

GlobalWafers Co., Ltd.

Status of Corporate Social Responsibility Implementation

Evaluation Item	Implementation Status			Deviation from Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies and causes thereof
	Yes	No	Abstract Explanation	
I. Whether the company conducts business operations in accordance with the principle of materiality risk assessment of environmental, social and corporate governance issues, and formulate relevant risk management policies or strategies?	V		<p>The company legislates "Risk Management Policy" and "Risk Management Measures" and approved by the Board of Directors.</p> <p>The President's office coordinates the advocacy and implementation of the risk management plan, and has designated departments responsible for advocating the risk management of its subordinate business. It assesses risks regularly and reports the implementation to the board of directors once a year. The scope of risk management includes hazard risk, operational risk, financial risk, strategic risk, compliance risk/contract risk, other risks, etc. Through the risk management process (including risk identification, risk</p>	No significant difference

Evaluation Item	Implementation Status			Deviation from Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies and causes thereof
	Yes	No	Abstract Explanation	
			<p>measurement, risk monitoring, risk reporting and disclosure, risk response), GWC effectively implements the company's risk management strategy.</p> <p>In response to international trends, the Company's "Corporate Sustainable Development Committee" also conducts risk assessments on environmental, social, corporate governance, and climate change issues related to the company's operations and formulate corresponding risk management strategies based on materiality principles. For detailed risk assessment and management strategy information, please refer to the "Chapter Two, Governance and Operations" of the company's CSR report.</p>	
II. Whether the Company establishes a unit dedicated to (concurrently engaged in) promoting corporate social responsibility under supervision by the high-rank management authorized by the Board	V		The Company has established the "Corporate Sustainable Development Committee". The Chairperson acts as the Committee chairperson and various functional organizations delegate their representatives to act as the Committee	No significant difference

Evaluation Item	Implementation Status			Deviation from Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies and causes thereof
	Yes	No	Abstract Explanation	
of Directors who shall be responsible for reporting the status thereof to the Board of Directors?			members. The Company also establishes the ESG (environment, society and corporate governance)-related policies and development strategies and review the effect of implementation thereof to pursue improvement continuously. The Committee chairperson will report the status and performance of the implementation to the Board of Directors each year to pursue corporate sustainability and fulfill corporate social responsibility.	
III. Environmental issues (i) Whether the Company establishes an appropriate environmental management system which suits its industrial characteristics?	V		(I) The company upholds the corporate social responsibility and aims to take care of environmental protection while serving customers, and provide a better and safer working environment. The implementation of ESH through the "compliance with laws and regulations, environmental protection, hazard prevention, continuous improvement, all staff awareness" policy. The company	No significant difference

Evaluation Item	Implementation Status			Deviation from Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies and causes thereof
	Yes	No	Abstract Explanation	
(ii) Whether the Company is committed to improving the utilization efficiency of various resources and using recycled materials with low impact on environmental?	V V		<p>has obtained environmental management system (ISO 14001: 2015), energy management system (ISO 50001: 2011), and occupational safety and health management system (ISO 45001: 2018) certifications, meanwhile, the company is responsible for boosting and execution of environmental protection problems, safety and health affairs for environmental management by promoting the environmental protection concept, strengthening the educational training, saving energy and reducing carbon internally, fulfilling the environmental management policies and establishing the unit dedicated to managing labor safety and health affairs.</p> <p>(II) Through the promotion of ISO 14001 environmental management system, the company introduces the concept of product life cycle to reduce the consumption of raw materials and waste output. Each plant uses</p>	

Evaluation Item	Implementation Status			Deviation from Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies and causes thereof
	Yes	No	Abstract Explanation	
(iii) Whether the Company assesses the potential risks and opportunities of climate change to the company now and in the future, and take measures to deal with climate-related issues?	V		<p>different recycled raw materials as many as possible according to the process characteristics. By recycle or reuse of polysilicon, slurry(carrier), product packaging cartons and crystal boat we effectively reduce the new purchase quantity, waste output, and improve the efficiency of various resources. Please refer to "Chapter 4, Sustainable Environment" of the company's corporate social responsibility report for information on the reuse of various resources.</p> <p>(III) The company follows the framework recommended by The Task Force on Climate-Related Financial Disclosures (TCFD) published by the Financial Stability Board (FSB) to expose information related to climate change and identify climate change to the company Potential risks and opportunities, as well as related countermeasures and objectives. For related information, please refer to</p>	

Evaluation Item	Implementation Status			Deviation from Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies and causes thereof
	Yes	No	Abstract Explanation	
(iv) Whether the company counts greenhouse gas emissions, water consumption and total weight of waste in the past two years, and formulate policies for energy, carbon, greenhouse gas and water use reduction, or other waste management?	V		<p>the company's corporate social responsibility report "Chapter 2, Governance and Operations"</p> <p>(IV) The company promotes various energy-saving measures to minimize operating activities side effects, and reduces the operational impact on the natural environment. The company has established an energy management system (ISO 50001: 2011) for energy saving and carbon reduction projects, a greenhouse gas inventory (ISO 14064: 2006) for greenhouse gas reduction projects, and a product water footprint verification (ISO 14046: 2014) for water reduction projects, all these projects, together with the clean production assessment, have been verified by an independent third-party unit. The company passed the "Green Building" certification by the Ministry of the Interior in January, 2019, and was awarded the "Golden medal of Green Building" in March of the same year, and</p>	

Evaluation Item	Implementation Status			Deviation from Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies and causes thereof
	Yes	No	Abstract Explanation	
			<p>certified with the "Green Factory" issued by the Bureau of Industry in October 2019.</p> <p>The company conducts annual tracking of greenhouse gas emissions, total water consumption, recycle and reuse of water, waste disposal, and the use of recycled raw materials. For relevant information, please refer to the company's corporate social responsibility report-Chapter 4, Continued environment "</p> <p>The company's policies and annual goals for energy saving and carbon reduction, greenhouse gas reduction, water consumption or other waste management are as follows:</p> <p>(1) Energy resource consumption and reduction of greenhouse gas emissions: The Company's main source of greenhouse gas emissions is electricity. Therefore, the reduction of electricity use and the</p>	

Evaluation Item	Implementation Status			Deviation from Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies and causes thereof
	Yes	No	Abstract Explanation	
			<p>improvement of energy efficiency are the company's top priorities. In Taiwan, the company introduces the ISO 50001 energy management system to monitor and measure major energy-using equipment, and proposes action improvement plans, regularly tracks the performance of improvement measures, and internally promotes energy reduction to achieve continuous improvement to achieve energy saving and carbon reduction.</p> <p>→2020 annual goal:</p> <p>annual power saving rate of each plant > 1%; reduction of greenhouse gas emissions > 1%</p> <p>(2) Reducing water consumption: The Company's Taiwan water-saving measures management process is mainly divided into factory management</p>	

Evaluation Item	Implementation Status			Deviation from Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies and causes thereof
	Yes	No	Abstract Explanation	
			<p>systems and process equipment for sub-item management, continuously improving the efficiency of the process wastewater recovery system, and regularly holds internal water-saving discussion and improvement meetings and promotes water conservation.</p> <p>→2020 annual goal: to improve water recycle</p> <p>(3) Waste management: The company focuses on waste management, from process improvement and source reduction, to reduce the output of waste (including air pollution emissions), and to recycle, and reuse to reduce new purchases as well as waste.</p> <p>→ 2020 Annual goal: waste output reduction> 2%</p> <p>(4) Pollution prevention and control: The Company promotes green products and green production.</p>	

Evaluation Item	Implementation Status			Deviation from Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies and causes thereof
	Yes	No	Abstract Explanation	
			<p>From process design and technology upgrade the Company reduces the consumption of raw materials, which not only reduces pollution emissions from the beginning, but also reduces operating costs and resource consumption, as well as impact to the environment.</p> <p>→2020 Annual goal: Abnormal events that need to notify the competent authority ≤ 1</p>	
<p>IV. Society issues</p> <p>(i) Whether the Company establishes the related management policies and procedures in accordance with the relevant laws and international human rights conventions?</p>	V		<p>(II) The Company follows the United Nations conventions such as “the Universal Declaration of Human Rights”, “the International Covenant on Economic, Social and Cultural Rights”, “the Global Covenant”, “the International Labour Organization Convention”, “the Convention on the Elimination of All Forms of Discrimination against Women”, and other human</p>	No significant difference

Evaluation Item	Implementation Status			Deviation from Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies and causes thereof
	Yes	No	Abstract Explanation	
			<p>rights safeguards, and “Employment Service Act” to establish the "Personnel Appointment Method", which expressly prohibits child labor and related remedies; any illegal discrimination is strictly prohibited, including race, class, language, thought, religion, partisanship, birthplace, place of birth, color, age, gender, sexual orientation, marriage, appearance, facial features, nationality, disability, pregnancy, union membership, masked veteran status, etc. discriminate against employees in recruitment and actual work.</p> <p>The Company operates in various countries and complies with all local labor laws and regulations, including anti-human trafficking and anti-slavery laws. The Company implements safe working conditions and will never tolerate any modern slavery behavior; insists that all business transactions, business relations, supply</p>	

Evaluation Item	Implementation Status			Deviation from Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies and causes thereof
	Yes	No	Abstract Explanation	
			<p>chain activities, personnel recruitment and appointment are in line with ethical standards, and integrity is the priority, and implement relevant training courses for all employees to strengthen employees' human rights awareness.</p> <p>The basic wages, working hours, vacations, pension benefits, labor and health insurance benefits, and occupational disaster compensation of the company's employees are in compliance with the relevant provisions of the Labor Standards Act. Employee Welfare Committee was established and operates to handle various welfare matters through committee members elected by employees. Regularly hold labor-management meetings to understand the ideas of both parties to achieve a win-win situation for labor and management.</p>	

Evaluation Item	Implementation Status			Deviation from Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies and causes thereof
	Yes	No	Abstract Explanation	
(II) Whether the Company legislates and implement reasonable employee welfare measures (including compensation, vacations and other benefits), and appropriately reflect operating performance or results in employee compensation?	V		(II) The company formulates attendance measures in accordance with the Labor Standards Act, which sets out the employees 'right to leave. In addition to the general benefits such as labor insurance, health insurance, group insurance, and pension benefits, the Company 's benefits include the annual bonus, birthday and festival gifts, hosting year-end parties, wedding and funeral celebrations, domestic and foreign tourism, emergency relief, scholarship subsidies, maternity subsidies, group meals, and complete education and training seminars. According to the company's Articles of Association, the company makes annual compensation for employee compensation, and according to the company's "Employee Compensation Distribution Method" procedure, according to	

Evaluation Item	Implementation Status			Deviation from Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies and causes thereof
	Yes	No	Abstract Explanation	
(III) Whether the Company provides its employees with a safe and healthy work environment, and regularly implements employee safety and health education measures?	V		<p>employee performance and fair distribution, the operating performance or results will be appropriately reflected in employee compensation.</p> <p>(III) The Company provides a comfortable, safe and healthy working environment. It also conducts inspections on the working environment on a regular basis, and annually organizes employee health checks as well as training on health and safety for its employees. In addition, the Company has acquired certifications including the ISO 14001:2015 and ISO 45001 : 2018 for occupational safety and health management systems.</p>	
(IV) Whether the Company establishes some effective career development training plan for employees?	V		<p>(IV) The Company has provided employees with diversified career development and training sessions, in order to improve their professional skills and competitiveness. The Company's training unit has set up an annual training plan at the beginning of the year according to</p>	

Evaluation Item	Implementation Status			Deviation from Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies and causes thereof
	Yes	No	Abstract Explanation	
(V) With regard to customer health and safety, customer privacy, marketing and labeling of products and services, has the company followed relevant regulations and international standards, and formulated relevant consumer protection policies and appeal procedures?	V		<p>vocational training needs proposed by each unit, which shall be implemented with follow-up review on the implementation status in each quarter, and the manager shall conduct a training evaluation of the employee at the end of the year. Each employee of the Company shall have at least 24 hours of training hours per year.</p> <p>(V) The company follows the relevant laws and regulations of the industry on customer health and safety, customer privacy, marketing and labeling of products and services, and has Legal Compliance department to ensure compliance with relevant laws and regulations. There is a confidentiality agreement between the company and major customers to protect the privacy and confidential information of both parties. At the same time, the Company also signs and abides by the</p>	

Evaluation Item	Implementation Status			Deviation from Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies and causes thereof
	Yes	No	Abstract Explanation	
(VI) Whether the company formulates supplier management policies that require suppliers to follow relevant regulations on environmental protection, occupational safety and health or labor human rights, and their implementation?	V		<p>factory operation specifications required by customers to maintain health and safety. The Company has customer complaint handling procedures, maintains good communication channels with customers, and provides transparent and effective customer complaint handling procedures for products and services.</p> <p>(VI) The Company has a "supplier evaluation management process", including written evaluation, on-site evaluation, monthly evaluation, process monitoring, qualification evaluation, continuous evaluation and counseling, etc., and regularly or irregularly audit suppliers, and conducts an annual evaluation mechanism as a performance evaluation. The Company requires suppliers to sign the "Supplier Code of Conduct and Supplier Commitment", requiring suppliers to abide by relevant regulations in terms of anti-bribery and</p>	

Evaluation Item	Implementation Status			Deviation from Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies and causes thereof
	Yes	No	Abstract Explanation	
			corruption, social and environmental responsibility, conflict-free minerals, compliance with trade laws, and no infringement. The "Purchase Order" also requires suppliers to comply with relevant policies and regulations on environmental protection and occupational safety and health, intellectual property rights, and labor human rights.	
V. Whether the Company refers to internationally accepted report preparation standards or guidelines to prepare corporate social responsibility reports that disclose the Company's non-financial information? Does the referred report is verified or certified by the third-party verification unit?	V		The Company refers to Global Reporting Initiative (GRI) issued by the "sustainability reporting standards" and "Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Corporate Social Responsibility Reports by TWSE Listed Companies " for the preparation of corporate social responsibility report. The Company's 2019 corporate social responsibility report was inspected by DNV-GL in accordance with the GRI Standards. The 2019 corporate social responsibility report and the verification	No significant difference

Evaluation Item	Implementation Status			Deviation from Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies and causes thereof
	Yes	No	Abstract Explanation	
			statement of the certification body were disclosed on the company's "Interested Party Section" and MOPS.	
<p>VI. 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 Best-Practice Principles” and devoted to promote the corporate social responsibilities, which has no significant difference with the Rules.</p>				
<p>VII. Other important information to facilitate better understanding of the company’s corporate social responsibility practices:</p> <ol style="list-style-type: none"> 1. Environmental protection: It is everyone's responsibility to promote environmentally friendly and low-carbon activities. Therefore, in addition to improving the process of energy conservation and control, the Company actively implements waste separation and resource recycling, promotes energy conservation and carbon reduction, and invests in equipment related to energy conservation and emissions reduction. 2. Social welfare: Social welfare activities participated by the Company in 2019 include : <ol style="list-style-type: none"> (1) Autumn Festival donation to Hsinchu Good Life Nursery School , Hsinchu Hsiangyuan Education Center, Hsinchu Xiangyuan Education Center and Huakuang Intelligent Development Center for a total of NT \$ 58,000. (2) Participate in the 2019 Food Drive event and donate Xiuluan Elementary School in Hsinchu and Chiayi Elementary School for a total of NTD 275,550. (3) To send warmth to the winter in the rural areas, donate a batch of materials to Shi Lei Elementary School, totaling about NT \$ 57,600 (4) Sponsoring theTaiwan Fund for Children and Families-2019 Winter Kindness garden party, NT \$ 20,000, purchase of garden party coupons and 				

Evaluation Item	Implementation Status			Deviation from Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies and causes thereof
	Yes	No	Abstract Explanation	
<p>donation of second-hand materials.</p> <p>(5) Participate in the subscription of the New Year dishes of the Huashan Social Welfare Foundation in Hsinchu, totaling NT \$ 123,300</p> <p>(6) Regular blood donation activities, totaling 139,750cc.</p> <p>3. Consumer rights: For customers, the Company has internally established the “Customer Complaint Management Procedure” to provide customers with a channel to express their complaints, and externally signed contracts such as supply contracts and quality contracts with its customers, in order to fully ensure customer's rights and interests.</p> <p>4. Human rights: : The Company was awarded the "Excellent Award for Promoting Workplace Equalization in the Workplace" by the Hsinchu Science Park in 2019. The Company has been dedicated to promote equality in the workplace, regardless of race, gender, and age, everyone has the same right to work. The Company provides individuals with free expression and development opportunities to achieve respect for personal dignity.</p> <p>5. Safety and health: The Company devoted its efforts to promote safety and health policy, continuously improve the production process and working environment in the aim of achieving zero disasters, and continue to improve occupational safety and health performance through joint efforts of all its employees.</p> <p>6. Employee Health Care: The Company conducts health checkups on a regular basis for employees to understand their health status in order to protect and improve their health. In addition to setting up detection and alarm equipment at appropriate locations, the Company also regularly conducts operating environment testing as a basis for improving the workplace environment, in order to control the physical working environment of employees and evaluate the exposure of hazardous factors.</p>				