

GlobalWafers Co., Ltd.

Promotion of Sustainable Development and Variance from the Sustainable Development Best Practice Principles (2022)

Evaluation Item	Status			Deviations from “the Sustainable Development Best- Practice Principles for TWSE/TPEX Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
I. Did the Company have established the governance framework for pry the board of directors for handling, as well as the status of board of directors’ oversigomoting sustainable development, and a dedicated (concurrent) unit in charge of promoting sustainable development, and the senior management is authorized bht?	V		<p>The Company has established the Corporate Sustainability Development Committee in June 2017 as the highest-level sustainable development decision-making center within the Company. It is responsible for coordinating and comprehensively managing all aspects of the Company’s development directions and goal formulation related to ESG (environmental, social, and governance) sustainable development in all aspects, to pursue the sustainable development and fulfill corporate social responsibilities.</p> <p>The Company's Corporate Sustainable Development Committee is chaired by the ChairpersonChairperson of the Board and the Chief Financial Officer as Secretary-General, who is responsible for coordinating the affairs related to the committee. The Committee has established 5 subcommittees based on business functions, including “Sustainable Operations Subcommittee”, “Green Manufacturing Subcommittee”, “Sustainable Supply Chain Subcommittee”, “Social and Corporate Care Subcommittee”, and “Corporate Governance and Risk Management Subcommittee”. Each subcommittee is composed of heads of relevant departments and is responsible for formulating strategies and management guidelines, integrating and promoting cross-departmental efforts on relevant issues, and conducting performance reviews and continuous improvement.</p> <p>The Corporate Sustainable Development Committee holds</p>	No significant difference

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			annual plenary meetings to review the achievement of relevant goals from the previous year and set new goals for the upcoming year. The Corporate Sustainable Development Committee is supervised by the board of directors. In addition to the annual report to the board of directors on the progress, goal setting and the achievement of performance of the Company’s ESG development, the Corporate Sustainable Development Committee also reports to the board of directors on the regulatory and policy trends of environmental issues, as well as the Company’s environmental performance data on a quarterly basis (the latest report to the board of directors was on February 27, 2024). In addition, the Company’s Sustainability Report is compiled in accordance with the latest GRI Standards and is approved by the board of directors each year. The board of directors supervises the setting and implementation of the Company's sustainable development goals, reviews the progress of these goals, and provides relevant advice and guidance based on the committee's reports.	
II. 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		The Company's "Risk Management Policy and Procedure" has been approved by the board of directors. The board of directors is the highest authority for risk management. It aims to comply with laws and regulations, promote and implement the Company's overall risk management, and bears ultimate responsibility for risk management according to the overall operational strategy and business environment. The Audit Committee assists in supervising the preceding risk management matters. The management team is responsible for planning and	No significant difference

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			<p>coordinating the implementation of the board of directors' risk management decisions as well as coordinating cross-departmental risk management interaction and communication. Each functional unit is responsible for analyzing, managing, and monitoring the relevant risks within its own unit. In addition, internal audit serves as an independent unit to assist the board of directors in supervising the implementation of the risk management mechanism to ensure that the risk control mechanism and procedures can be effectively implemented. The scope of risk management encompasses a wide range of risks, including hazard risks, operational risks, financial risks, strategic risks, compliance risks/contractual risks, environmental risks, and other risks. The Company's risk management mechanism is implemented by effectively carrying out the risk management process, which includes risk identification, risk assessment, risk monitoring, risk reporting, and risk response.</p> <p>The Company's Corporate Sustainable Development Committee conducts risk assessments on environmental, social, and governance (ESG) issues related to the Company's operations according to the principle of materiality and develops corresponding risk management strategies. The identified ESG risk issues include "corporate governance aspects: various risks related to operations and investments, challenges in maintaining and communicating relationships with internal and external stakeholders, strengthening board functions, and compliance risks; environmental aspects: climate change risks, environmental protection risks; social aspects: occupational</p>	

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			<p>safety and health risks, labor health risks, labor-management relations risks," and 3 major long-term emerging risk aspects: geopolitical risks, energy transition risks, and cybersecurity risks. For details on each risk and its corresponding risk management strategy, please refer to Chapter 1, Governance and Operations / 1.3 Risk Management of the Company's Sustainability Report.</p> <p>The Company has regularly assessed risks annually to implement the risk management mechanism. The risk assessment boundary covers all of the Company's operations and production sites. The Company's Corporate Sustainable Development Committee reports to the Audit Committee and the board of directors annually on the major environmental, social, and corporate governance issues related to the Company's operations as well as the corresponding risk issues, response strategies, management operations, and implementation status. The Audit Committee and the board of directors provide opinions and guidance. The most recent report date was on August 1, 2023. Given the importance and uniqueness of the climate change issue, the Corporate Sustainable Development Committee provides quarterly reports to the board of directors on environmental indicator performance and targets, climate change response and management, and other related matters.</p>	

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III. Environmental Topic (I) Has the Company set an environmental management system designed to industry characteristics?	V		<p>The Company insists the promotion of ISO 14001 Environment Management System,” and “ISO 50001 Energy Management System, ”GlobalWafers introduces the concept of product lifecycles, and starts from improving the manufacturing process and product design stage in order to truly achieve reduction of source raw materials. The Company accommodates the environment and energy management system, to determine the goal of energy saving and material saving every year, while continuously implementing water recycling and waste reduction measures, to treasure resources and reduce uses of resources, and achieving the effect of reducing greenhouse gas emissions. The validity period of the "ISO 14001 Environmental Management System" certification for each operation site of the group covers 2024.</p> <p>For information regarding the certifications of “ISO 14001 Environmental Management System” and “ISO 50001 Energy Management System” obtained by each operation sites, please refer to the Company’s website “ESG/EHS Management/Certifications.” (https://www.sas-globalwafers.com/en/ehs-management-system_en/)</p>	No significant difference
(II) Does the Company endeavor to improve the energy utilization efficiency and use renewable materials which have low impact on the environment?	V		<p>The Company has introduced the "ISO 50001 energy management system" at each operation site, actively promotes various energy-saving measures, selects equipment to improve energy efficiency, monitors major energy-using equipment, and regularly tracks the performance of improvement measures to achieve continuous improvement, energy conservation and</p>	No significant difference

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			<p>reduction. carbon targets. Regarding the Company’s electricity consumption and target achievement, please refer to "Chapter 3, Sustainable Environment/Sustainability Goals; 3.1 Energy Management” of the Company’s sustainability report.</p> <p>The Company, by promoting the “ISO 14001 environmental management system,” has introduced the product life cycle concept in order to reduce raw material consumption and waste output, and achieve the goal of sustainable operation and environmental protection. Each plant, based on different process characteristics, uses recycled materials as much as possible. The recycled materials used in each plant include silicon raw materials, cutting fluids (carriers), product packaging cartons and wafer cassette. The major raw material used in the production of the Company is the silicon material; by using the material at both ends recovered in the plant as much as possible during the crystal growth stage, not only the costs of purchasing materials is saved, but also waste generated is reduced. Please refer to the Company's Sustainability Report "Chapter 3, Sustainable Environment/3.1 Raw Material Recycling" for the utilization of recycled materials.</p>	
(III) Does the Company evaluate current and future climate change potential risks and opportunities and take measures related to climate related topics?	V		<p>The Company complies with the framework recommended in the Task Force on Climate-Related Financial Disclosures Recommendation (TCFD) promulgated by the Financial Stability Board, and discloses climate change-related information, assess the risks and opportunities of climate change for the Company, potential financial impacts, and corresponding strategies and countermeasures based on the four core elements,</p>	No significant difference

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			including governance, strategy, risk management, indicators and goals. In 2023, the Company identified 9 climate risks and 7 climate opportunities. For information on the relevant analysis, their financial impact, and response strategies, please refer to the "Chapter Three, Corporate Governance Report/ (VII) Climate-related Information of TWSE and TPEX Listed Companies" of the Company's annual report and the "Climate Strategy and Action" section of the Company's Sustainability Report.	
(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?	V		Each year, each operation site of the Company inventories and tracks greenhouse gas emissions, water consumption, waste volume, recycled material usage, and electricity consumption. For the scope of the relevant inventory data and information, please refer to the "Climate Strategy and Action / Greenhouse Gas Inventory" and "Chapter 3, Sustainable Environment / 3.1 Energy Management; 3.2 Water Resource Management; 3.3 Waste Management; 3.3.1 Raw Material Reuse" sections of the Company's Sustainability Report. The Company boosts various 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	No significant difference

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			<p>certification by a third party contracted by the Company. For the verification information, please refer to the official website “ESG/ EHS Management/ Certification” (https://www.sas-globalwafers.com/ehs-management-system/)。</p> <p>To demonstrate its commitment to Taiwan's net-zero transition, the Company officially joined the RE100 initiative in 2022, pledging all subsidiaries of the group to use 100% renewable energy by 2050. To support this long-term goal, the Company has established a comprehensive climate roadmap with phased targets: 20% renewable energy usage by 2030, 35% by 2035, and 50% by 2040, and gradually realize the long-term goal of 100% renewable energy by 2050. The Company has established annual targets and short-, medium-, and long-term goals for various environmental metrics, including electricity consumption, greenhouse gas emissions, water usage, and waste volume. For detailed information on these goals and their progress, please refer to "Chapter 3, Sustainable Environment / Sustainable Goals" of the Company's Sustainability Report. The Company achieves the set goals through the following promotion measures:</p> <p>i. 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. Through the introduction of ISO 50001 energy management system, the Company monitors and measures significant energy utilization</p>	

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			<p>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. For the greenhouse gas emissions and electricity consumption of each operation site of the group in the past two years, please refer to the Company's sustainability report "Climate Strategy and Action/Greenhouse Gas Inventory" and "Chapter 3, Sustainable Environment/3.1 Energy Management". Among them, greenhouse gas emissions have been verified by third parties in the past two years.</p> <p>ii. Reduce water consumption: The Company's water-saving measures management process 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. For the water consumption of each operation site of the group in the past two years, please refer to "Chapter 3, Sustainable Environment/3.2 Water Resources Management" of the Company's sustainability report. Besides, GlobalWafers' Taisil Branch obtained a third-party verification since 2023 to verify GlobalWafers' Taisil Branch water intake, reuse water volume and water recovery rate calculations in response to the water consumption fee collection. In 2023 (verify the water consumption in 2022</p>	

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			<p>status), the data meet verification-related restrictions.</p> <p>iii. 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 in the plants, to reduce the volume of newly purchased raw materials, while reducing the generation of waste. Each operation site of the Group has passed ISO14001 environmental management system verification (the valid period of all the certifications covers 2024), and all operation sites continue to be verified every year. For the waste output in the past two years, please refer to "Chapter 3, Sustainable Environment/3.3 Waste Management" of the Company's Sustainability Report.</p> <p>iv. 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>	
IV. Social Topic (I) Whether the Company establishes the related management policies and procedures in accordance with the relevant laws and international human rights conventions?	V		The Company recognizes and supports the spirit and fundamental principles of human rights protection set forth in the Universal Declaration of Human Rights, United Nations Global Compact, and International Labor Conventions. We established the human rights policy in accordance with labor laws and regulations and the abovementioned international human rights conventions, and strive to create a work environment with equality, safety, and dignity.	No significant difference

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			<p>The Company's five approaches under the human rights policy and their implementation status is as follows:</p> <p>(1) Continue to create diversity, inclusiveness, and equal opportunity, and prohibit any form of discrimination (including gender (including sexual orientation) race, class, age, marital status, language, ideology, religion, nationality, political party, place of birth, appearance, facial features, and physical and mental disability):</p> <p>The Company continues to communicate that all forms of discrimination are prohibited in its recruitment, appointment, and operating processes. In addition to fulfilling its responsibility to care for migrant workers by having its manpower agencies organize Christmas parties or prepare Christmas gifts for Filipino migrant workers each year, the Company is also committed to improving their living conditions overseas.</p> <p>The Company strives to create a friendly workplace environment with equality. The Company established the Sexual Harassment Prevention, Grievance and Disciplinary Policy, and announced it in the factory area. The Company also provides a wide range of resources to encourage female employees to continue developing their career, such as comprehensive maternity protection measures, regulations established according to the Act of Gender Equality in Employment, and formulating policies for internal lecturers, on-the-job education, and training to provide diverse development opportunities.</p>	

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			<p>The Company strives to improve the diversity and harmony in the workplace, and continue to increase diversity in different aspects, such as gender, nationality, and age. Specific results include: In 2023, female employees accounted for 22.96% of all employees, and female managers accounted for 18.62% of all managers. Of the total of 7,305 employees worldwide, domestic employees account for 23.29%, while overseas employees account for 76.71%. The Company employs a total of 68 employees with disabilities, accounting for 0.93% of all employees. Employees that are 30 years old and younger account for 20.6%, employees who are 30-50 years old account for 48.5%, and employees who are 50 years old and above account for 30.8%.</p> <p>(2) Ban on forced labor and child labor: The Company complies with all labor-related laws and regulations, respects the intentions of all employees, and encourage employees to find a balance between work and family. Furthermore, the Personnel Appointment Regulations contain provisions on the identification of child labor and remedial measures, in order to ensure that there is no illegal child labor in operating activities. If child labor is discovered to be involved in operations, remedial measures will be implemented for six months or until the child labor reaches the age of 16, in order to protect the rights and interests of children.</p> <p>(3) Create a safe and healthy work environment:</p>	

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			<p>The Company continues to provide health examinations free of charge, arranges for medical specialists to visit plants to provide services, organizes health promotion activities, and tracks special groups, in order to raise the health management awareness of employees. The Company's plants in Taiwan planned a total of 97 health promotion measures in 2023, such as seminars, first aid courses, and cancer screening, with a total of 7,173 participants. Furthermore, overseas plants often organize a wide range of health promotion activities to protect employee health; the number of activities and facilities were used 308 times, and a total of 11,957 people participated or used health promotion facilities. The Company also established work safety and health management procedures, operating standards, special hazardous operation control, chemicals management, and operating environment monitoring for employees to follow, preventing occupational injury and illness, eliminating hazards, and lowering environmental safety and health risks to provide employees with a safe work environment.</p> <p>(4) Providing fair and reasonable salaries and work conditions: The Company regularly reviews the salary levels of its peers, and makes appropriate adjustments to employee salaries by referring to objective data such as the overall economic indicators and price indices. Meanwhile, the salary standards of colleagues are judged based on work-related items such as position, seniority, and professional</p>	

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			<p>ability to ensure equal pay for equal work and prevent any bias based on gender, age, or other factors. In addition, to strictly controlling working hours to stay within legal limits, the Company actively prevents overwork through regular working hour analysis reports and an attendance anomaly management system.</p> <p>(5) We provide channels and environment for employees to freely express their opinions, and respect employees freedom of association: The Company holds 4 labor-management meetings each year to discuss labor-management relations, labor conditions, and employee benefits, in order to promote harmonious labor-management relations. Employee opinion boxes are placed in clearly visible locations for employees to report illegal conduct, complain about unfair treatment, or express and resolve their discontent and questions. The Company assesses human rights and labor rights risks according to standards of the Responsible Business Alliance (RBA) every year, and established the standards in the "Personnel Appointment Regulations" and "Regulations for Establishing Measures of Prevention, Correction, Complaint and Punishment of Sexual Harassment." Employees can report unlawful infringement through anonymous grievance channels, such as: e-mail and telephone. Related committees will maintain the confidentiality of reports throughout the process, and meeting results will be used to track, supervise, and provide necessary support to the parties, in order to protect human rights</p>	

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			and prevent recurrence. There has only been 1 human rights complaint (forced labor, child labor, discrimination, sexual harassment, and violation of freedom of association) at the Company's business locations in the past 3 years. The event that was reported occurred in 2022, and related departments formed a committee to conduct investigation, provide protection, and carry out re-education. Human rights training for all employees was immediately improved to prevent events from occurring. In terms of training, new employees will receive human rights training once they report for duty; current employees irregularly take courses on the prevention of workplace violence and sexual harassment. Furthermore, the Company identified major stakeholders and made it mandatory for employees in managerial roles to take the courses, in order to prevent workplace violence. Related courses had a total of 13,489 participants who received 16,449 hours of training in 2023.	
(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?	V		<p>The Company fairly decides and distributes employees' remunerations from the annual profit, if any, for 3%~15%, as 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.</p> <p>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</p>	No significant difference

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			<p>fringe benefits include year-end bonus, gifts for birthday and festivities, year-end banquet, subsidies for matrimony, bereavement, and other celebration, tourist 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. The Company also establishes the Employee Caring Program (ECP) team, to integrate and planning for the improvement of holistic employees' benefits through the cross-function team, so that any employee may select from proper resources to help when facing personal difficulties.</p> <p>The employee welfare savings trust was added in 2021.</p> <p>Employees may evaluate whether to join or not, and participants are given rewards equal to 100% of the amount they contribute.</p>	
(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>(1) 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 2023, there were 22,535 attendees received health and safety education and trainings. We have also provided education and training for employees engaging in noise, organic solvent, and specific chemical substance exposure conditions that are particularly hazardous to health; issued appropriate safety protection equipment; and implement pre-employment physical exam as well as in-service annual physical exam health management to ensure the safety and health of employees at</p>	No significant difference

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			<p>work. At present, there has been no occupational disease involving employees engaged in special operations.</p> <p>(2) The Company has obtained Occupational Health and Safety Management System (ISO 45001: 2018) certification. For detailed information on the certification, please refer to the Company's website "ESG/EHS Management/ Certification" (https://www.sas-globalwafers.com/en/ehs-management-system_en/)</p> <p>(3) The Company’s occupational hazard statistics analysis data are generated based on disability injuries statistics indicator published by the Ministry of Labors and GRI. One million work hours being the base line, our statistics are mainly based on the Disabling Frequency Rate, (FR), Disabling Severity Rate (SR), Occupational Disease Rate (ODR) and Absence Rate (AR) (with disabling injury statistics excluding traffic accidents outside factories). In 2023, there were 2 work-related disability incidents in Taiwan, and 25 work-related disability incidents in overseas plants. The global Disabling Frequency Rate (FR) was 1.87, and the Disabling Severity Rate (SR) was 43; all occupational accidents have been investigated and analyzed, and corresponding improvement measures have been implemented. The Company have regularly implemented occupational health and safety education and training for employees and contractors to effectively prevent occupational disasters; and conducted work environment inspections and internal/external audits in order to review</p>	

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			<p>the Company's environmental, safety, and sanitary operations. The goal is to ensure environmental safety for workers and achieve the zero-accident target. For detailed information on occupational disaster statistics and management, please refer to "Chapter 5, Occupational Health and Safety/5.4 Occupational Disaster Management” in the Company's Sustainability Report."</p> <p>(4) The number of the Company's fire incidents, fatalities or injuries, or fire-related fatalities or injuries as a percentage of total employees in 2023 was 0. To enhance safety management (including fire safety management), effectively respond to disasters, and prevent recurrence of corrective/preventive measures, the Company has established various procedural documents, including the "Incident Reporting, Handling, and Investigation Management Procedure," the "Emergency Response Procedure," and the "Non-Conformity, Corrective and Preventive Measures Management Procedure." The Company also conducts emergency drills to prepare for potential emergencies.</p>	
(IV) Has the Company established effective career development training plans?	V		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	No significant difference

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			<p>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 is promoting six academy systems, including new employees, logistics and generation education, business administration, professional core, EHS, and health promotion. Training units will design courses on the specialty of each academy for employees. The academy system prevents repetitive courses from being offered, allows curriculum planning, and also stacks and increases the transparency of training and learning.</p> <p>In 2023, a total of 316 new employee functional training sessions were conducted, with 1,282 participants, totaling 1,586 hours of instruction. Additionally, professional functional training included 1,951 sessions, with 13,757 participants, totaling 25,282 hours of instruction. Lastly, general functional training comprised 1,263 sessions, with 47,246 participants, totaling 3,163 hours of instruction.</p>	
(V) Does the Company’s product and service comply with related regulations and international rules for customers’ health and safety, privacy, sales, labeling and set policies to protect consumers or customers’ rights and appeal procedures?	V		<p>The Company's products and services complies with the relevant regulations and standards applicable to the Company’s industry; through the supplier management, it is ensured that the supply chain adopts the industrial standards and policies like the “Responsible Business Alliance” (RBA), “conflict minerals,” “silicon raw materials without forced labor,” “environment friendly products” (RoHS, REACH, WEEE) , among other things, to fulfill the social and environmental responsibility; the</p>	No significant difference

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			Company is also committed to comply with product standard and operational regulations in plants required by customers, to achieve the promises with full force, and maintain quality relationships. The Company also has a legal compliance unit in place, to ensure that commercial conditions, products, processes and services to meet the requirements of competition laws and relevant export control regulations with jurisdiction. Before working with any customer, the Company shall sign a non-disclosure agreement (NDA) approved by the legal department, and personnel shall not disclose the known trade secrets to others, nor shall they inquire or collect trade secrets not related to their duties, in order to fully protect the confidential and sensitive information of both parties. With regard to personal data protection for customers, the Company's compliance unit instructed the unit responsible for data to periodically inventory personal data, and ensure that the collection, processing, and use of personal data by the responsible unit is compliant with the Personal Data Protection Act. The Company has established the “Process of Customer Complaints Management” to maintain good communications with its customers, as well as effective appealing procedures regarding products and service.	
(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		The Company has established a "Supplier Evaluation Management Process" and has published our corporate sustainability supply chain management policy on our official website. This policy requires suppliers to adhere to a code of conduct that goes beyond the principles of integrity and actively complies with the "Responsible Business Alliance Code of	No significant difference

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			<p>Conduct (RBA)" to ensure labor safety, environmental sustainability in business operations, and ethical conduct. This includes establishing standards and norms for labor, health and safety, environment, and business ethics, encompassing green regulations and directives such as RoHS, REACH, and WEEE, as well as refraining from using conflict minerals, participating in green procurement initiatives, and adhering to environmental protection, occupational safety and health, intellectual property rights, and labor human rights.</p> <p>In light of the Modern Slavery Act, the Company has ensured that all its operational activities comply with labor human rights and local laws, including all laws related to human trafficking and anti-slavery. Therefore, we also require our suppliers to jointly comply with these standards and insist that all their commercial transactions, business relationships, and supply chain activities meet ethical standards, with integrity as the top priority.</p> <p>The Company encourages our suppliers to obtain ISO14001 and ISO45001 certifications to fulfill their corporate social responsibilities. We track their performance annually and award them additional points during quarterly evaluations, and increase our procurement volume from them as an incentive.</p> <p>The Company’s "Supplier Evaluation Management Process" includes both written reviews and onsite evaluations. Each year, a supplier evaluation team is formed by members from quality assurance, procurement, environmental health and safety, R&D, and other relevant departments to conduct supplier factory</p>	

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			audits, document reviews (including quality, upstream supplier management, environment and safety, operational plans, etc.), and interviews with their managers and employees to identify issues and implement improvements.	
V. Does the Company refer to international reporting rules or guidelines to prepare Sustainability Report to disclose non-financial information of the Company? Has the said Report acquire 3rd certification party verification or statement of assurance?	V		The content structure of this report primarily refers to the “Sustainability Reporting Standards” issued by the Global Reporting Initiative (GRI) and the core indicators for semiconductor industry in the “Sustainability Accounting Standards” issued by the Sustainability Accounting Standards Board (SASB), as well as the "Compiling the sustainability report in accordance with the category indicators of the semiconductor industry and the “Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies” to prepare the sustainability report. The Company's 2023 Sustainability Report was verified by DNV Business Assurance Co., Ltd. It complies with the core options in the GRI Standards, and the requirements for moderate level of assurance. The 2023 Sustainability Report is disclosed on MOPS and the Company's website “ESG/Sustainability Reports and Related Policies” and could be downloaded. (https://www.sas-globalwafers.com/en/sustainability-report-en/)	No significant difference
VI. If the Company has established the sustainable development principles based on “the Sustainable Development Best-Practice Principles for TWSE/TPEX Listed Companies”, please describe any discrepancy between the Principles and their implementation: The Company has established the “Sustainable Development Best-Practice Principles” and devoted to promoting the sustainable development, which has no significant difference with the Rules.				
VII. Other important information to facilitate better understanding of the Company’s promotion of sustainability development:				

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<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: The Company has been continuously evaluating the risks and opportunities in the places where it operates. The Taiwan operations include Hsinchu, Miaoli and Yilan, and the overseas operations include the United States, Italy, Japan, etc.. The Company is committed to caring for the disadvantaged in remote areas, such as economically disadvantaged families, children, and people with disabilities. We hope to support and improve their living and education conditions through public donation activities, and implement specific action plans for environmental protection through volunteer services. To encourage employees to participate in social welfare, the Company will match every dollar donated by employees with an additional dollar (the Company will donate the same amount as the employee donates). By combining the power of many small contributions, we can bring this love and warmth to more places in need.</p> <p>The social welfare activities resources invested in 2023 are as follows:</p> <p>(1) "2023 Turkey-Syria Earthquake Relief Donation Event": donation to World Vision Taiwan, totaling NT\$921,000.</p> <p>(2) "2023 Early Intervention Fundraising Project": donation to Syin-Lu Social Welfare Foundation, totaling NT\$250,800.</p> <p>(3) "2023 Local Care, Helping Miaoli Nursing Home Equipment Renewal Project": donation to Miaoli Branch of Genesis Social Welfare Foundation, totaling NT\$238,600.</p> <p>(4) 4. "2023 Winter Warmth Charity Carnival Sponsorship” donation to Hsinchu Family Support Center, totaling NT\$10,000.</p> <p>(5) "2023 Mid-Autumn Festival Mooncake Donation Charity Activity”: donation to social welfare groups in Hsinchu, including donated NT\$16,000 to Shih Guang Home for the Disabled, NT\$16,000 to Hua Kuang Intelligent Development Center, and NT\$32,000 to Hsiang Yuan Memorial Nursing Home.</p> <p>Meanwhile, the Taiwan operation sites also held the "GWC Friendly Earth Hand-in-Hand Beach Cleaning Activity” in Longfeng Fishing Port in Zhunan, Miaoli to clean up about 100 kilograms of marine waste, and held a blood donation activity. A total of 182 employees from the Taiwan team donated 76,250 cc of blood in 2023.</p> <p>In addition, overseas plants are also actively involved in social welfare activities. The US plant, GlobiTech Incorporated, raised Christmas gifts for disadvantaged families and donated daily necessities in cooperation with the MasterKey Ministry Foundation. The Italian plant, MEMC Electronic Materials S. p. A., donated several containers to the Red Cross to support the global humanitarian aid movement, and responded to International Women's Day by raising funds, which were all donated to the Italian Women's Anti-Violence Association. The Korean plant, MEMC Korea Company, cooperated with local children's social welfare institutions to hold a kimchi pickling charity event. The Japanese GWJ plant launched an</p>				

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<p>environmental protection initiative, and they worked with colleagues and relatives to clean up man-made garbage in the environment.</p> <p>3. Consumer rights: The Company has an internal "Customer Complaint Management Process" to provide customers with a complaint channel, and signs supply and quality contracts with customers to provide comprehensive protection for customer rights.</p> <p>4. Human rights: For a long time, the Company is committed to promote the equal rights at work regardless of race, gender and age. It also provides opportunities for employees' individual development, allow them to freely express their opinions, and respect the dignity of individuals.</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. Human capital development: The Company has a well-rounded system that links performance to remuneration, cultivates professional talent currently in school, subsidizes continuing education of employees, and signs contracts with important members of management. We identify, cultivate, and reward talent for long-term retention. Furthermore, we increase the willingness of talent to stay with the Company through the employee welfare savings trust and medals commending senior employees that have worked at the Company for a long period of time.</p> <p>(1) Industry-academia collaboration: The Company assigns professional talents to participate in industry-academia research cooperation with academic institutions, commissioned research with research institutions, and entered into strategic alliances with industry partners to jointly solve technical problems in the product development process and continuously improve employees' professional skills. In 2023, there were 23 ongoing cooperation projects, with an average of 6 participants per project, and a total of more than 121 people involved. The cooperating universities include National Tsing Hua University, Yang Ming Chiao Tung University, National Central University, and National Kaohsiung University of Science and Technology.</p> <p>(2) Talent cultivation projects: The Company collaborated with Yang Ming Chiao Tung University to establish a talent development base for the semiconductor and key technology industries. In 2023, three corporate recruitment briefings were held, with a total of approximately 90 to 120 participants. A total of 8 Company supervisors served as mentors to promote diverse talent matching and practical experience exchange.</p> <p>(3) College interns: The Company has successfully cultivated over 40 students together with colleges starting in 2017. The practical experience gained by students at the Company gave them an opportunity to face real world problems. The students were from National Tsing Hua</p>				

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<p>University, National Central University, National Chiao Tung University, National Taiwan University of Science and Technology, and National Yunlin University of Science & Technology, and majored in electronics, industrial engineering, machinery, and psychology. They became interns in R&D, manufacturing, and other support departments.</p> <p>(4) Scholarships for master's and doctoral students: The Company established Regulations Governing Applications for Scholarships for Master's and Doctoral Students, and continues to fund scholarships for professional talent in related fields. Recipients of the scholarships directly become employees of the Company after graduation.</p> <p>(5) Subsidies for on-the-job training: The Company established and on-the-job training policy and fully subsidizes on-the-job training of employees with excellent performance and the willingness to learn, thus encouraging their personal career development.</p> <p>(6) Signing contracts with important members of management: The Company signs contracts with managers that have strategic planning ability or a irreplaceable specialty, in order to retain talent and ensure the sustainable development of the Company's human capital.</p> <p>(7) Fellow Program: The Company has its own Fellow Program within the group, and many employees who were nominated for the program are the leading experts in their field. There is a strict operating and selection process of the committee for selecting employees into the Fellow Program. At present, we have 79 outstanding employees gain recognition through the program.</p> <p>8. Factory Epidemic Prevention: In the post-pandemic era, the global outbreak of COVID-19 has led to significant changes in work and lifestyle. Some changes returned to normal once the pandemic is under control, but certain changes remained permanent. Even without the need for long-term social distancing, some behaviors continues to exist. For example, increased handwashing frequency and maintaining personal hygiene habits help reduce the risk of disease transmission. The Company will periodically adjust epidemic prevention measures based on global pandemic changes. They not only implement high-standard corporate epidemic prevention mechanisms to ensure uninterrupted production lines but also continue to promote diverse care measures and safeguard the safety of all employees. By doing so, we can contribute positively and ensure a healthy workplace.</p> <p>(1) Pandemic prevention information: To ensure that employees have a clear understanding of the latest prevention and control information, the Health Management Center regularly compiles the latest domestic and international pandemic information. We also adjust our on-site prevention and control measures in response to the pandemic level and issue timely announcements to keep employees informed. This allows employees to quickly receive accurate prevention and control information.</p> <p>(2) Care for health: We provide care to employees with fever symptoms or suspected contact history. We also conduct regular follow-ups and express our concern to strengthen the physical health of all employees.</p> <p>(3) Disinfection in the plants: The Company has formulated public area disinfection and cleaning measures, adjusted the frequency of</p>				

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<p>environmental disinfection and supply alcohol disinfectant in public spaces, added partitions in restaurants, posted correct hand washing instructions in each restroom, and conducted regular inventory to ensure that the Company has sufficient anti-epidemic materials.</p> <p>(4) Physical and mental care: To encourage colleagues to pay attention to their own physical and mental state, and to be aware of their physical and mental balance needs, GlobalWafers implemented an Employee Assistance Program (EAP) in 2021. The program provides each employee with 2 free one-on-one counseling sessions per year, and regularly sends out psychological growth materials to help employees alleviate negative emotions and stress.</p> <p>9. The Company actively supports the development of domestic culture and arts. In 2023, the Company collaborated with The Alliance Cultural Foundation to invest NT\$5 million in supporting the Paul Chiang Art Promotion Project and the preparation and construction of the “Paul Chiang Art Center.” We hope to revitalize local communities through art and promote sustainable cultural development in Hualien and Taitung areas. To further cultivate public participation in arts and cultural activities in 2023, the Company sponsored the "Paul Chiang 2023 Solo Exhibition" at the Kaohsiung Museum of Fine Arts. The exhibition ran from December 2, 2023, to March 10, 2024, and attracted 72,006 visitors during exhibition.</p>				