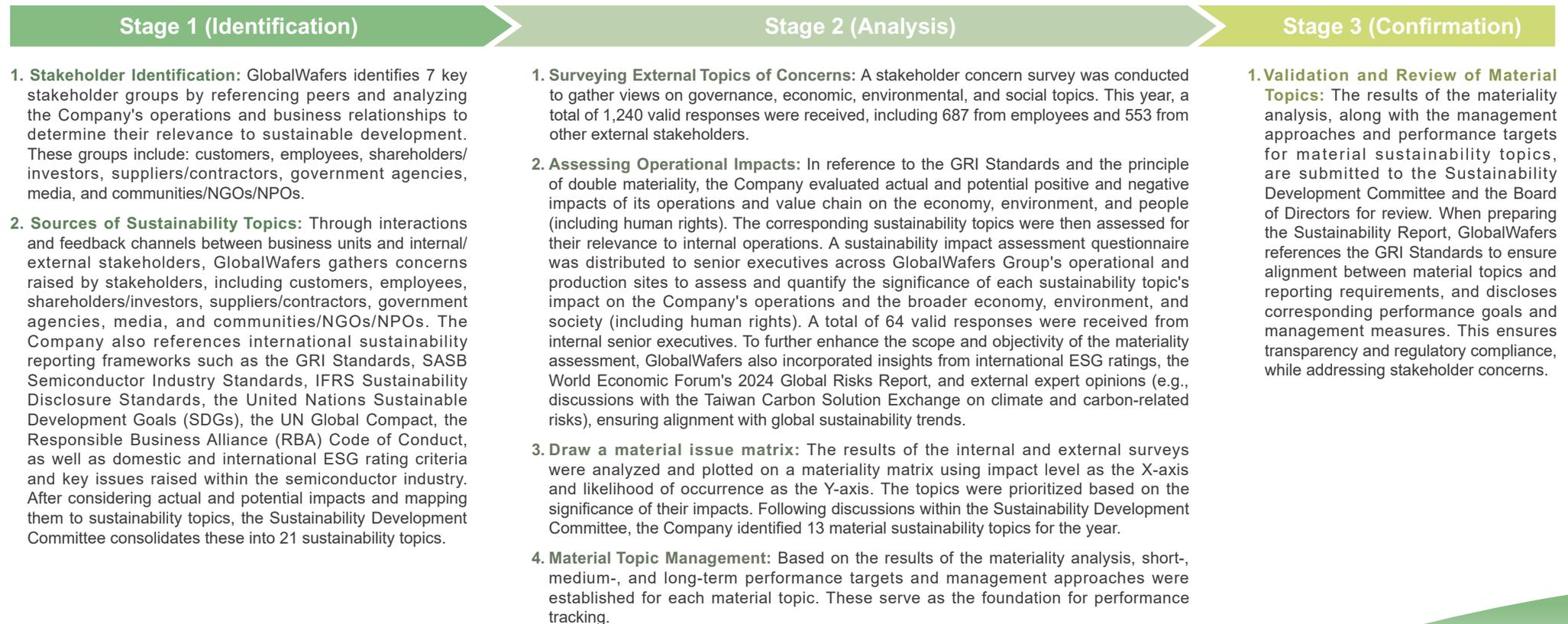


1.2 Material Topics and Stakeholder Engagement

To focus on ESG issues of concern to GlobalWafers' stakeholders and identify material topics closely related to the Company's operations, GlobalWafers conducts a materiality assessment annually. This assessment is guided by the GRI Standards (2021), Sustainability Accounting Standards Board (SASB) indicators, domestic and international ESG rating criteria, and key topics relevant to the global semiconductor industry. Following discussion within the Sustainability Development Committee, 21 sustainability topics were identified. A questionnaire covering four main aspects, governance, economic, social, and environmental, was then distributed to key stakeholders with close ties to GlobalWafers (including customers, employees, shareholders/investors, suppliers/contractors, government agencies, media, communities/NGOs/NPOs) and internal senior management. Based on the principle of double materiality, GlobalWafers assessed the actual and potential positive and negative impacts of each topic. This process resulted in the development of a materiality matrix and the identification of 13 sustainability topics with significant impact on the Company. These material topics form the basis for the development of management approaches and are disclosed in the Sustainability Report to communicate GlobalWafers' strategies and concrete actions regarding each topic. The Sustainability Development Committee reports the results of the materiality analysis and stakeholder engagement to the Board of Directors on an annual basis.

1.2.1 Process to Materiality Analysis



About This Report

2024 Key Indicators and Recognitions

Message from the Chairperson

About GlobalWafers

1 Sustainable Management

1.1 Sustainability Governance

1.2 Material Topics and Stakeholder Engagement

2 Governance and Operations

3 Innovation and Service

4 Sustainable Environment

5 Talent Development and Social Inclusion

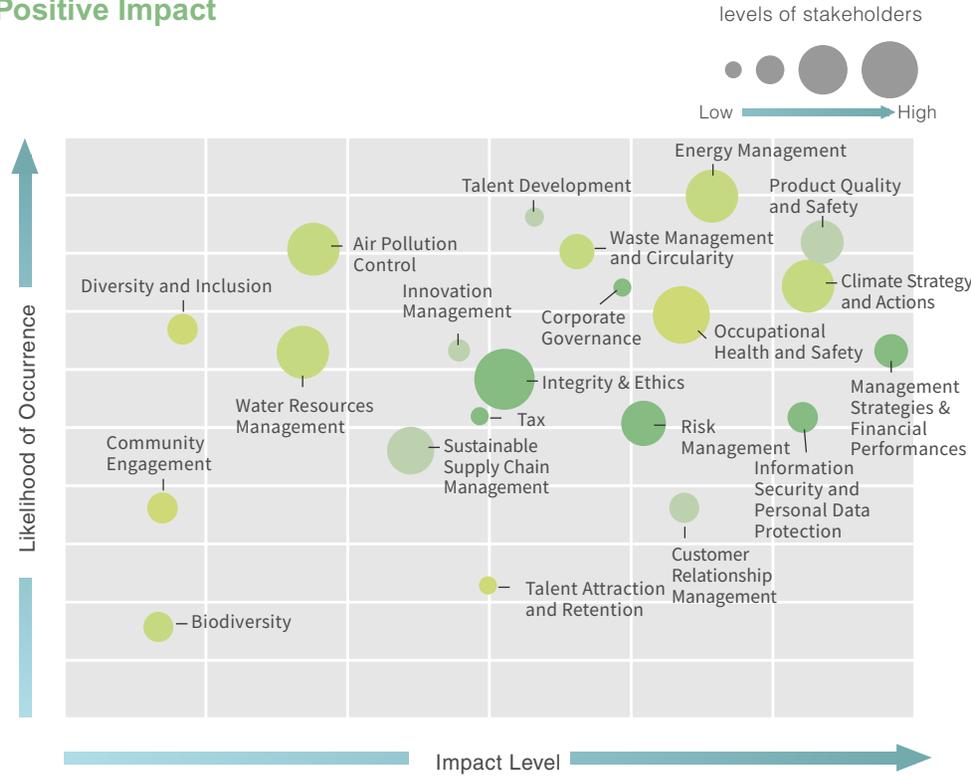
6 Occupational Health and Safety

Appendix

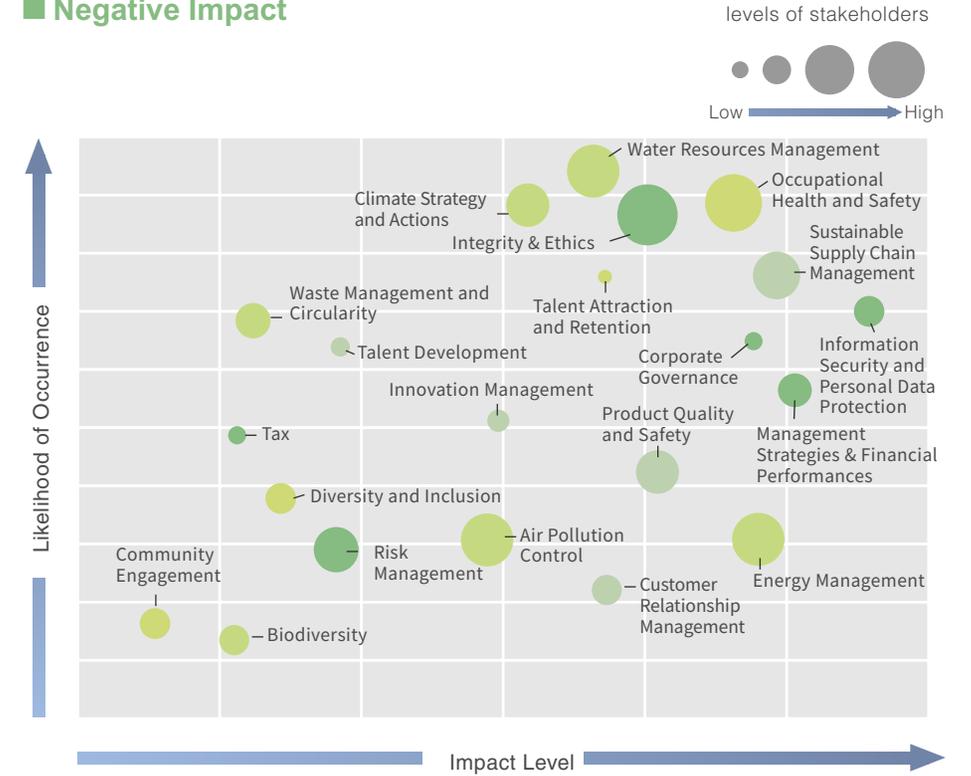


- About This Report
- 2024 Key Indicators and Recognitions
- Message from the Chairperson
- About GlobalWafers
- 1 Sustainable Management
 - 1.1 Sustainability Governance
 - 1.2 Material Topics and Stakeholder Engagement
- 2 Governance and Operations
- 3 Innovation and Service
- 4 Sustainable Environment
- 5 Talent Development and Social Inclusion
- 6 Occupational Health and Safety
- Appendix

Positive Impact



Negative Impact



Governance	Economic	Social	Environmental
<ul style="list-style-type: none"> Corporate Governance Management Strategies & Financial Performances Integrity & Ethics Risk Management Information Security and Personal Data Protection Tax 	<ul style="list-style-type: none"> Innovation Management Product Quality and Safety Customer Relationship Management Sustainable Supply Chain Management 	<ul style="list-style-type: none"> Talent Attraction and Retention Talent Development Diversity and Inclusion Occupational Health and Safety Community Engagement 	<ul style="list-style-type: none"> Climate Strategy and Actions Energy Management Water Resources Management Waste Management and Circularity Air Pollution Control Biodiversity

GlobalWafers conducted an online survey to collect feedback from stakeholders. In 2024, a total of 1,240 valid questionnaires were received, including 687 from employees, 519 from suppliers/contractors, 17 from customers, 9 from shareholders/investors, 4 from government agencies, and 4 from community/NGOs/NPOs. In addition, a total of 64 valid questionnaires was collected by the Group's senior executives. After evaluation and analysis, two new material issues were added in 2024 compared to the previous year: "Integrity & Ethics" and "Talent Development".



About This Report

2024 Key Indicators and Recognitions

Message from the Chairperson

About GlobalWafers

1 Sustainable Management

1.1 Sustainability Governance

1.2 Material Topics and Stakeholder Engagement

2 Governance and Operations

3 Innovation and Service

4 Sustainable Environment

5 Talent Development and Social Inclusion

6 Occupational Health and Safety

Appendix

Material Issues for 2023 and 2024

Year Item	1	2	3	4	5	6	7	8	9	10	11	12	13
2024	Climate Strategy and Actions	Occupational Health and Safety	Management Strategies & Financial Performances	Talent Attraction and Retention	Water Resource Management	Waste Management and Circularity	Product Quality and Safety	Sustainable Supply Chain & Management	Corporate Governance	Energy Management	Information Security and Personal Data Protection	Integrity & Ethics	Talent Development
2023	Climate Strategy and Actions	Compliance with laws and regulations	Occupational Health and Safety	Management Strategies & Financial Performances	Talent Attraction and Retention	Water Resource Management	Waste Management	Product Quality and Safety	Sustainable Supply Chain & Management	Corporate Governance	Energy Management	Information Security and Personal Data Protection	

1.2.2 Stakeholder Engagement and Responses

Primary Stakeholders	Significance to GlobalWafers	Communication Channel	Communication Frequency	Issues of Concern	GlobalWafers' Response and 2024 Engagement Performance
Customers	Company's main source of revenue	Operation meetings	Occasional	<ul style="list-style-type: none"> Integrity & Ethics Information Security and Personal Data Protection Innovation Management Customer Relationship Management Sustainable Supply Chain Management Occupational Health and Safety 	<ul style="list-style-type: none"> Strictly complies with international regulations related to hazardous substance management and conflict minerals. Products are tested annually by third-party certification bodies to verify the absence of hazardous substances, and all past test results have met the required standards. The 2024 customer satisfaction survey achieved a 100% response rate, with overall performance in both "Product Quality" and "New Product Development" exceeding the Company's set targets. Participated in customer sustainability-related engagement meetings, and in 2024 was awarded the "Carbon Reduction Leadership Award" as a sustainable supplier. In 2024, participated in Taiwan Continuous Improvement Awards, receiving a Silver Tower Award and a Gold Tower Award in the Unity Group, demonstrating ongoing improvements and advancements in process technology. In June 2024, released the "Privacy Policy," which applies to all personal data subjects involved in the Company's business operations, affirming the Company's commitment to full compliance with all applicable privacy and personal data protection laws and regulations.
		Annual customer satisfaction survey	Once a year		
		Customer audit	Occasional		
		Appeal/complaints telephone or email	Occasional		
Employees	Employees are the Company's most important asset. Only by taking good care of employees can the two grow synergistically	Company website and emails	Occasional	<ul style="list-style-type: none"> Management Strategies & Financial Performances Product Quality and Safety Information Security and Personal Data Protection Talent Attraction and Retention Occupational Health and Safety 	<ul style="list-style-type: none"> Formal policies have been established, and continuous two-way communication is maintained through channels such as the internal website, grievance mailbox, labor-management meetings, and migrant worker communication meetings. In 2024, the Company's Taiwan plants held a total of 18 labor-management meetings and 2 migrant worker communication meetings. The Company provides platforms such as the electronic bulletin board and employee suggestion box for staff to submit opinions or improvement suggestions. Relevant departments respond accordingly. In 2024, a total of 26 employee opinions were addressed. In 2024, a total of 3,094 employees were union members, accounting for 43.0% of the Group's total workforce. An annual employee satisfaction survey is conducted to comprehensively understand employees' work experience and gather suggestions for improvement. Based on employee characteristics and job requirements, the Company actively provides appropriate adjustment recommendations and resources, such as internal transfers, competency training, or career development counseling, to enhance retention and ensure the right people are in the right roles. The "Employee Caring Program" continues to be promoted, covering psychological counseling, health monitoring, and educational awareness to provide comprehensive support for employees' physical and mental well-being. In 2024, employees received an average of 10.94 hours of occupational health and safety training, exceeding the established target. The Group-wide internal publication Connection is issued quarterly to foster a strong workplace health and safety culture. Committed to creating a friendly workplace, GlobalWafers received the Excellence Award for Promoting Workplace Equality from the Hsinchu Science Park in 2023 and 2024. The Company values the inclusion of mid-to-senior-aged talent and has implemented job redesign measures, earning the "Outstanding Employment Award for Senior Workforce" from the Ministry of Labor in 2024.
		Company notice board	Occasional		
		Labor-management consultation meetings (Taiwan)	Quarterly		
		Complaint boxes or hotlines	Occasional		
		Performance appraisal interviews	Once a year		
		All organizational meetings	Occasional		
		Union member meetings (Japan, Korea, Italy, USA)	Occasional		
		Group Corporate Newsletter	Quarterly		
		Migrant Worker Communication Meetings	Semi-annually		
Welfare Committee Meetings	Quarterly				



- About This Report
- 2024 Key Indicators and Recognitions
- Message from the Chairperson
- About GlobalWafers
- 1 Sustainable Management
 - 1.1 Sustainability Governance
 - 1.2 Material Topics and Stakeholder Engagement
- 2 Governance and Operations
- 3 Innovation and Service
- 4 Sustainable Environment
- 5 Talent Development and Social Inclusion
- 6 Occupational Health and Safety
- Appendix

Primary Stakeholders	Significance to GlobalWafers	Communication Channel	Communication Frequency	Issues of Concern	GlobalWafers' Response and 2024 Engagement Performance
Shareholders/ Investors	All shareholders are investors of the Company, and the information that should be disclosed shall be handled in a fair manner	Shareholders' meetings, institutional investors conferences, domestic and foreign investment institute seminars, and face-to-face communication meetings	Annually: Shareholders' Meeting Quarterly: Company-hosted investor conferences Occasional: Participation in domestic and overseas institutional investor presentations upon invitation	<ul style="list-style-type: none"> • Corporate Governance • Management Strategies & Financial Performances • Integrity & Ethics • Climate Strategy and Actions • Energy Management • Occupational Health and Safety 	<ul style="list-style-type: none"> • The Company discloses financial information, investor conference materials, and video recordings of shareholder meetings on the "Investor" section of its official website. ESG-related updates are also shared in the "ESG – ESG Focus Cases" section. • Based on requests from investment institutions, the Company engages in discussions on governance, operations, environmental, and social issues through written questionnaires or meetings as needed. • In-person meetings and online press conferences are held to enhance interaction with investors, domestic and international media, institutional investors, and shareholders, enabling timely responses to material company updates. • In 2024, 1 shareholders' meeting was held to communicate with shareholders on topics including the list of director candidates, the business report, and ESG performance for the year. • In 2024, the Company hosted four self-organized investor conferences and participated in four additional conferences hosted by domestic and overseas institutional investors to provide updates on business performance. • In 2024, a total of 53 material disclosures were issued in both Chinese and English. • In 2024, GlobalWafers was selected as a constituent of the FTSE4Good Index Series, the Taiwan OTC Sustainable Index, and the OTC ESG 30 Index. • In 2024, the Company was selected for the "Taiwan FINI 100 Companies."
		Company Annual Report and Sustainability Report	Once a year		
		Information released on the Company's official website, press releases, and the Market Observation Post System	Occasional		
		Collecting and replying to messages via telephone or emails	Occasional		
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	Occasional	<ul style="list-style-type: none"> • Information Security and Personal Data Protection • Integrity & Ethics • Sustainable Supply Chain Management • Water Resources Management • Occupational Health and Safety 	<ul style="list-style-type: none"> • Suppliers are required to comply with and sign the "GlobalWafers Co. Ltd. Supplier Code of Conduct & Supplier's Declaration on Compliance with Supplier Code of Conduct," with a 100% signing rate among key suppliers. • Fully compliant with responsible sourcing practices, achieving a 100% completion rate in avoiding the use of conflict minerals. • Supplier conferences are held to communicate the Company's sustainability policies, enabling suppliers to understand GlobalWafers' sustainability practices and expectations. • A supplier evaluation and management process has been established. Each year, suppliers are notified of the Company's "Supplier Sustainability Standards." • Annual supplier audits (on-site or document-based) are conducted, with a 90% completion rate achieved in 2024. • Through business meetings and supplier conferences, raw material suppliers are encouraged to reduce carbon emissions, working together across the supply chain to achieve the Company's carbon reduction and RE100 goals. • Formulate contractor management procedures and establish a contractor construction management system to manage all contractors who have entered the plants.
		On-site / Document-based Audits	Annually		
		Collecting and replying to messages via telephone or emails	Occasional		
		Supplier Conference	Every two years		



- About This Report
- 2024 Key Indicators and Recognitions
- Message from the Chairperson
- About GlobalWafers
- 1 Sustainable Management
 - 1.1 Sustainability Governance
 - 1.2 Material Topics and Stakeholder Engagement
- 2 Governance and Operations
- 3 Innovation and Service
- 4 Sustainable Environment
- 5 Talent Development and Social Inclusion
- 6 Occupational Health and Safety
- Appendix

Primary Stakeholders	Significance to GlobalWafers	Communication Channel	Communication Frequency	Issues of Concern	GlobalWafers' Response and 2024 Engagement Performance
Government Agencies	Maintain a smooth and positive relationship, and express the company's determination to comply with legal requirements	Correspondence of official documents, meetings (public hearings, conferences, corporate roundtables), and surveys are conducted to gather feedback	Occasional	<ul style="list-style-type: none"> • Integrity & Ethics • Climate Strategy and Actions • Occupational Health and Safety 	<ul style="list-style-type: none"> • Regularly review the regulation contents, and keep abreast of the latest trends in regulations. • Participate in regulatory briefings and corporate governance seminars hosted by competent authorities to understand related policies and practical requirements. • Provide industry feedback on government policies through industry associations such as SEMI, the Taiwan Semiconductor Industry Association, the Science Park Association, and other relevant industry associations. • Cooperate with the competent authority for plant visits or unscheduled plant audits. • In 2024, received dual honors from the Taipei Exchange (TPEX), being awarded the "TPEX Market Value Contribution Award" and the "TPEX Happy Enterprise Award". • Participated in government-hosted industry roundtables to discuss topics such as global trade dynamics and supply chain resilience.
		Provide industry feedback through general assemblies, networking meetings, or opinion surveys conducted by industry associations	Occasional		
The Media	Establish media communication channels to promptly provide accurate, fair, and objective information related to the industry and the Company	Press Releases	Issues an average of 2 to 3 press releases per quarter	<ul style="list-style-type: none"> • Management Strategies & Financial Performances • Integrity & Ethics • Sustainable Supply Chain Management • Risk Management • Community Engagement 	<ul style="list-style-type: none"> • Maintain contact with media outlets as needed through interviews or online press conferences to help media professionals understand the Company's operating performance and provide timely responses to major announcements. • Issue monthly revenue updates and quarterly financial press releases. • Publish important Company updates and ESG-related news on the official website as needed, ensuring transparent information disclosure in line with the principles of completeness, timeliness, and fairness. • In 2024, a total of 23 press releases were issued in both Chinese and English.
		Company Website	Occasional		
		Media Interviews, Online Press Conferences, and Other Media Channels	Occasional		
Community/NGOs/NPOs	Establish good partnerships with communities, NGOs, and NPOs, combining resources and strengths from both sides to use the invested resources effectively and create a more positive impact for people	Communication Meetings with Charitable Organizations and Local Communities Public Welfare Collaboration Projects and Volunteer Activities Press Releases Company Website	Occasional	<ul style="list-style-type: none"> • Integrity & Ethics • Climate Strategy and Actions • Energy Management • Water Resources Management • Air Pollution Control • Biodiversity 	<ul style="list-style-type: none"> • Each year, the Employee Welfare Committee launches fundraising campaigns in collaboration with charitable groups and non-profit organizations to support and donate to local disadvantaged communities. Public welfare initiatives in 2024 included the World Vision Taiwan Youth Development Program, A-bao Foundation's Art and Cultural Enrichment Program for People with Disabilities in Yilan, donations to 0403 Hualien Earthquake Disaster Area Reconstruction, renovation of the Genesis Foundation Miaoli Branch's Renovation of Care Homes for impoverished for vegetative patients, and the Dr. Red Nose Association's hospital performance program in Hsinchu. • Adopted the Longfeng Fishing Port coastline in Zhunan and has organized beach clean-up activities for 5 consecutive years, encouraging employee and family participation to protect local coastal ecosystems. • Partnered with Wennei Community in Miaoli and National United University to promote biodiversity projects and ecological conservation efforts. • Collaborated with community groups and non-profit organizations to support social engagement projects, including cultural promotion and STEM education initiatives. In 2024, supported the Paul Chiang Arts & Cultural Foundation's art promotion project to foster cultural development in Eastern Taiwan, and co-hosted the "Pioneer Seedling Project" summer science camp with IC Broadcasting, the IShare Community Development Association, and Hsuan Chuang University to enhance science education for students in rural areas. • For more details on social engagement initiatives and related resources invested in 2024, please refer to the GlobalWafers website

1.2.3 Material Topics and Enterprise Risk Management (ERM)

GlobalWafers' Sustainability Development Committee analyzes material topics based on the principle of materiality outlined in the Sustainability Report. Through communication with internal and external stakeholders and by inviting senior management across the Group to participate in the assessment questionnaire, the Committee evaluates the significance of impacts associated with material ESG topics. These are incorporated into the Company's overall Enterprise Risk Management (ERM) framework, forming the basis for setting relevant management policies and concrete action plans to mitigate associated risks. Risk management measures, mitigation strategies, and response actions for each material topic are disclosed in [Chapter 2 "Governance and Operation" \ 2.3 Risk Management](#), as well as in the respective relevant sections of this report.

The impact (risk) management for material issues in 2024 is as follows:

Material Issues	Actual/potential and Negative/Positive Impacts of GlobalWafers in Economic, Environmental, and People (human rights) Aspects	Risk Management Scope	Risk Management Assessment			
			Positive/Negative	Likelihood	Impact Level	Risk Grad
Corporate Governance	<p>Positive impact: Robust corporate governance enables effective oversight of sustainability strategies and continuously enhances corporate value.</p> <p>Negative impact: Poor governance performance may result in noncompliance with regulatory requirements, leading to significant penalties and reputational damage.</p> <p>Opportunity/Risk: Failure to meet governance expectations may result in shareholder lawsuits and a loss of stakeholder trust, potentially impacting stock price and capital cost, thereby causing financial losses. On the other hand, compliance with governance standards can strengthen corporate reputation and market competitiveness, attract investment, and enhance financial stability. If the Company complies with relevant regulations, it can enhance its corporate image and market competitiveness, help attract investment, and further strengthen financial stability.</p>	Compliance Risk	Positive	4	3	Medium
			Negative	3	4	Medium
Management Strategies & Financial Performances	<p>Positive impact: Effective formulation of short-, medium-, and long-term sustainable business strategies can help capture market opportunities ahead of competitors and drive revenue growth and operational efficiency for sustained profitability.</p> <p>Negative impact: Failure in business strategy or inability to maintain a sound financial structure may result in operational difficulties and erode shareholder and investor trust.</p> <p>Opportunity/Risk: A successful business strategy brings sustained profitability, revenue growth, and increased shareholder returns, positively impacting financial performance. Conversely, an ineffective strategy could lead to financial difficulties, increased liquidity risks, and loss of investor confidence, raising capital costs and negatively impacting the Company's financial condition.</p>	Financial Risk	Positive	4	4	High
			Negative	3	4	Medium
Information Security and Personal Data Protection	<p>Positive impact: Emphasizing the value of information and privacy protection, the Company has implemented data leakage prevention systems and a personal data protection management system, earning the trust of business partners and customers, and enhancing corporate value and reputation.</p> <p>Negative impact: Breaches of information or privacy data may result in the loss of trust from partners and customers, increased operating costs, and reduced corporate value and reputation.</p> <p>Opportunity/Risk: Strengthening information security measures protects the Company from data breach risks and reduces the additional costs incurred from incident responses. In the event of a data breach, the Company may face fines, lose trust from partners and customers, suffer long-term financial losses, and incur increased legal and compensation costs.</p>	Operational Risk	Positive	4	4	High
			Negative	3	4	Medium
Product Quality and Safety	<p>Positive impact: High-quality and safe products help improve the Company's reputation, increase customer loyalty, and have a longer service life, reducing waste and resource consumption, and helping protect the health and safety of consumers.</p> <p>Negative impact: Low-quality or unsafe products may lead to product recalls, wastes of resources, pollution and excess energy consumption. This can damage the Company's image and harm its revenue and profits.</p> <p>Opportunity/Risk: High-quality and safe products support stronger customer loyalty and brand value, contributing to stable sales revenue and greater market competitiveness. However, if product quality issues arise, recalls may be necessary, operational costs may increase, and the Company's sales and brand value may be negatively affected, resulting in financial losses.</p>	Operational Risk	Positive	4	4	High
			Negative	2	3	Low



About This Report

2024 Key Indicators and Recognitions

Message from the Chairperson

About GlobalWafers

1 Sustainable Management

1.1 Sustainability Governance

1.2 Material Topics and Stakeholder Engagement

2 Governance and Operations

3 Innovation and Service

4 Sustainable Environment

5 Talent Development and Social Inclusion

6 Occupational Health and Safety

Appendix



- About This Report
- 2024 Key Indicators and Recognitions
- Message from the Chairperson
- About GlobalWafers
- 1 Sustainable Management
 - 1.1 Sustainability Governance
 - 1.2 Material Topics and Stakeholder Engagement

- 2 Governance and Operations
- 3 Innovation and Service
- 4 Sustainable Environment
- 5 Talent Development and Social Inclusion
- 6 Occupational Health and Safety
- Appendix

Material Issues	Actual/potential and Negative/Positive Impacts of GlobalWafers in Economic, Environmental, and People (human rights) Aspects	Risk Management Scope	Risk Management Assessment			
			Positive/Negative	Likelihood	Impact Level	Risk Grad
Sustainable Supply Chain Management	<p>Positive impact:</p> <ul style="list-style-type: none"> Enhancing production efficiency and market competitiveness: By improving supplier quality, shortening delivery times, and strengthening partnerships, the Company can reduce operating costs, boost production efficiency, and increase market competitiveness while fostering mutual growth with suppliers in adapting to market conditions. Promoting environmental sustainability and responsible sourcing: The Company actively promotes sustainability initiatives such as optimizing transportation and packaging processes, incorporating carbon costs into procurement decisions, and collaborating with suppliers to develop innovative materials and processes that reduce resource consumption and waste. In addition, suppliers are categorized through tiered management to ensure ethical standards are upheld, including protection of human rights, prohibition of forced or child labor, and avoidance of conflict minerals. Requiring sustainability practices from partners helps establish a fairer and more responsible global supply chain. <p>Negative impact:</p> <ul style="list-style-type: none"> Increased demands may burden suppliers: To meet higher sustainability standards, the Company imposes strict requirements (e.g., ISO 14001, 45001, 14064, 14067 certifications, sustainability evaluations), which may increase suppliers' operational costs and resource pressures, particularly for small and medium-sized enterprises that may struggle to comply in the short to mid-term. Challenges in sustainability execution: While advancing innovative materials and technologies can reduce carbon costs and resource use, suppliers may require extended time for transformation and face technical or resource limitations, affecting the smooth implementation of sustainability initiatives. <p>Opportunity/Risk:</p> <p>Effective supply chain management reduces operational costs, improves supply chain efficiency, and drives profitability and cash flow growth. Conversely, if suppliers fail to meet sustainability requirements, this may result in delivery delays, increased costs, and impact revenue and financial stability, especially in cases of supply chain disruption or exposure to significant risks.</p>	Operational Risk	Positive	4	3	Medium
			Negative	3	4	Medium
Climate Strategy and Actions	<p>Positive impact: Due to the effects of climate change, governments around the world are regulating corporate greenhouse gas emissions through policies, laws, and economic instruments (such as carbon border tariffs and carbon leakage prevention). In addition, value chain partners are increasingly proposing joint decarbonization efforts. By taking climate action to reduce carbon footprint throughout the product life cycle, the Company can enhance the market competitiveness of its products and reduce dependency on environmental factors in its operations.</p> <p>Negative impact: In response to government net-zero targets and various environmental regulations, the Company must continue to invest in low-carbon initiatives, such as phasing out energy-intensive equipment, promoting circular economy practices, and adopting renewable energy. These efforts increase operating expenses and may raise product unit costs.</p> <p>Opportunity/Risk: Responding to climate policies can enhance the Company's market competitiveness and attract more green investment, improving access to capital and supporting financial health. However, implementing low-carbon strategies entails higher upfront investment and operating costs, which may affect short-term financial performance.</p>	Environmental Risk	Positive	4	4	High
			Negative	3	3	Medium
Energy Management	<p>Positive impact: To address the immediate and long-term risks posed by climate change, the Company manages risks within an acceptable range by integrating risk management, energy resource impact, and green production considerations. In compliance with government regulations and customer requirements, the Company is committed to improving energy efficiency, setting energy-saving targets, and advancing sustainable development. These efforts help reduce the operational costs associated with such risks and mitigate negative impacts on the environment and economy.</p> <p>Negative impact: During operations, electricity demand increases with rising temperatures. At the same time, electricity providers continue to raise rates due to higher generation costs. If the Company fails to properly manage energy consumption, it may face increased operational costs or even the risk of operational disruption.</p> <p>Opportunity/Risk: Improving energy efficiency helps reduce energy costs and enhances long-term financial stability. However, if energy use is not effectively managed, the Company may incur high utility expenses and face greater operational costs due to energy price volatility or short-term demand surges, putting pressure on financial performance.</p>	Environmental Risk	Positive	4	4	High
			Negative	2	4	Low



About This Report

2024 Key Indicators and Recognitions

Message from the Chairperson

About GlobalWafers

1 Sustainable Management

1.1 Sustainability Governance

1.2 Material Topics and Stakeholder Engagement

2 Governance and Operations

3 Innovation and Service

4 Sustainable Environment

5 Talent Development and Social Inclusion

6 Occupational Health and Safety

Appendix

Material Issues	Actual/potential and Negative/Positive Impacts of GlobalWafers in Economic, Environmental, and People (human rights) Aspects	Risk Management Scope	Risk Management Assessment			
			Positive/Negative	Likelihood	Impact Level	Risk Grad
Waste Management	<p>Positive impact: Implementing effective waste management practices can significantly reduce the total volume of waste generated during operations. Increasing the amount of recyclable or reusable waste, or improving reuse efficiency, lowers related disposal costs and promotes the reuse of energy and resources, thereby reducing the volume of waste requiring final treatment.</p> <p>Negative impact: Environmental regulations in various countries are becoming increasingly stringent, with more detailed requirements for waste classification and recycling. This leads to higher costs for waste treatment equipment and external service providers. Furthermore, improper disposal or environmental pollution caused by waste may result in substantial fines or damage to the Company's reputation.</p> <p>Opportunity/Risk: Effective waste management can reduce treatment costs and increase resource recycling and reuse, thereby lowering operating costs and positively impacting financial performance. Conversely, failure to comply with waste regulations or improper management may result in fines and additional expenses, negatively affecting the Company's financial standing.</p>	Environmental Risk	Positive	4	3	Medium
			Negative	3	3	Medium
Water Resource Management	<p>Positive impact: Effective water resource management can significantly reduce the Company's reliance on external water sources and natural water bodies by encouraging the use of alternative water (such as rainwater and condensate) and increasing the proportion of internal water recycling and reuse.</p> <p>Negative impact: With increasingly severe abnormal climate conditions, the inability to secure a stable supply of clean water, as well as climate-related disasters (such as droughts or cold spells), may disrupt operations and impact business continuity.</p> <p>Opportunity/Risk: Good water resource management can reduce dependence on external water sources, lower water-related costs, and promote internal water recycling, creating long-term positive impacts on the Company's financial performance. However, failure to effectively respond to water shortages may lead to operational disruptions and high water-related expenses, negatively affecting financial stability.</p>	Environmental Risk	Positive	4	3	Medium
			Negative	3	3	Medium
Talent Attraction and Retention	<p>Positive impact: Effective talent attraction and retention strategies enhance corporate competitiveness, promote diversity, equity, and inclusion (DEI), reduce employee turnover and recruitment costs, strengthen employee well-being and loyalty, support sustainable development, and attract investor and public recognition.</p> <p>Negative impact: A lack of fair and sustainable talent strategies may exacerbate workplace inequality and negatively affect employee morale and mental health. Excessive competition in employee benefits may also increase financial burdens, potentially undermining operational stability and resource allocation, thereby reducing overall performance.</p> <p>Opportunity/Risk: Attracting and retaining top talent improves employee productivity and strengthens competitiveness, contributing to long-term financial performance. Conversely, high turnover or ineffective talent strategies may require greater investment in recruitment and training, increasing short-term financial burdens and potentially impacting operational stability.</p>	Operational Risk	Positive	3	3	Medium
			Negative	3	3	Medium
Occupational Health and Safety	<p>Positive impact: Promoting robust safety measures helps raise employee awareness and ensures their safety while performing job duties. Strengthening occupational health safeguards employees' physical and mental well-being. These efforts enhance productivity, morale, and efficiency, while reducing work interruptions and absenteeism caused by health issues.</p> <p>Negative impact: Implementing safety measures may require restrictive procedures that can reduce productivity or efficiency. In addition, increasingly stringent occupational safety and health regulations may result in higher labor costs or necessitate additional improvement measures.</p> <p>Opportunity/Risk: Improving employee safety and health helps lower injury rates and absenteeism, increases productivity, and reduces turnover, positively affecting financial performance. However, failure to meet safety standards or the occurrence of major workplace accidents may lead to fines and compensation costs, negatively impacting financial results.</p>	Operational Risk	Positive	4	3	Medium
			Negative	3	4	Medium



- About This Report
- 2024 Key Indicators and Recognitions
- Message from the Chairperson
- About GlobalWafers
- 1 Sustainable Management
 - 1.1 Sustainability Governance
 - 1.2 Material Topics and Stakeholder Engagement

- 2 Governance and Operations
- 3 Innovation and Service
- 4 Sustainable Environment
- 5 Talent Development and Social Inclusion
- 6 Occupational Health and Safety
- Appendix

Material Issues	Actual/potential and Negative/Positive Impacts of GlobalWafers in Economic, Environmental, and People (human rights) Aspects	Risk Management Scope	Risk Management Assessment			
			Positive/Negative	Likelihood	Impact Level	Risk Grad
Integrity & Ethics	<p>Positive impact: Implementing ethical business practices in compliance with laws and international standards helps maintain fair market competition, strengthen corporate image, uphold competitiveness, and protect the rights of stakeholders.</p> <p>Negative impact: Without a strong control environment grounded in ethical integrity, there is a risk of fraud, which could lead to financial losses for the company and investors, increased management costs, and potential legal risks such as litigation and penalties.</p> <p>Opportunity/Risk: Strong ethical conduct fosters business trust and a stable market presence, positively influencing financial performance. Conversely, lacking integrity management may result in fraudulent activities, leading to fines, lawsuits, and loss of stakeholder trust, causing significant financial and operational harm.</p>	Compliance Risk	Positive	4	3	Medium
			Negative	3	3	Medium
Talent Development	<p>Positive impact: Talent development enhances a company's competitiveness, innovation, and productivity. It supports green transition, promotes workplace equality and employee well-being, attracts ESG investment, and fosters local talent cultivation, contributing to sustainable business and societal development.</p> <p>Negative impact: Talent development increases short-term costs and may intensify internal inequality, employee stress, and burnout. It can also add environmental burden due to technology upgrades and travel-related training. Without proper management, it may affect labor rights across the supply chain.</p> <p>Opportunity/Risk: Investing in talent development improves innovation and productivity, advancing the Company's green transformation and strengthening long-term financial performance. In the short term, the required investments may raise costs, but over time, they can yield greater returns. However, if not properly managed, these investments may place strain on short-term financial performance and capital operations.</p>	Operational Risk	Positive	4	3	Medium
			Negative	3	3	Medium

GlobalWafers Risk Assessment Scale

Score	1	2	3	4	5
Likelihood	Extremely Low Likelihood (Probability ≤ 25%)	Low Likelihood (25% < Probability ≤ 50%)	Slightly High Likelihood (50% < Probability ≤ 75%)	Extremely High Likelihood (Probability > 75%)	Already Occurred

Score	1	2	3	4	5	
Impact Level ^{Note}	Amount (US\$)	< US\$100,000	US\$100,000 - US\$1 million	US\$1 million - US\$5 million	US\$5 million - US\$10 million	> US\$10 million
	Impact time	< 1 hour	1 hour - 1 day	1 day - 2 days	2 days - 5 days	> 5 days

Note: Impact on the Company financials / operations / reputation

1.2.4 GlobalWafers' Management Approach to Material Topics

Topic Category	Material Sustainability Topic	Management Policy	Management Approach	Value Chain Impact Boundary			Responsible Unit	Corresponding Section	Corresponding GRI Topic	Corresponding SASB Standard
				Upstream	Operations	Downstream				
Economic	Corporate Governance	<ul style="list-style-type: none"> Articles of Incorporation Corporate Governance Best Practice Principles Code of Ethical Conduct Rules of Board of Directors Meetings Audit Committee Charter Remuneration Committee Charter Nomination Committee Charter Rules for Performance Evaluation of Board of Directors and Functional Committees Rules for the Election of Directors Rules Governing the Scope of Duties of Independent Directors Procedures for Handling Material Inside Information Governing Financial and Business Matters Between this Corporation and its Affiliated Enterprises 	<ul style="list-style-type: none"> Appointment of a Corporate Governance Officer responsible for leading and supervising the President's Office in corporate governance affairs and assisting directors in exercising their duties Assist the Board in formulating diversity and independence policies for board composition Assist directors with onboarding, arranging training programs, and conducting performance evaluations for the Board and its functional committees Monitor the latest announcements and regulatory updates issued by competent authorities to ensure proper operation of the corporate governance system Regularly update/disclose operational and financial information; hold quarterly investor conferences to maintain open communication with shareholders and investors Participate in major domestic and international evaluations; regularly review performance across corporate governance indicators and implement continuous improvements 		✓		Chairperson's Office President's Office	2.1 Corporate Governance	-	-
	Management Strategies & Financial Performances	<ul style="list-style-type: none"> Procedures for Handling Material Inside Information Procedures for Lending Funds to Other parties Procedures for Endorsement and Guarantee Policies and Procedures for Financial Derivatives Transactions Acquisition or Disposal of Assets Procedure Regulations Governing the Preparation of Financial Statements 	<ul style="list-style-type: none"> Convene Board meetings at least quarterly to confirm operational strategies and implementation plans Continuously monitor market trends and maintain profitability by expanding production capacity, diversifying manufacturing sites, and developing products that meet market demands Hold regular management meetings to review the performance and implementation status of annual plans at each production site, ensuring alignment with operational targets Utilize various financing instruments to maintain a sound financial structure capable of responding to market volatility, thereby generating profits through stable operations Disclose financial information in accordance with International Financial Reporting Standards recognized by regulatory authorities 	✓	✓		Chairperson's Office President's Office Finance Division Accounting Division	2.2 Operational Performance	GRI 201: Economic Performance	-



About This Report

2024 Key Indicators and Recognitions

Message from the Chairperson

About GlobalWafers

1 Sustainable Management

1.1 Sustainability Governance

1.2 Material Topics and Stakeholder Engagement

2 Governance and Operations

3 Innovation and Service

4 Sustainable Environment

5 Talent Development and Social Inclusion

6 Occupational Health and Safety

Appendix



About This Report

2024 Key Indicators and Recognitions

Message from the Chairperson

About GlobalWafers

1 Sustainable Management

1.1 Sustainability Governance

1.2 Material Topics and Stakeholder Engagement

2 Governance and Operations

3 Innovation and Service

4 Sustainable Environment

5 Talent Development and Social Inclusion

6 Occupational Health and Safety

Appendix

Topic Category	Material Sustainability Topic	Management Policy	Management Approach	Value Chain Impact Boundary			Responsible Unit	Corresponding Section	Corresponding GRI Topic	Corresponding SASB Standard
				Upstream	Operations	Downstream				
Economic	Integrity & Ethics	<ul style="list-style-type: none"> Ethical Corporate Management Best Practice Principles Procedures for Ethical Management and Guidelines for Conduct Code of Ethical Conduct Measures for the Report on Illegal, Immoral and Dishonest Acts 	<ul style="list-style-type: none"> The Legal Department is responsible for promoting the ethical business policy, formulating preventive measures, and supervising their implementation Annual audits are conducted through email system controls, access control management, whistleblowing mechanisms, regulatory compliance reviews, departmental interviews, and case investigations to ensure the Company operates in accordance with ethical business principles Annual review and optimization of management measures, with implementation results reported to the Board of Directors Regular training and awareness campaigns on ethical business practices are conducted to ensure that directors, managers, and employees support and uphold the values of ethical conduct and integrity 	✓	✓	✓	Legal Department	2.1.2 Integrity & Ethics	GRI 205: Anti-corruption	-
	Information Security and Personal Data Protection	The Company places great importance on information security and has established an Information Security Policy and Information Security Management Procedures. As of September 2024, the Company has obtained ISO 27001:2022 certification.	<ul style="list-style-type: none"> The CISO convenes the Information Security Committee every six months to set new improvement targets The highest-ranking information or cybersecurity officer at each site holds quarterly Information Security Promotion Meetings and drives ongoing improvement initiatives 	✓	✓	✓	Chief Information Security Officer IS: Information Security Division	2.4 Information Security	GRI 418: Customer Privacy	-
	Product Quality and Safety	The Company adheres to international quality system standards (IATF 16949 & ISO 45001) as the foundation and strives to meet specific customer requirements in order to become their top-priority partner.	Establish quality and environmental management systems, with senior management conducting periodic reviews of system performance and making timely decisions to improve effectiveness and respond to significant internal and external issues.	✓	✓	✓	Quality Assurance Division Occupational Safety, Health and Environmental Protection Division	3.2. Product Quality 3.3 Customer Service	GRI 416: Customer Health and Safety	TC-SC-410a.1 TC-SC-410a.2
	Sustainable Supply Chain Management	Work closely with suppliers to build and maintain long-term partnerships, encouraging them to adopt responsible business practices with respect to environmental, social, and corporate governance principles. We comply with all applicable regulations and adhere to principles of transparency, fairness, and integrity in our procurement practices. Foster strong supplier relationships by considering and responding to stakeholders procurement-related concerns. Priority is given to the procurement of low-carbon products to promote energy conservation, waste reduction, and green transportation. Fulfill our social responsibilities and respect human rights. Actively promote "Responsible Mineral Procurement" and collaborate with suppliers to jointly support this initiative.	<ul style="list-style-type: none"> Procurement Management Procedures Supplier Code of Conduct Supplier Sustainability Management Assessment 	✓	✓	✓	Purchasing Division	3.4 Sustainable Supply Chain and Management	GRI 204: Procurement Practices GRI 308: Supplier Environmental Assessment GRI 414: Supplier Social Assessment	TC-SC-440a.1



- About This Report
- 2024 Key Indicators and Recognitions
- Message from the Chairperson
- About GlobalWafers
- 1 Sustainable Management
 - 1.1 Sustainability Governance
 - 1.2 Material Topics and Stakeholder Engagement
- 2 Governance and Operations
- 3 Innovation and Service
- 4 Sustainable Environment
- 5 Talent Development and Social Inclusion
- 6 Occupational Health and Safety
- Appendix

Topic Category	Material Sustainability Topic	Management Policy	Management Approach	Value Chain Impact Boundary			Responsible Unit	Corresponding Section	Corresponding GRI Topic	Corresponding SASB Standard
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Environmental	Climate Strategy and Actions	<ul style="list-style-type: none"> The semiconductor materials manufacturing industry is energy-intensive. A significant amount of electricity is consumed during the ingot production process, which is directly correlated to Scope 2 organizational greenhouse gas emissions. To address this, GlobalWafers Group continues to expand the verification coverage and category completeness of greenhouse gas emissions across its sites. In response to climate change, GlobalWafers not only conducts detailed assessments of climate-related risks and opportunities but also monitors international climate initiatives and standards (such as RE100, SBTi, ISO 14068:2023) and country-specific regulations at its operating locations (e.g., CBAM, the Corporate Sustainability Due Diligence Directive, and Taiwans carbon fee policy). GlobalWafers is currently an official member of RE100. 	<ul style="list-style-type: none"> GlobalWafers climate governance and management framework comprises a three-tiered structure involving the Board of Directors, the Sustainability Development Committee, and the relevant execution teams. This structure ensures top-down oversight of operational performance and material climate-related issues. Review mechanisms are conducted on a monthly, quarterly, semi-annual, and annual basis. By increasing the verification coverage of organizational GHG emissions (in accordance with ISO 14064-1:2018), GlobalWafers monitors the emissions of its operating sites, identifies major emission hotspots, and formulates GHG management strategies across the value chain. By increasing the verification coverage of product carbon footprints (in accordance with ISO 14067:2018), GlobalWafers monitors the emissions of key products, identifies their major emission hotspots, and formulates GHG management strategies across the value chain. 	✓	✓	✓	Sustainable Operations Subcommittee Green Manufacturing Subcommittee	4.1 Climate Strategies and Actions 4.1.1 Greenhouse Gas Inventory	GRI 305: Emissions	TC-SC-110a.1 TC-SC-110a.2
	Energy Management	<ul style="list-style-type: none"> The semiconductor materials manufacturing industry is energy-intensive. A significant amount of electricity is consumed during the ingot production process, which is directly correlated to Scope 2 organizational greenhouse gas emissions. To address this, the Group continues to enhance the implementation of energy management systems (ISO 50001:2018) across its operational sites. In addition to reducing total electricity consumption through internal control measures, GlobalWafers also plans to introduce renewable energy. In October 2022, the Company officially joined the RE100 initiative. Strategies adopted include installing on-site renewable energy generation systems for self-consumption, signing long-term power supply agreements with local utilities, entering into long-term contracts with local electricity retailers, and purchasing external renewable energy certificates. These measures aim to increase the proportion of renewable energy usage across GlobalWafers Group sites. 	<ul style="list-style-type: none"> GlobalWafers climate governance and management framework comprises a three-tiered structure involving the Board of Directors, the Sustainability Development Committee, and the relevant execution teams. This structure ensures top-down oversight of operational performance and material climate-related issues. Review mechanisms are conducted on a monthly, quarterly, semi-annual, and annual basis. Through the energy management system and its supervision and measurement procedures, the Company monitors major energy-consuming equipment. 	✓	✓	✓	Sustainable Operations Subcommittee Green Manufacturing Subcommittee	4.2 Energy Management	GRI 302: Energy	TC-SC-130a.1



- About This Report
- 2024 Key Indicators and Recognitions
- Message from the Chairperson
- About GlobalWafers
- 1 Sustainable Management
 - 1.1 Sustainability Governance
 - 1.2 Material Topics and Stakeholder Engagement
- 2 Governance and Operations
- 3 Innovation and Service
- 4 Sustainable Environment
- 5 Talent Development and Social Inclusion
- 6 Occupational Health and Safety
- Appendix

Topic Category	Material Sustainability Topic	Management Policy	Management Approach	Value Chain Impact Boundary			Responsible Unit	Corresponding Section	Corresponding GRI Topic	Corresponding SASB Standard
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Environmental	Waste Management	<ul style="list-style-type: none"> Waste disposal or resource recycling regulations of the countries where each operating site is located Waste disposal management procedures of each operating site 	<ul style="list-style-type: none"> GlobalWafers' climate governance and management framework comprises a three-tiered structure involving the Board of Directors, the Sustainability Development Committee, and the relevant execution teams. This structure ensures top-down oversight of operational performance and material climate-related issues. Review mechanisms are conducted on a monthly, quarterly, semi-annual, and annual basis. Enhance internal waste management processes through continuous monitoring via the Environmental Management System (ISO 14001:2015) and periodic audits of waste disposal contractors. 	✓	✓	✓	Sustainable Operations Subcommittee Green Manufacturing Subcommittee	4.4 Waste Management	GRI 306: Waste	TC-SC-150a.1
	Water Resources Management	<ul style="list-style-type: none"> The semiconductor materials manufacturing industry relies heavily on high-purity water due to its inherent characteristics. Ensuring access to clean and stable water sources is a key concern for the GlobalWafers Group. To this end, we continuously monitor the water intake status of our sites, as well as climate-related disasters (such as flooding, tsunamis, and droughts). In accordance with GRI Standards and water risk assessment tools (such as the Aqueduct Water Risk Atlas), we review the water intake conditions of our operational sites and monitor facilities identified as having medium or higher water risk, evaluating their sources and potential risk impacts. Increase the proportion of alternative water sources at each operational site to reduce dependence on external water bodies. 	<ul style="list-style-type: none"> GlobalWafers climate governance and management framework comprises a three-tiered structure involving the Board of Directors, the Sustainability Development Committee, and the relevant execution teams. This structure ensures top-down oversight of operational performance and material climate-related issues. Review mechanisms are conducted on a monthly, quarterly, semi-annual, and annual basis. Increase the water recycling rate at operational facilities or modify process designs to reduce total water withdrawal from all sources and increase the proportion of alternative water sources at each site, thereby lowering dependence on external water bodies. 	✓	✓	✓	Sustainable Operations Subcommittee Green Manufacturing Subcommittee	4.3 Water Resources Management	GRI 303: Water and Effluents	TC-SC-140a.1
Social	Talent Attraction and Retention	<ul style="list-style-type: none"> Regularly review the compensation structure to maintain competitiveness in the talent market; establish a talent development system to cultivate the professional and managerial personnel needed by the Company (competency development and employee benefits). 	<ul style="list-style-type: none"> Provide a benefits system that complies with regulations and meets employee needs. Promote career development through succession planning and internal transfers or promotions. Offer diverse labor-management communication channels to encourage employees to freely share suggestions. 		✓	✓	Human Resources Unit	5.1 Human Resources 5.2 Talent Attraction and Retention	GRI 401: Employment GRI 405: Diversity and Equal Opportunity	TC-SC-330a.1



- About This Report
- 2024 Key Indicators and Recognitions
- Message from the Chairperson
- About GlobalWafers
- 1 Sustainable Management
 - 1.1 Sustainability Governance
 - 1.2 Material Topics and Stakeholder Engagement
- 2 Governance and Operations
- 3 Innovation and Service
- 4 Sustainable Environment
- 5 Talent Development and Social Inclusion
- 6 Occupational Health and Safety
- Appendix

Topic Category	Material Sustainability Topic	Management Policy	Management Approach	Value Chain Impact Boundary			Responsible Unit	Corresponding Section	Corresponding GRI Topic	Corresponding SASB Standard
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Social	Talent Development	Upholding a people-oriented philosophy, the Company is committed to providing fair and diverse development opportunities. Through comprehensive career planning, training systems, and succession programs, the Company cultivates high-potential talent, enhances employee competitiveness, and ensures sustainable business development, promoting the parallel growth of both the organization and individuals. <ul style="list-style-type: none"> • Talent Development Quality Management Manual • Education and Training Management Procedures • Human Resources and Training Management Procedures • Training and Development Management Guidelines 	Through internal and external training, job rotation mechanisms, and mentoring programs, the Company strengthens employees professional and managerial capabilities, while establishing a succession plan to ensure seamless transitions for critical positions. At the same time, by implementing performance management and development dialogues, the Company fosters employee growth and builds a learning-oriented organization to support long-term business competitiveness.		✓		Human Resources Unit	5.3 Talent Attraction and Retention	GRI 404: Training and Education	-
	Occupational Health and Safety	<ul style="list-style-type: none"> • Occupational Safety and Health Management Regulations and EHS Responsibility Procedures • Employee Work Rules • Procedures for Ethical Business Management and Guidelines for Employee Conduct 	<ul style="list-style-type: none"> • In the event of earthquakes or fires that damage machinery or equipment and cause operational disruption or property loss, employee safety awareness is enhanced through training and awareness campaigns • Relevant policies are established and regularly reviewed, and employees' compliance awareness is strengthened through education and communication initiatives 	✓	✓	✓	Human Resources Unit Environmental, Health and Safety Unit	6.1.2 Occupational Safety Management 6.1.4 Occupational Injuries and Incident Statistics	GRI 403: Occupational Health and Safety	TC-SC-320a.1 TC-SC-320a.2

