

# GlobalWafers Co., Ltd.

## Status of Corporate Social Responsibility Implementation

Evaluation Item	Status			Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
I. Does the Company follow materiality principle to conduct risk assessment for environmental, social and corporate governance topics related to company operation, and establish risk management related policy or strategy?	V		<p>The Company has the "Risk Management Procedures" and "Risk Management Policies" approved by the Board of Directors. The President's Office coordinates the promotion and operation of the risk management plan, and various departments responsible for promoting the risk management for their own business. The annual risk assessment is conducted and the operation is report to the Board of Directors. The scope of risk management includes hazard risk, operational risk, financial risk, strategic risk, compliance risk/contract risk, and other risks. Through the effective implementation of risk management processes (including risk identification, risk measurement, risk monitoring, risk reporting and disclosure, and risk response), the Company's risk management strategy is realized.</p> <p>In response to international development trends, the company's "Corporate Sustainability Committee" also conducts risk assessments on environmental, social, corporate governance, climate change and other issues related to company operations based on the principle of materiality, and sets corresponding risks management strategy. For the detailed risk assessment and management strategy information, please refer to the Company's Corporate Social Responsibility Report "Chapter Two, Governance and Operation."</p>	No significant difference
II. Does the Company have a dedicated (or ad-hoc) CSR organization with Board of Directors authorization for senior management, which reports to the Board of Directors?	V		<p>The Company has established the “Corporate Sustainability Committee”. The Chairman of Board acts as the Committee chairman, and various functional organizations delegate their representatives to act as the Committee 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 chairman 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.</p>	No significant difference

Evaluation Item	Status			Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
<p>III. Environmental Topic</p> <p>(I) Has the Company set an environmental management system designed to industry characteristics?</p>	V		<p>(I) The Company insists the corporate social responsibility, seeks to take into account environmental protection while serving customers, and to provide a better and safer working environment; through commitments such as "compliance with laws and regulations, environmental protection, hazard prevention, continuous improvement, and awareness of all employees," the environmental safety and health policies are implemented. The Company has passed the certification of environmental management system (ISO 14001:2015), energy management system (ISO 50001:2018), and occupational safety and healthy management system (ISO 45001:2018). 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 occupational safety and health affairs.</p>	No significant difference
<p>(II) Does the company endeavor to utilize all resources more efficiently and use renewable materials which have low impact on the environment?</p>	V		<p>(II) Through the promotion of the ISO 14001 environment management system, the Company introduces the concept of product life cycle to reduce the consumption of raw materials and waste output. Depending on the characteristics of the process, the Company uses recycled raw materials as much as possible, and by recycling silicon raw materials, cutting fluid (carrier), product packaging cartons and wafer boxes, it effectively reduces new purchases, lower waste output, and improve the efficiency of utilization of various resources. For information on the reuse of various resources, please refer to the "Chapter Four, Sustainable Environment" of the Company's Corporate Social Responsibility Report.</p>	
<p>(III) Does the Company evaluate current and future climate change potential risks and opportunities and take measures related to climate related topics?</p>	V		<p>(III) The Company follows the structure recommended in The Task Force on Climate-Related Financial Disclosures (TCFD) announced by the Financial Stability Board (FSB), to disclose information about climate change,</p>	

Evaluation Item	Status			Deviations from "the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
(IV) Does the Company collect data for greenhouse gas emissions, water usage and waste quantity in the past two years, and set energy conservation, greenhouse gas emissions reduction, water usage reduction and other waste management policies?			<p>identify potential risks and opportunities of climate change to the Company's operations, as well as related response measures and goals. For relevant information, please refer to the Company's Corporate Social Responsibility Report "Chapter Two, Governance and Operation."</p> <p>(IV) The Company boosts various energy-saving measures subject to the effect produced by operating activities, in order to mitigate the impact posed by the Company's operation to the natural environment. The Company established the energy management system (ISO 50001:2018) for the energy saving and carbon reduction and the greenhouse gas inspection (ISO 14064:2018) for greenhouse gas reduction, conducted the water footprint assessment (ISO 14046:2014) for reduction of water consumption and assessed the clean production. All of said operations passed the certification by a third party contracted by the Company. The Company inventories and tracks greenhouse gas emissions, total water consumption, recycled water volume, waste treatment volume, and use of recycled raw materials every year. For relevant inventory information, please refer to the Company's Corporate Social Responsibility Report Chapter Four, Sustainable Environment."</p> <p>The Company's policies and annual targets for energy saving and carbon reduction, greenhouse gas reduction, water reduction or other waste management are as follows:</p> <p>(1) Consumption of energy and resources and GHS emission reduction: the main source of greenhouse gas emissions of the Company is electricity. Therefore, the reduction of electricity use and the improvement of energy efficiency are the top priorities of the Company at present. In Taiwan, through the introduction of ISO 50001 energy management system, the Company monitors and measures significant energy utilization equipment, proposes improvement action plan and conduct regular tracking on performance of improvement measures, as well as promotion energy saving internally, in order to achieve the goals of continued improvement, energy saving and carbon reduction.</p>	

Evaluation Item	Status			Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
			<p>→The management target for 2021: reduction of unit energy consumption of electricity <math>\geq 1\%</math>; reduction of unit emission of greenhouse gas <math>\geq 1\%</math></p> <p>(2) Reduce water consumption: The Company's water-saving measures management process in Taiwan is mainly divided into plant system and process equipment for itemized management. It is continuously improving the efficiency of the process wastewater recycling system, and regularly holding internal water-saving discussion and improvement meetings and promoting water-saving.</p> <p>→2021 annual management target: water consumption unit reduction <math>\geq 1\%</math></p> <p>(3) Waste management: The Company values waste management, from process improvement and source reduction to reduce the output of waste (including air pollution source emissions), and recycles and reuses in the plants, to reduce the volume of newly purchased raw materials, while reducing the generation of waste.</p> <p>→The management goal for 2021: waste management (recycling and reusing treatment accounted for the total waste volume) cumulatively increased to 80%</p> <p>(4) Pollution prevention: The Company aggressively promote green product and green production, and reduce raw material consumption through manufacturing process and technology enhancement. We not only reduce pollution discharge at the source, we also lower operation costs, reduce resource consumption and mitigate impact to environment.</p> <p>→The management target for 2021: <math>\leq 1</math> of abnormal events reported to the competent authorities</p>	
IV. IV. Social Topic (I) Whether the Company establishes the related management policies and procedures in accordance with the relevant laws and international human rights	V		(I) The Company complies with all human rights disclosed by the United Nation conventions, such as the Universal Declaration of Human Rights, the International Covenant on Economic, Social and Cultural Rights, the	No significant difference

Evaluation Item	Status			Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
<p>conventions?</p> <p>(II) Has the Company established appropriately managed employee welfare measures (include salary and compensation, leave and others), and link operational performance or achievements with employee salary and compensation?</p>	V		<p>Global Compact, the International Labor Convention, the Convention on the Elimination of All Forms of Discrimination against Women, and the Employment Services Act, the Company has formulated personnel appointment methods, clearly expressed the prohibition of child labour and related remedial measures; and strictly prohibited any illegal discrimination of employees, including race, class, language, thought, religion, party, native place, place of birth, skin color, age, gender, sexual orientation, marriage, appearance, facial features, nationality, disability, pregnancy, trade union membership, and concealed veteran status in recruitment and actual work.</p> <p>The operation activities in respective countries comply with all local labor laws which include various acts preventing human trafficking and slavery systems. The Company implements safe working conditions, and will never tolerate any modern slavery, and insists that all commercial transactions, business relations, supply chain activities, personnel recruitment and appointment comply with ethical standards, with integrity as the top priority. It also provides relevant training courses for all employees to strengthen their awareness of human rights.</p> <p>The basic wages, working hours, vacations, pension payments, labor health insurance payments and occupational hazard compensation of employees in the Company comply with the relevant provisions of the Labor Standard Law. It has established the Staff Benefit Committee to handle various welfare matters through the Welfare Committee elected by the staffs. It regularly holds labor meetings to understand the ideas of both sides, in order to achieve a win-win situation.</p> <p>(II) The Company establishes the procedures of attendance, specifies the paid leaves entitled by employees. All employees of the Company are entitled to labor insurance, health insurance, group insurance, pension contribution and other fringe benefits. The fringe benefits include year-end bonus, gifts for birthday and festivities, year-end banquet, subsidies for matrimony, bereavement, and other celebration, tourist</p>	

Evaluation Item	Status			Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
(III) Whether the Company provides its employees with a safe and healthy work environment, and regularly implements employee safety and health education measures?	V		traveling in home country and abroad, emergency relief fund, scholarship, paternal subsidy, meals, stock offering for the employees, and complete set of education and training. In addition, employee welfare plans has been set up, and an internal team is formed to continuously plan and improve overall employee welfare. The Company fairly decides and distributes employees’ remunerations from the annual profit based on the percentage set for in the Articles of Incorporation, and the performance of individual employee pursuant to the “Employee Remuneration Distribution Procedures.” It seeks to properly reflect the operating performance or results on the employees’ remunerations.	
(IV) Has the Company established effective career development training plans?	V		(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 environmental management (ISO 14001:2015) and occupational safety and healthy management system (ISO 45001:2018). (IV) Each year the Company establishes annual education training program based on our operation strategies and short/mid/long term goals, and consider talent cultivation and technology inheritance as our key task. We strengthen our talent database in order to keep track of the talent dynamics and development direction in the group. We host various types of training courses, academia-industry collaboration and research projects, in order for our employees to stay tuned to real-time global political and economic trends and status, technology updates, while supplementing the training with job substitutes, job rotation and on-the-job training to strengthen different professional capacity of our employees. The Company provides diversified training system encompassing the following five categories: competency training for new recruits, professional competency training, general management competency training, intellectual property training, and health and safety	

Evaluation Item	Status			Deviations from "the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
(V) Does the Company's product and service comply with related regulations and international rules for customers' health and safety, privacy, sales, labelling and set policies to protect consumers' rights and consumer appeal procedures?	V		management training. This system provides suitable training courses for employees in their different stages of career development, so that the Company and employees will be adaptive to the ever evolving world, and own the knowledge, skills, and capabilities go along with the time.	
(VI) Does the Company set supplier management policy and request suppliers to comply with related standards on the topics of environmental, occupational safety and health or labor right, and their implementation status?	V		(V) The Company's product and service comply with related regulations and international rules for customers' health and safety, privacy, sales, labelling all comply with the related regulations and standards in the industry; a compliance unit is also established to ensure the observation of related regulations and standards. The Company has a confidentiality agreement with its major customers to protect the privacy and confidential information of both parties. At the same time, it also signs and observes the plant operation specifications required by the customers to maintain health and safety. The Company has established procedures for handling customer complaints to maintain good communications with its customers, as well as effective appealing procedures regarding products and service.  (VI) The Company has established the "supplier evaluation management process", including written reviews, on-site evaluations, monthly evaluations, process monitoring, qualification evaluation and continuous evaluation, and regularly or from time to time audits suppliers. There is also an annual evaluation mechanism for performance evaluation. The Company requires suppliers to sign the "Supplier's Code of Conduct and Supplier Commitment Letter," requiring suppliers to comply with relevant regulations in terms of anti-bribery and corruption, social and environmental responsibility, conflict-free minerals, compliance with trade laws and regulations, and non-infringement. In the "purchase order," suppliers are also required to comply with relevant policies and regulations on environmental protection and occupational safety and health, intellectual property rights, and labor human rights.	
V. Does the Company refer to international reporting rules or guidelines to publish CSR Report to disclose non-financial	V		The Company prepares the corporate social responsibility reports by referring to the "GRI Standards" issued by the Global Reporting Initiative	No significant difference

Evaluation Item	Status			Deviations from "the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
information of the Company? Has the said Report acquire 3rd certification party verification or statement of assurance?			(GRI) and the "Rules Governing the Preparation and Filing of Corporate Social Responsibility Reports by TWSE Listed Companies." The Company's 2019 Corporate Social Responsibility Report was inspected by DNV GL Business Assurance Co., Ltd. It complies with the GRI Standards. The 2019 Corporate Social Responsibility Report and the verification agency's inspection statement are disclosed on the Company's website "Stakeholders 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:</p> <p>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> <p>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.</p> <p>2. Social welfare: Social welfare activities participated by the Company in 2020 include</p> <p>(1) "Send Love to a Remote Countryside Activity: Helping Poor Children to Change Their Lives in Naluo Educational Classroom," "Send Love to a Remote Countryside Activity: Invest in Rich Life-Plum Blossom for Children's Painting, Children's Fun", shopping bag charity sale: "Disadvantaged Family and Children's Health and Pandemic Prevention Plan," and donation to Taiwan World Vision, totaling NT\$509,000.</p> <p>(2) The Mid-Autumn Festival moon cake donation charity event, donating to Shi-Guang Correctional Institution, Hua Guang Intelligent Development Center, and Private Xiang Yuan Memorial Correctional Institution, totaling NT\$68,000</p> <p>(3) The 2020 Hsinchu Family Support Center "Luckily We Have You" Warm Winter Charity Children Party, with donation to the Hsinchu Family Support Center, for total of NT\$10,000.</p> <p>(4) Organized the "Friendly Earth-You and Me, Hand in Hand" beach cleaning and forest protection activity at Zhunan Longfeng Fishing Port Beach, calling on 108 people to participate and cleaning up about 2,000 kilograms of garbage.</p> <p>(5) Hold the Nanliao Fishing Port beach cleaning activity, called on 41 people to participate, and clean up 18 large bags of garbage. The garbage included PET bottles, styrofoam chips, plastic baskets, fishing nets covered with seaweed, beverage cartons, and other man-made wastes that are extremely harmful to marine life.</p> <p>(6) Conduct blood donation activities on a regular basis, which contributed to a total of 54,000 c.c. of blood.</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. For human rights: The Company won the 2019 "Excellence Award for Promoting Work Equality in the Workplace" from the Ministry of Science and Technology Hsinchu Science Park. It has long been committed to promoting equal rights in the workplace, regardless of race, gender, and age, each employee is entitled the same right to work, and personal</p>				



Evaluation Item	Status			Deviations from “the Corporate Social Responsibility Best-Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
<p>free expression and development opportunity is offered 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> <p>7. Plant pandemic prevention: In 2020, the global COVID-19 pandemic spread, Globalwafers initiated the plant pandemic prevention measures at once. Under the side-by-side cooperation of various departments, pandemic prevention operations in the plant area were fully undertaken; the pandemic prevention strategies were formulated, and the management of hierarchical measures and inventory of resources for pandemic prevention were carried out. The Company has regularly held meetings to formulate pandemic prevention measures, to ensure healthy and safe workplace. The relevant pandemic prevention measures are as follows:</p> <p>(1) Pandemic prevention information: in order to enable employees to correctly grasp the real-time information of pandemic prevention, the health management center regularly issues global pandemic information and in-plant pandemic prevention measures, so that employees may quickly receive correct pandemic prevention information.</p> <p>(2) Health monitoring: Full body temperature monitoring is carried out at the accesses of each plant. If there is a fever or a history of suspected contact, entry into the plant is completely prohibited, and an internal electronic questionnaire survey will be conducted simultaneously with the central command center to track the confirmed case's footprint, as implementing the initiative of employees’ report and voluntary health management.</p> <p>(3)Visitor management: use emails and hard-copy announcements to inform the supply chain vendors about the prevention measures for entering the plants, and require those who enter the plant to complete the entry health declaration form, and wear a mask for protection employee safety.</p> <p>(4) Office pandemic prevention: in order to avoid crowding of people that increases the risk of infection, office workers have taken a number of contingency measures, including: checkboard seating, isolation rooms, triage, working from home, among other measuers, to reduce population density and reduce frequency of contact among employees</p> <p>(5) Eat with peace of mind: in order to provide employees with a safe dining environment, pandemic prevention dining routes are planned, with plastic table partitions and disposable lunch boxes; the dining area are divided by unit to ensure that the safety of dining in the plants.</p> <p>(6) Disinfection in the plant area: formulate the disinfection and cleaning measures in public areas, increase internal ventilation and exhaust, encourage opening windows in confined spaces, and put plastic films on commonly used buttons, add partitions in canteens, add hand sanitizer dispensers, and post the correct hand-washing slogans in the restrooms.</p> <p>(7) Employee care: For high-risk groups , tracking is taken and the temperature re-examination and follow-up control is conducted. The outpatient services of psychologists is provided when necessary to help employees resolve negative emotions and stress.</p>				