93 presents to children in remote elementary schools. 2. Purchase 204 moon cake sets and donate to 7 charity institutions				

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3. Hold regular blood donation activities, total 48,750 cc blood are donated. 4.Sponsor NTD10,000 for Garden Party of Taiwan Fund for Children and Families				
(3) Customer Rights The Company regulates “Customer Complaint Procedure” and also signs supply contracts and quality contract with clients to guarantee customer rights.				
(4) Human Rights The Company emphasizes on human rights, same work rights are applied to everyone no matter races, gender, age; we also provides opportunity for individual opinion and development and respects personal dignity.				
(5) Safety/Hygiene Our goal is zero pollution. We dedicate in safety policy realization and improve manufacturing situation. We improve safety and hygiene via all employees’ efforts.				
(6) Employee Care: The Company provides annual health examination for employees. Via the examination, employees under and care health. The Company sets alarm and periodically evaluates working environment so as to maintain safe and monitor hazardous factors.				
7. A clear statement shall be made below if the corporate social responsibility reports were verified by external certification institutions: The Company is writing 2017 corporate social responsibility report, which will be verified by DNV-GL. CSR report will be uploaded to corporate website when available.				