GlobalFoundries Awarded $35 Million Funding from U.S. Government to Accelerate Manufacturing of Next-Generation GaN Chips

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In partnership with U.S. Government, GF's semiconductor manufacturing facility in Vermont continues to move closer to large-scale production of next-generation gallium nitride chips for use in aerospace and defense, cellular communications, industrial IoT and automobiles

ESSEX JUNCTION, Vt., Oct. 18, 2023 (GLOBE NEWSWIRE) -- GlobalFoundries (Nasdaq: GFS) (GF) has been awarded $35 million in federal funding from the U.S. government to accelerate the manufacturing of GF's differentiated gallium nitride (GaN) on silicon semiconductors at its facility in Essex Junction, Vermont. This funding brings GF closer to large-scale production of GaN chips, which are unique in their ability to handle high voltages and temperatures. These chips are positioned to enable game-changing performance and efficiency in 5G and 6G cellular communications for infrastructure and handsets, automotive and industrial Internet of things (IoT), as well as power grids and other critical infrastructure.

With the new $35 million in funding, awarded by the Department of Defense's Trusted Access Program Office (TAPO), GF plans to purchase additional tools to expand development and prototyping capabilities, moving closer to at-scale 200mm GaN-on-silicon semiconductor manufacturing. As part of the investment, GF plans to implement new capabilities for reducing the exposure of GF and its customers to supply chain constraints of gallium, while improving the speed of development, assurance of supply and competitiveness of U.S-made GaN chips.

The funding builds on years of collaboration with the U.S. government – including $40 million in support from 2020-2022 – that leverages the talent of GF's Vermont team and their 200mm semiconductor manufacturing experience, and applies it to GaN-on-silicon manufacturing. 200mm is state-of-the-art for GaN chip technology.

"Vermont is a leader in semiconductor innovation. This federal funding is welcome news, and will solidify our state's position as a leader at the forefront of manufacturing next-generation chips," said Senator Peter Welch. "It's critical we support investment in this industry here in Vermont and in the U.S. – both for our local economic growth and for our national security. I look forward to continuing to fight for our domestic semiconductor and chip manufacturers in the Senate."

"This strategic investment continues to strengthen our domestic ecosystem of critical dual-use commercial technologies, ensuring they're readily available and secure for DoD utilization. In concert with key partners, we're proactively shaping the future of our defense systems," said The Honorable Christopher J. Lowman, Assistant Secretary of Defense for Sustainment.

"GaN on silicon is an ideal technology for high performance radio frequency, high voltage power switching and control applications for emerging markets, and it's important for 6G wireless communications, industrial IoT, and electric vehicles," said Dr. Thomas Caulfield, president and CEO of GF. "GF has a longstanding partnership with the U.S. government, and this funding is critical to move GaN on silicon chips closer to volume production. These chips will enable our customers to realize bold new designs that push the envelope of energy efficiency and performance of critical technologies we rely on every day."

GF's facility in Essex Junction, Vermont, near Burlington, was among the first major semiconductor manufacturing sites in the United States. Today around 1,800 GF employees work at the site. Built on GF's differentiated technologies, these GF-made chips are used in smartphones, automobiles, and communications infrastructure applications around the world. The facility is a DMEA accredited Trusted Foundry and manufactures secure chips in partnership with the U.S. Department of Defense, for use in some of the nation's most sensitive aerospace and defense systems.

About GF

GlobalFoundries (GF) is one of the world's leading semiconductor manufacturers. GF is redefining innovation and semiconductor manufacturing by developing and delivering feature-rich process technology solutions that provide leadership performance in pervasive high growth markets. GF offers a unique mix of design, development, and fabrication services. With a talented and diverse workforce and an at-scale manufacturing footprint spanning the U.S., Europe and Asia, GF is a trusted technology source to its worldwide customers. For more information, visit www.gf.com.

Forward-looking Information

This news release may contain forward-looking statements, which involve risks and uncertainties. Readers are cautioned not to place undue reliance on any of these forward-looking statements. These forward-looking statements speak only as of the date hereof. GF undertakes no obligation to update any of these forward-looking statements to reflect events or circumstances after the date of this news release or to reflect actual outcomes, unless required by law.

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