

# 01

## Stakeholder Engagement & Analysis 19

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## 1.1 Stakeholders identification

Identifying and communicating with stakeholders is at the core of corporate social responsibility. Based on operational characteristics and cross-departmental discussions, GlobalWafers has identified its stakeholders that include staff members, customers, shareholders (investors) and suppliers (contractors), governmental departments, and the media.

## 1.2 Stakeholder engagement and response

GlobalWafers has established all kinds of communication channels in its daily operations to maintain inter-communication with stakeholders. A mailbox and a customer service hotline for external communication have also been set up on the Company website to collect opinions of our primary stakeholders related to our management & activities, i.e. investors, customers, media, and so on.

Primary stakeholders	Significance to GlobalWafers	Communication channel	Communication frequency	Issues of concern	Our Responses
 Customers	Company's main source of revenue	Operation meetings	Non-scheduled	<ul style="list-style-type: none"> <li>Service</li> <li>Quality &amp; price</li> <li>Hazardous substances management</li> <li>Business continuity planning</li> </ul>	<ul style="list-style-type: none"> <li>※ Adhere to the spirit of "customer satisfaction." The quality assurance unit must conduct interviews and propose the corresponding improvement plan for customer survey items with lower satisfaction.</li> <li>※ Actively understand customer voices. When customers make various demands, the organization must evaluate and discuss feasible solutions to "meet the requirements."</li> </ul>
		Annual customer satisfaction survey	Once a year		
		Customer audit	Non-scheduled		
		Appeal/complaints telephone or email	Non-scheduled		
 Employees / Union	Employees are the Company's most important asset. Only by taking good care of employees can the two grow synergistically	Internal website and emails	Non-scheduled	<ul style="list-style-type: none"> <li>Occupational safety</li> <li>Human rights</li> <li>Emergency &amp; Contingency</li> <li>Job opportunities</li> <li>Equal pay between men and women</li> </ul>	<ul style="list-style-type: none"> <li>※ We believe that employees are GlobalWafers' most important assets, and only through a good and long-term labor-management relationship can we create sustainable development for the organization. We have formulated formal provisions and continued to provide bilateral communication via internal website, complaint mailbox, labor conference, and face-to-face talks to ensure the employees' voices are valued.</li> <li>※ To attract and retain outstanding talents, the Company offers competitive salaries and sets the salary adjustment standards yearly according to the relevant data.</li> <li>※ The Company sets up a staff restaurant to provide free meals for employees during work. In addition to the statutory labor and health insurance, the Company also provides group insurance superior to those required by the law. It offers relevant insurance to enhance employees' protection and protect their right to work depending on the social development circumstances. For example: provide epidemic prevention insurance to employees during the epidemic. Moreover, we have also established a welfare committee and additional employee care programs according to the law. They include employee travel, festival allowances, health examinations, and community activities. Employees can fully participate in the Company's welfare improvement and innovation process and help the Company to formulate creative welfare measures.</li> <li>※ The Company adheres to the concept of "Ensuring the Safety and Health of the Employee Work Environment" and uses the organization system operation to create a healthy and safe working environment for employees.</li> </ul>
		Company bulletin board	Non-scheduled		
		Labor Conference (Taiwan)	Four meetings per year		
		Complaint boxes or hotlines	Non-scheduled		
		Performance appraisal interviews	Once a year		
		All organizational meetings	Non-scheduled		
		Union member meeting	Non-scheduled		
 Shareholder/ Investor	All shareholders are investors of the Company, and the information that should be disclosed shall be handled in a fair manner	Shareholders meeting, institutional investors conference, domestic investment institute seminars, and face-to-face communication meetings	2021: a total of 4 earnings call	<ul style="list-style-type: none"> <li>Sound finance</li> <li>Integrity &amp; Ethics</li> <li>Risks &amp; Crisis Management</li> <li>Financial performance</li> <li>Management strategies &amp; financial goals</li> <li>Legal Compliance</li> <li>Business continuity planning</li> </ul>	<ul style="list-style-type: none"> <li>※ Continue using our stable financial structure and rich management experience to practice performance management and operational improvement, improving overall operational performance.</li> <li>※ Establish and strengthen close interaction and communication channels with investors, domestic and foreign media, cooperation, and major shareholders.</li> <li>※ Continue improving corporate governance performance and realize the commitment to sustainable operation.</li> <li>※ "Integrity management is achieved by compliance with laws and regulations." So, the Company has actively organized education and training and integrity management policy advocacy, promoting the integrity policy and its importance to directors and employees.</li> </ul>
		Company annual report	Once a year		
		News announcement on company websites and the Market Observation Post System	Non-scheduled		
		Collecting and replying to messages via telephone or emails	Non-scheduled		



Primary stakeholders	Significance to GlobalWafers	Communication channel	Communication frequency	Issues of concern	Our Responses
 Suppliers/ Contractors	They are the Company's partners and must maintain the same ideals as ours in order to provide services in line with our needs	Operation meetings	Non-scheduled	♦ Integrity & Ethics ♦ Management strategies & financial goals ♦ Reduction at the source	※ Reduce costs by implementing supplier localization ※ Establish a supplier evaluation management process ※ Formulate contractor management procedures and establish a contractor construction management system to manage all contractors who have entered the plants systematically
		On-site audit	Non-scheduled		
		Collecting and replying to messages via telephone or emails	Non-scheduled		
 Governmental institutes	Maintain a smooth and good communication relationship, and express the company's determination to comply with legal requirements	Correspondence of official documents, meetings (public hearings or conferences)	Non-scheduled	♦ Water resource management ♦ Waste Management ♦ Reduction at the source ♦ Legal Compliance ♦ Risks and Opportunities of Climate Change	※ Regularly review the regulation contents, and keep abreast of the latest trends in regulations ※ Participate in competent authority regulatory meetings and understand the requirements ※ Communicate with competent authorities through association or union channels ※ Cooperate with the competent authority for plant visits or unscheduled plant audits
		By communicating and meeting with associations or unions	Non-scheduled		
 The media	We establish a contact channel with the media and provide non-scheduled, correct, fair and objective industry and corporate news	Releasing news We sporadically receive interviews by the media and provide industry news	We release an average of 2 to 3 pieces of news for each quarter.	♦ Risks and Opportunities of Climate Change ♦ Financial performance ♦ Legal Compliance	※ Contact the media irregularly to let media professionals understand the Company's industry and operating performances through interviews ※ Issue a press release on revenue and earnings call ※ Provide transparent information disclosure to comply with the completeness, real-time, and fairness principles

## 1.3 Identification and analysis of material issues

GlobalWafers accepts diverse opinions and references the Global Reporting Initiative (GRI) sustainability reporting guidelines as the principle to define its report contents. Stakeholder inclusiveness: GlobalWafers has identified the stakeholders and explained how to respond to their reasonable expectations and interests. Sustainability context: Reveals how GlobalWafers can improve or reduce damage in terms of local, regional, and global economic, environmental, and social conditions, developments, and trends. Significance: Reflects the significant economic, environmental, and social impacts of GlobalWafers and how they will materially affect the evaluation and decision-making of stakeholders. Comprehensiveness: The report covers the major themes and their boundaries; which is sufficient to reflect the significant economic, environmental, and social impacts of GlobalWafers; and enable stakeholders to evaluate GlobalWafers' performance during the reporting period.

Report quality distinction principles - Accuracy: The information in the report is sufficiently accurate and detailed for stakeholders to evaluate the performance of GlobalWafers. Balance: The information in the report reflects the positive and negative performance of GlobalWafers, and enables everyone to make a reasonable assessment of the overall performance of GlobalWafers. Clarity: GlobalWafers presents information in a manner that is easy for stakeholders who need the information to understand and obtain. Comparability: GlobalWafers uses consistent standards to screen, sort, and report information. The information expression method allows stakeholders to analyze the long-term performance of GlobalWafers, and compare and analyze its profitability with that of other organizations. Reliability: The processes adopted by GlobalWafers to prepare the report involve information collection, recording, aggregation, analysis, and disclosure in a manner that can be reviewed as well as establish the quality and significance of the information. Timeliness: GlobalWafers' regular reports provide timely information for stakeholders to make decisions.

GlobalWafers' major issues are identified based on the interactive experience and communication records of the President's office, marketing office, procurement office, administrative office, and other relevant external units as well as stakeholders. Issues of concern from employees, customers, shareholders (investors), suppliers (contractors), government agencies, media, etc., are collected. The importance of each issue of concern is considered by the Corporate Sustainable Development Committee during internal meetings whereby the committee members determine the "stakeholders' interest level" and "impact on GlobalWafers," and then divide the issues into economic, environmental, or social aspects to plot a materiality matrix. Finally, topics with high interest and high impact in all aspects are listed as major issues. We will disclose the management guideline for the material issues in this report. Other issues that do not have a major impact will be disclosed as a summery or may not disclosed in this report.



**01 Stakeholders engagement**

Has identified six major groups of stakeholders

Economic Aspect		
Serial no.	Issues	Material
1	Legal Compliance	✓
2	Sound finance	✓
3	Management strategies & financial goals	✓
4	Financial performance	✓
5	Integrity & Ethics	
6	Risks & Crisis Management	

**02 Collects sustainable development issues of concern to stakeholders**

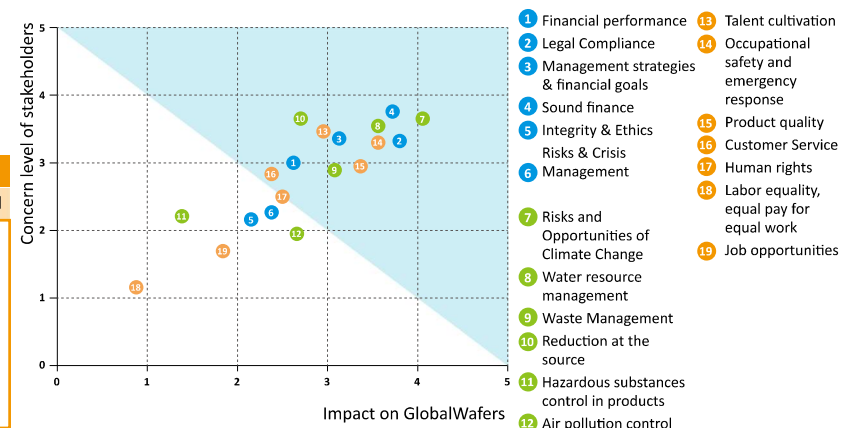
Collects 19 sustainable development issues

Environmental Aspect		
Serial no.	Issues	Material
1	Risks and Opportunities of Climate Change	✓
2	Water resource management	✓
3	Waste Management	✓
4	Reduction at the source	✓
5	Prevention of hazardous substances in products	
6	Air pollution control	

**03 The impact of sustainable development issues on GlobalWafers**

The Corporate Sustainability Committee has identified 12 major issues

Social Aspect		
Serial no.	Issues	Material
1	Occupational safety and emergency response	✓
2	Product quality	✓
3	Talent cultivation	✓
4	Customer Service	✓
5	Human rights	
6	Job opportunities	
7	Labor equality, equal pay for equal work	



## The boundary and scope of material issues

Material topics		Company's internal boundary			Company's external boundary	Corresponding GRI standards	Corresponding chapters
		GlobalWafers	Taisil Branch	Offshore branch companies	Suppliers		
Economic Aspect	Legal Compliance	○	○	○		GRI307 GRI419	2.2.4 Regulation compliance
	Management strategies & financial goals	○	○	○		GRI201	2.3 Operation performance
	Financial performance and sound finance	○	○	○		GRI201	2.3 Operation performance
Environmental Aspect	Reduction at the source	○	○			GRI301 GRI302 GRI303	4.3 Reduction at source
	Water resource management	○	○	○		GRI303	4.3.3 Water resource management
	Waste Management	○	○	○		GRI306	4.2 Waste management
	Risks and Opportunities of Climate Change	○	○	○		GRI305	4.1 Climate Change Risks and Opportunities
Social Aspect	Occupational safety and emergency response	○	○	○	○	GRI403	5.2 Occupational health and safety
	Customer service and product quality	○	○	○		GRI102-43	3.1 Innovation management 3.2 Product quality 3.3 Customer service
	Talent cultivation	○	○	○		GRI404	5.2.2 Safety advocacy and education & training

Note:

1. Internal border: Social Aspect

Taiwan: GlobalWafers Headquarters, GlobalWafers Zhunan Plant, Taisil Branch

China: Kunshan Sino Silicon Technology Co., Ltd.

Japan: GlobalWafers Japan Co., Ltd. 、 MEMC Japan Ltd.

South Korea: MEMC Korea Company

Malaysia: MEMC Electronic Materials Sdn. Bhd.

United States: GlobiTech Incorporated., MEMC LLC

Italy: MEMC Electronic Materials S.p.A

Denmark: Topsil GlobalWafers A/S

Singapore: GlobalWafers Singapore Pte. Ltd.

